Infrastructure Funding Statement 2020/2021

INTRODUCTION

Since 2020, Local Planning Authorities are required to produce an infrastructure funding statement on an annual basis as a result of government guidance. This is Lancaster City Council’s second infrastructure report and it will be updated on an annual basis. This report provides a summary of the Section 106 Planning Obligations, also known as Developer Contributions, that the Council has secured, received and spent from planning permissions for off-site and on-site infrastructure in 2020/2021.

In summary, the report provides:

* An overview of Section 106 Planning Obligations secured in 2020/2021;
* Financial contributions and provisions received under a Section 106 Planning Obligation received by the Council in the 2020/2021 monitoring period;
* Financial contributions that have been spent in 2020/2021; and
* Financial contributions that have been received under a Section 106 Planning Obligation prior to 2020/2021 but are currently unspent.

The information included in the report will be updated annually and published on the Council’s website meaning the information will be readily available to members of the public and other interested parties. This report will present the most up to date information on the amount of Section 106 Planning Obligations received by the Council from new developments, and on where these monies have been spent. If you have any other queries about Section 106 Planning Obligations you can email S106@lancaster.gov.uk

2020/2021 was a challenging year for everyone due to the Covid-19 pandemic. Particularly during the early stages many industries had to change the way they worked and many companies had to furlough staff. The construction industry was hit hard and developments had to stop, and when construction could recommence there was a shortage of materials and social distancing measures which delayed developments.

SECTION 106 OBLIGATIONS

Under section 106 (s106) of the Town and Country Planning Act 1990 a Local Planning Authority (LPA) can seek obligations from the developer, also referred to as ‘Developer Contributions’ or ‘Planning Obligations’ or ‘Section 106/S106 obligations’. Section 106 Planning Obligations are legal obligations entered into to mitigate the impacts of a development proposal. Councils should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or Section 106 Planning Obligations. Section 106 Planning Obligations should only be used where it is not possible to address unacceptable impacts through a planning condition, and they must meet the following tests:

* necessary to make the development acceptable in planning terms;
* directly related to the development; and
* fairly and reasonably related in scale and kind to the development.

They are used to individually or collectively fund infrastructure that is required to support the development.

For example, new residential developments place additional pressure on existing social, physical and economic infrastructure in the surrounding area. Developer contributions aim to balance this extra pressure with improvements to the surrounding area to ensure that a development makes a positive contribution to the local area (for example, contributions towards education, providing areas of open space or highway improvements).

The obligations may be provided directly by the developers. For example, the developer may build a certain number of affordable homes on-site. Alternatively, contributions can be met in the form of financial payments to the Council to provide off-site infrastructure works or contributions towards providing affordable housing elsewhere in the District.

The Council cannot ask for contributions via section 106 planning obligations in certain circumstances:

“Planning obligations for affordable housing should only be sought for residential developments that are major developments…For residential development, major development is defined in the National Planning Policy Framework as development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. For non-residential development it means additional floorspace of 1,000 square metres or more, or a site of 1 hectare or more. Planning obligations should not be sought from any development consisting only of the construction of a residential annex or extension to an existing home.”

Planning Practice Guidance 2019 Paragraph 023 ‘Planning Obligations’ <https://www.gov.uk/guidance/planning-obligations>

S106 OBLIGATIONS THAT HAVE BEEN SECURED IN 2020/2021

Between 1 April 2020 to 31 March 2021 there were 6 planning permissions issued that had a S106 agreement with developer obligations attached to the consent. These are:

|  |  |  |  |
| --- | --- | --- | --- |
| Planning Application Ref | Development Address | Proposal | Obligations |
| 18/01367/OUT | Land West Of Hadrian Road, Morecambe, Lancashire | Outline application for erection of 13 dwellings (C3) | * Affordable Housing – to be determined at the Reserved Matters application
 |
| 16/00335/OUT | Land Between Brewers Barn And The A601(M), Carnforth Brow, Carnforth, Lancashire, LA5 9LJ | Outline application for the erection of up to 158 dwellings with associated new vehicular access, incorporating a roundabout and access road, and pedestrian/cycle access points | * Affordable Housing – to be determined at Reserved Matters Application
* Education Contribution for secondary school places – to be determined at the Reserved Matters application
* Off-site Public Open Space Contribution – to be determined at the Reserved Matters application
* Young Persons Open Space Contribution – to be determined at the Reserved Matters application
* Public Open Space Provision – to be determined at the Reserved Matters application
* Travel Plan Contribution - £12,000
* Public Right of Way Contribution £15,000
* Canal Towpath Contribution £102,000
 |
| 17/00848/OUT | Land South Of Playing Field Trumacar Lane, Middleton Road, Heysham, Lancashire | Outline application for the erection of up to 75 dwellings with associated access | * Affordable Housing provision of at least 18.66% dwellings
* Open Space Contribution - £80,000 (subject to indexation), however, this may be recalculated at the Reserved Matters Application
* Provision, management and maintenance of common parts.
 |
| 19/01158/FUL | Land North Of Hala Carr Farm, Bowerham Road, Lancaster, Lancashire | Erection of 34 dwellings with associated access and alterations to land levels | * Affordable Housing Provision – 4 affordable housing units
* Education Contribution - £96,740.64 (subject to indexation) for secondary school places. Contribution will be paid directly to Lancashire County Council
* Off-site Public Open Space Contribution - £65,380 (subject to indexation)
 |
| 19/00438/FUL | Land Off Marsh Lane And Main Street, Cockerham | Erection of 36 dwellings, creation of vehicular access with associated landscaping, regrading of land levels and provision of surface water drainage scheme and public open space | * Affordable Housing Provision – 11 units (6 shared ownership and 5 affordable rent)
* Provision, management and maintenance of public open space.
* Education Contribution for 4 secondary school places - £92,247.00 for Ripley St Thomas CE Academy or Garstang Academy (subject to indexation).
* Off-site Public Open Space Contribution - £60,000 towards play equipment/provision and/or sports facilities within the village of Cockerham. Lancaster City Council (L.C.C.) will provide the contribution to Cockerham Parish Council (C.P.C) following a written request from C.P.C to L.C.C.
 |
| 20/00277/FUL  | Land At Grid Reference 351057 464848, Low Road, Halton, Lancashire | Erection of 9 dwellings with associated infrastructure and landscaping | * Education Contribution for primary education – £16,749.96 for 1 primary school place at Caton Community School and/or Nether Kellet Primary School. Contribution to be paid direct to Lancashire County Council.
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The above agreements can be viewed at <http://www.lancaster.gov.uk/planning/view-applications-and-decisions>

AFFORDABLE HOUSING PROVISION 2020/2021

2020/2021 saw a challenging year for developers with the Covid-19 pandemic closing construction sites during lockdowns. However, despite national lock downs and lack of availability in materials, 17 affordable housing units were completed on developments in the Lancaster District and transferred to a registered provider in 2020/2021. These provisions were secured through previous S106 agreements:

|  |  |  |
| --- | --- | --- |
| Planning Application Ref. | Development Address | No. of Affordable Units Provided |
| 14/01344/OUT | Land south of Low Road, Halton, Lancashire | 6 Shared Ownership |
| 14/01344/OUT | Land south of Low Road, Halton, Lancashire | 4 Affordable Rent |
| 17/00165/OUT | Land between Low Road and Forge Lane, Halton, Lancashire | 5 Shared Ownership |
| 17/00165/OUT | Land between Low Road and Forge Lane, Halton, Lancashire | 2 Affordable Rent |

AFFORDABLE HOUSING CONTRIBUTIONS 2020/2021

No affordable housing contributions were received in 2020/2021. This is due to the council successfully securing provision of on-site affordable housing in lieu of a contribution.

In 2020/2021 a total of £250,000.00 was spent from the Affordable Housing Contributions on the Lune Valley Community Housing Trust project to provide 20 affordable housing units. Development of the project has commenced, and you can view the planning application by clicking [here](https://planning.lancaster.gov.uk/online-applications/simpleSearchResults.do?action=firstPage).

To date, the total of unspent affordable housing contributions is £209,880.38.

OTHER FINANCIAL CONTRIBUTIONS RECEIVED IN 2020/2021

The table below outlines financial contributions received under a Section 106 Planning Obligation in 2020/2021

|  |  |  |  |
| --- | --- | --- | --- |
| Planning Application Ref | Development Address | Contribution Amount | Contribution Purpose |
| 16/00574/FUL | Luneside East St Georges Quay Lancaster | £19,000 | Contribution for the provision of a pedestrian path and associated tree works as described in the S106 agreement. |

CONTRIBUTIONS SPENT IN 2020/2021

Below is a table that sets out S106 contributions that have been received in previous financial years and spent in year 2020/2021.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Planning Application Ref | Development Address | Contribution Amount | Contribution Purpose | Spending details |
| 15/00199/FUL | Land at Walkers Industrial Estate, Middleton Road, Middleton, Lancashire | £2,000 | Wildlife contribution | Further £210 spent, £42.00 remains |
| 99/00087/FUL | 10-12 Market Street, 33-39 Church Street, Lancaster & Mitre House Car Park | £183,000 (£9,243.75 left) | Historic Homes Grant | Further £1129.10 spent, £9243.75 remains |

CONTRIBUTIONS REIMBURSED IN 2020/2021

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Planning Application Ref | Development Address | Contribution Amount | Contribution Purpose | Reason for reimbursement  | Reimbursement date |
| 10/00157/FUL | Galgate Ex Service and Working Mens Club, Chapel Street, Galgate, Lancaster | £2,000 | Contribution to County Council for the implementation of 20mph zone on Chapel Street, Galgate | Contribution not spent within the time frame set out in the agreement | 06/11/2020 |

CONTRIBUTIONS RECEIVED PRIOR TO 2020/2021

Local Planning Authorities now need to report on unspent contributions received in previous years. The table below shows all unspent contributions secured prior to 2020/2021 and states whether the contribution has been allocated and remains unspent, or has not yet been allocated.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Planning Application Ref. | Development Address | Contribution Amount | Contribution Purpose | Contribution Position | Payback date |
| 14/00129/FUL | Nightingale Hall Farm, Quernmore Road, Lancaster, Lancashire | £70,000 | Contribution for a creation of a cyclepath from Derwent Road to the City Centre |  | 31 July 2020 – project could not be delivered, to be reimbursed  |
| 99/00087/FUL | 10-12 Market Street, 33-39 Church Street, Lancaster & Mitre House Car Park | £9243.75 remaining | Contribution is to be used for a grant fund for historic homes in Lancaster City Centre | Unspent | No payback |
| 09/01204/FUL | Land at Lansil Industrial Estate, Lansil Way, Lancaster | £25,000 | Contribution to County Council towards Real Time Bus Information | Project could not be brought forward, due to be reimbursed | In touch with developers to organise a reimbursement |
| 13/00122/VCN | Lancaster Moor Hospital, Quernmore Road, Lancaster, Lancashire | £217 remains from original £131,783 contribution | Contribution to County Council for a cycleway along Quernmore Road | Allocated but £217 remains unspent, due to be reimbursed | 14/02/2018 |
| 14/00587/VCN | Luneside West Development Site, Thetis Road, Lune Business Park, Lancaster, Lancashire | £3,500 remains from £5,500 contribution  | Contribution towards footpath link | Project could not be implemented. £3,500 to be reimbursed | 09/10/2019 to be reimbursed |
| 14/00587/VCN | Luneside West Development Site, Thetis Road, Lune Business Park, Lancaster, Lancashire | £3,500 remains from £5,700 contribution  | Contribution towards footpath link | Project could not be implemented. £3,500 to be reimbursed | 09/10/2019 remaining to be reimbursed |
| 15/00813/FUL | Land adjacent Campbell Drive, Lancaster | £72,008.50 | Contribution towards pitch improvements at Far Moor playing fields, Lancaster | Allocated | 09/06/2022 |
| 16/00255/VCN | Land north of 1 to 23 Stoney Lane, Galgate, Lancashire | £216,533.00 | Education Contribution for 18 school places at St John The Evangelist Church of England Primary School in Galgate | Unspent  | No payback date |
| 15/01278/FUL | Land at Coastal Road, Bolton Le Sands, Lancashire | £9,276 remains from £24,196 Open Space Contribution  | Open Space Contribution to be spent on City Council parks  | Remaining has been allocated | 12/09/2022 |
| 14/00129/FUL | Nightingale Hall Farm, Quernmore Road, Lancaster, Lancashire | £71,283 | Education Contribution  | Not allocated  | 25/08/2022 |
| 14/00129/FUL | Nightingale Hall Farm, Quernmore Road, Lancaster, Lancashire | £4,400.74 | Indexation payment in respect of Education Contribution for £71,283 | Not allocated | 19/03/2023 |

FUTURE S106 CONTRIBUTIONS

In 2020/2021 the following contributions are expected to be received by the council:

|  |  |  |  |
| --- | --- | --- | --- |
| Planning Application Ref. | Development address | Contribution Amount | Contribution Purpose |
| 13/01274/FUL | 47-51 North RoadLancasterLancashire | £17,000 | Highways contribution towards the provision of a Toucan Crossing in a specified area. |
| 17/00165/OUT | Land between Low Road and Forge LaneHaltonLancashire | £149,281.75 | Education contribution (part 1 of 2) for 21 primary school places within a 2 mile radius of the development site |
| 16/01081/VCN | Agricultural building adjacent to disused railwayStation RoadHornbyLancashire | £26,000 | Affordable housing contribution |

MONITORING FEES 2020/2021

Local Planning Authorities must report on monies received under planning obligations that are spent in respect of monitoring in relation to the delivery of planning obligations. Lancaster City Council currently does not receive monitoring fees by means of a S106 agreement.