Infrastructure Funding Statement 2024/2025

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 sixth infrastructure report and will be updated annually. 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 the year 2024/2025.

In summary, the report provides:

- An overview of Section 106 Planning Obligations secured in 2024/2025;
- Financial contributions and provisions received under a Section 106 Planning Obligation received by the Council in the 2024/2025 monitoring period;
- Financial contributions that have been spent in 2024/2025; and
- Financial contributions that have been received under a Section 106 Planning Obligation prior to 2024/2025 but are currently unspent.

The information included in the report is 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 other queries about Section 106 Planning Obligations, you can email S106@lancaster.gov.uk.

SECTION 106 OBLIGATIONS

Under Section 106 (s106) of the Town and Country Planning Act 1990, a Local Planning Authority (LPA) can seek obligations from a 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. In determining Planning Applications, the Local Planning Authority will consider whether an 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;
- Fairly and reasonably related in scale and kind to the development.

These tests are set out as statutory tests in Regulation 122 of the Community Infrastructure Levy Regulation 2010 (as amended by the 2011 and 2019 Regulations) and as policy tests in the National Planning Policy Framework. 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 and provide on-site public open space. Alternatively, financial contributions may be necessary to make the development acceptable. Financial Obligations will be made to the City Council or the County Council, responsible for highways and education Infrastructure, to provide and/or support the implementation of 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 meters 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.”

Further guidance to the use of Planning Obligations can be found within the Planning Practice Guidance 2019 Paragraph 023 ‘Planning Obligations’ Planning obligations - GOV.UK. The exception to this includes residential development in the district’s two National Landscapes. Policy DM6 of the Development Management (DM) Development Plan Document (DPD) and Policy AS03 of the Arnside and Silverdale Area of Outstanding Natural Beauty (AONB) DPD set a lower threshold for affordable housing on residential developments in line with the Planning Practice Guidance.

S106 OBLIGATIONS THAT HAVE BEEN SECURED IN 2024/2025

Between 1 April 2024 to 31 March 2025 there were 7 Planning Permissions issued that had a s106 Agreement containing developer obligations attached to the consent. There were a further 3 Variations/Removal of Conditions Applications that were received that required amendments to original s106 Agreements. There was 1 Appeal with Planning Obligations within this period. All the s106 Agreements received between 1 April 2024 and 31 March 2025 are summarised below:

Planning Application Reference	Development Address	Proposal	Obligation
21/01284/FUL 19.4.2024 (decision date)	Land South of Hawthorn Avenue Hawthorn Avenue Brookhouse Lancashire	Erection of 25 adaptable bungalows for over 55's with associated access, internal roads and landscaping.	• Public Open Space Provision. • Biodiversity Net Gain. • Establishment of a Management Company. • Occupancy Restriction to persons no less than 55 years of age and family members.
23/00398/FUL 30.04.2024 (decision date)	Land At Grid Reference E341283 N458126 Natterjack Lane Middleton Lancashire	Erection of 49 dwellings (C3) with access, associated infrastructure including provision of bus turning circle, open space and landscaping.	• Affordable Housing Contribution to the sum of £236,601. • Off-Site Public Open Space Contribution to the sum of £70,389.50. • Public Open Space and Local Public Open Space provision. • Establishment of a Management Company. • Biodiversity Net Gain and Habitat Mitigation.
24/00321/VCN 22.05.2024 (decision date)	Land At Mill Lane Low Mill Mill Lane Caton Lancashire	Erection of 9 dwellinghouses with associated access, engineering works to provide sustainable drainage, construction of internal roads and provision of a package	With this Section 73 application a Deed of Variation to the original planning obligation has been secured. This deed legally ties this application to the original terms of the

		treatment plant (pursuant to the variation of condition 2 on planning permission 23/00511/VCN to alter the design of plots 8 and 9 and inclusion of garages).	obligation with changes to Affordable housing as below. • Affordable Housing Contribution to the sum of £255,000 in lieu of on-site Affordable Housing.
22/00618/FUL 19.06.2024 (decision date)	Land North of Rectory Gardens Lancaster Road Cockerham Lancashire	Demolition of existing agricultural buildings and erection of 22 dwellings (C3) with associated garages, internal roads and open space.	• Off-Site Public Open Space Contribution to the sum of £22,328.70 • Young Persons Play Provision Contribution to the sum of £10,000 • Public Open Space Provision. • Establishment of a Management Company. • On-Site Affordable Housing Provision (30% of total site). • Biodiversity Net Gain
22/00185/FUL 05.07.2024 (decision date)	Lancaster Business Park Cottams Farm Caton Road Quernmore Lancashire	Erection of six buildings comprising of 10 units for general industrial or storage and distribution uses (Use Classes B2 and B8), with associated infrastructure, attenuation pond, access, parking, electric vehicle charging points, service yards, landscaping and boundary treatments.	• Travel Plan Contribution to the sum of £6,000, subject to BCIS indexation.
23/01468/FUL 13.11.2024 (decision date)	Greendales Farm Caravan Park Carr Lane Middleton Morecambe	Siting of two static caravans to replace two holiday pods, siting of nine new static caravans, creation of outdoor gym in amenity area and landscaping.	• Provision to control the occupancy and use of the caravans for holiday purposes only.

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23/00891/VCN 14.11.2024 (decision date)	Land At Royal Albert Farm Pathfinders Drive Lancaster Lancashire	Erection of 53 dwellings, 1 3-storey building comprising 8 2-bed apartments and conversion of Derby Home to 8 apartments, regrading of land, creation of parking areas, internal roads including associated upgrading works to Pathfinders Drive, footpaths, drainage infrastructure and provision of open space (pursuant to the variation of condition 2 on planning permission 19/01568/FUL to amend the appearance and layout of Derby Home).	With this Section 73 application a Deed of Variation to the original planning obligation has been secured. This deed legally ties this application to the original terms of the obligation with changes to the Affordable Housing. • Changes to the tenure of the Affordable Homes within Derby Home to First Homes, and amendments to the relevant Affordable Housing clauses to reflect the revised Affordable Housing Scheme.
24/00865/VCN 27.2.2025 (decision date)	Land South of Hawthorn Avenue Hawthorn Avenue Brookhouse Lancashire	Erection of 25 adaptable bungalows for over 55's with associated access, internal roads and landscaping (pursuant to the variation of conditions 2, 12, 14 and 16 on approved application 21/01284/FUL to revise the energy report (omitting solar panels and to include air source heat pumps), to provide full details of the finished floor levels and retaining features to accommodate	Deed of Variation to the original S106 to bind the Section 73 Planning Permission to the original terms of the S106 Agreement and to amend drawing references to account for the amended layout. The original terms remain unaltered by this decision.

		amendments to the site layout and boundary layout plans).	
23/01216/FUL 28.3.2025 (decision date)	Land Adjacent Bowerham Hotel Bowerham Road Lancaster Lancashire LA1 4DT	Erection of Class E units with associated access, parking and loading bay, landscaping, infrastructure and demolition of existing outbuilding.	• Public Open Space contribution to the sum of £70,000.
23/00793/FUL 29.10.2024 (decision date)	5 - 11 Brock Street Lancaster Lancashire LA1 1UR	Conversion of retail and storage building (E) into ground floor retail unit (E) and student accommodation (Sui Generis) to first, second, third and fourth floors comprising of four cluster flats and 19 studio flats with construction of dormer roof extensions to front and rear elevations.	• Public Open Space Contribution to the sum of £6,578.
23/01470/FUL Refused 21.03.2024; Allowed on Appeal 14.03.2025 (decision date)	Land West of Sea View Drive Hest Bank Lancashire	Erection of 27 specialist bungalows for older people, with detached garage and associated access, internal roads, infrastructure, open space, landscaping and parking	• Open Space Contribution to the sum of £24,323.85 • Occupancy Restriction to persons no less than 55 years of age and family members. • On-Site Public Open Space Provision • Establishment of a Management Company • Affordable Housing Provision (45%) • Affording Housing Contribution to the sum of £10,046 • Biodiversity Net Gain

The above agreements can be viewed at http://www.lancaster.gov.uk/planning/view-applications-and-decisions

AFFORDABLE HOUSING PROVISION 2024/2025

85 affordable housing units were completed on developments in the Lancaster District and transferred to a registered provider in 2024/2025. These provisions were secured and provided through s106 Agreements:

Planning Application Reference	Development Address	No. of Affordable Units Provided
19/01568/FUL	Land At Royal Albert Farm, Pathfinders Drive, Lancaster, Lancashire	11 Shared Ownership Units
20/00607/VCN	Land East of Scotland Road, Carnforth, Lancashire	38 Affordable Rented units and 27 Shared Ownership Units.
17/00970/OUT	Land At Higher Bond Gate, Abbeystead Road, Dolphinholme, Lancaster, Lancashire, LA2 9AY	9 Affordable Rented Units (4 Units retrospectively reported)

AFFORDABLE HOUSING CONTRIBUTIONS 2024/2025

During 2024/2025 the Council received an Affordable Housing Contribution of £255,000 relating to Planning Permission 24/00321/VCN.

To date, the total unspent Affordable Housing Contributions stands at £467,859.38.

In 2024/2025 no contributions were spent on Affordable Housing projects.

OTHER FINANCIAL CONTRIBUTIONS RECEIVED IN 2024/2025

The table below outlines Financial Contributions received under a s106 Planning Obligation in 2024/2025.

Planning Applications Reference	Development Address	Contributions Amount	Contribution Purpose
18/00002/FUL	Land At Mill Lane Low Mill Mill Lane Caton Lancashire	£255,000.00	Affordable Housing Contribution
23/00571/FUL	Part Of Former St Georges Works (Pump House) Abram Close Lancaster Lancashire	£20,000.00	Public Open Space Contribution
17/01050/OUT	Land North of Old Hall Farm Kirkby Lonsdale Road Over Kellet Lancashire	£57,904.00	Public Open Space Contribution

CONTRIBUTION SPENT IN 2023/2024

Below is a table that sets out s106 Contributions that have been received in previous financial years and spent in year 2024/2025.

Planning Application Reference	Development Address	Contribution Amount	Contribution Purpose	Spending Details
14/00633/VCN	Land at Lawsons Bridge Scotforth Road Lancaster Lancashire	£65,000.00	Contribution towards the creation of a pedestrian/cycleway between Scotforth Road and Lawsons Bridge.	£47,976.99 towards improvements of a pedestrian/cycleway between Scotforth Road and Lawsons Bridge.
21/00515/FUL	67 and 69 Slyne Road and Land to the Rear Lancaster Lancashire	£40239.50 (index linked)	POS of £40239.50 made up of £7428.75 (index linked) for improvements to adjacent King George Lancaster playing pitches; £3,500 (index linked) towards young persons open space provision in Ryelands Park; £29,310.75 (index linked) towards planting and 3yrs maintenance of 35 trees.	£1,278.77 towards Ryelands Park (£510.77 towards salaries for maintenance; £768 on 4 tree cages).
19/01158/FUL	Land North of Hala Carr Farm Bowerham Road Lancaster Lancashire	£71,125.52	Public Open Space Contribution	£4,180.00 towards drainage works on Winchester field and a gravel path with timber edging from the bridge to the play area.

CONTRIBUTIONS REIMBURSED IN 2024/2025

An Off-Site Highway Contribution to the sum of £17,000, associated with Planning Permission 13/01274/FUL, has been reimbursed during the year 2024/2025.

CONTRIBUTIONS RECEIVED PRIOR TO 2024/2025

Local Planning Authorities need to report on unspent contributions received in previous years. The table below shows all unspent contributions secured prior to 2024/2025 and states whether the contribution has been allocated and remains unspent, or has not yet been allocated.

Planning Application Reference	Development Address	Contribution Amount	Contribution Purpose	Contribution Position	Payback Date
99/00087/FUL	10-12 Market Street, Including The Old Brewery Site And 33-39 Church Street Church Street Lancaster Lancashire	£6,243.75 remaining of £22,600	Contribution is to be used for a grant fund for historic homes in Lancaster City Centre.	Not Allocated	No Payback
14/00129/FUL	Nightingale Hall Quernmore Road Lancaster Lancashire	£71,283 plus indexation of £4,400.74	Education Contribution	Not Allocated	19.03.2028 (19.03.23 indexation)
15/00847/OUT	Warton Grange Farm Farleton Close Warton Carnforth Lancashire LA5 9PE	£48,370.32	Education Contribution	Allocated (Additional 2 placements at Carnforth High School)	25.01.2027
15/00847/OUT	Warton Grange Farm Farleton Close Warton Carnforth	£10,000	Public Open Space Contribution for the provision of a pedestrian path.	Allocated	No Payback

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16/00255/VCN	Land North Of 1 To 23 Stoney Lane Galgate Lancashire	£216,533	Education Contribution	Allocated (Additional 18 places at Ellel St John The Evangelist Church of England Primary School)	No Payback
16/00574/FUL	Luneside East St Georges Quay Lancaster Lancashire	£19,000	Public Open Space Contribution for the provision of a pedestrian path.	Allocated	No Payback
17/00165/OUT	Land Between Low Road And Forge Lane Halton Lancashire	£330,819.50	Education Contribution	Not Allocated	21.01.2027
17/00848/OUT	Land South of Playing Field Trumacar Lane Middleton Road Heysham Lancashire	£60,113.64	Public Open Space Contribution towards improvement of outdoor sports facilities.	Allocated	21.01.2027
17/00970/OUT	Land At Higher Bond Gate Abbeystead Road Dolphinholme Lancaster Lancashire LA2 9AY	£92,247	Education Contribution	Not Allocated	02.08.2028

19/01158/FUL	Land North of Hala Carr Farm Bowerham Road Lancaster Lancashire	£8,402.62 remaining of £71,125.52	Public Open Space Contribution towards new play equipment/provision and/or improvements to the equipped play space and/or young person's provision within the Scotforth East and John O'Gaunts Wards of Lancaster.	Not Allocated	13.06.2027
19/01336/VLA	Land Opposite 26 To 38 Lancaster Road Overton Lancashire	£70,275.03	Education Contribution	Not Allocated	07.01.2027
21/00515/FUL	67 And 69 Slyne Road And Land To The Rear Lancaster Lancashire	£11,501.80 remaining of £47,301	Public Open Space - £7,909.12 for Ryelands Park & £4,089 Young Persons provision.	Allocated	16.10.2028

FUTURE S106 CONTRIBUTIONS

In 2025/2026 the following contributions are expected to the received by the council:

Planning Application Reference	Development Address	Contribution Amount	Contribution Purpose
19/01568/FUL	Land At Royal Albert Farm Pathfinders Drive Lancaster Lancashire	£174,854.65	Open Space Provision
23/01216/FUL	Land Adjacent Bowerham Hotel Bowerham Road Lancaster Lancashire LA1 4DT	£71,403.50	Open Space Provision

MONITORING FEES 2024/2025

Local Planning Authorities must report on monies received under Planning Obligations that are spent in respect of monitoring in relation to the delivery or Planning Obligations. Lancaster City Council did not receive monitoring fees by means of s106 Agreements in 2024/2025.

For any queries, please contact S106@lancaster.gov.uk.