

The Vale of Glamorgan Council

Cabinet Meeting: 4 September, 2017

Report of the Cabinet Member for Regeneration and Planning

Annual Report - Section 106 Legal Agreements 2016-17

Purpose of the Report

1. The purpose of this report is to inform Cabinet about the progress on Section 106 (Planning Obligation) matters that have arisen in the last financial year (April 2016 - March 2017).

Recommendations

1. That Cabinet note the progress made on Section 106 matters between April 2016 and March 2017.
2. That this report be circulated to all Councillors and the Clerks of all Town and Community Councils for information.

Reasons for the Recommendations

1. To inform Cabinet of the progress made on Section 106 matters between April 2016 and March 2017.
2. To inform Members and Town and Community Councillors of the progress made on Section 106 matters between April 2016 and March 2017.

Background

2. Cabinet will be aware that the Council has the power to enter into legal agreements with developers under Section 106 of the Town and Country Planning Act 1990, to seek contributions from developers to mitigate negative development impacts and facilitate development which might otherwise not occur.
3. This report summarises the Council's progress on negotiating, monitoring and implementing planning obligations through Section 106 agreements, for the last financial year.

Relevant Issues and Options

Planning Applications subject to s106 agreements in 2016/17

4. In the 12 months between 1st April 2016 and 31st March 2017, a total of 23 planning permissions have been granted, which have been subject to Section 106 agreements. A list is attached at [Appendix A](#).
5. The value of the financial contributions in these legal agreements totals £9,794,952.16 and they relate to a range of developments including major developments at:
 - Land adjacent to St. Josephs School, Sully Road, Penarth – 74 dwellings
 - Land south of Junction 34, Hensol – mixed use development comprising class B1, B2 and B8 uses; a hotel/residential training centre (class C1/C2); and ancillary uses within class A1, A2, A3
 - Land to the South of Craig Yr Eos Avenue, Ogmore by Sea – 20 units
 - Land at North-West Cowbridge – 475 dwellings
 - Land to the east of St. Nicholas and land to the east of Mink Hollow – 117 dwellings in total
 - Land at Court Close, Aberthin – 20 dwellings
6. The planning obligation requirements secured this year have also included 'in-kind' obligations such as provision of on-site affordable housing, on-site public open space and public art.
7. The financial contributions secured through these legal agreements will be used to provide or enhance facilities off site, such as sustainable transport services and infrastructure, highway improvements, public open space, community facilities, public art and educational facilities.
8. When such contributions are received, consultation is undertaken with all relevant service areas, relevant Cabinet Members and Local Ward Members, to establish how the contributions can be best spent, in accordance with an established and agreed Section 106 protocol.

Implementation of Planning Obligations in 2016/17 – Financial Obligations

9. At 31st March 2017, the Council had £10,989,004.65 within the Section 106 account. The majority of the contributions have been committed to schemes within the Vale of Glamorgan, as agreed by Members and Service Areas, or are pending further consultation. In addition £186,615.85 was held for on-going maintenance costs.
10. Between April 2016 and March 2017 the Council received financial and 'in-kind obligations' in respect of a number of previously outstanding planning agreements, including interest payments where applicable.

11. The Council received financial contributions of £6,723,344.97 between April 2016 and March 2017. In particular, large contributions were received from the following developments:
 - The former residential centre and caravan park in Ogmore by Sea;
 - Ysgol Maes Dyfan, Barry;
 - Land adjacent St. Josephs School, Sully Road, Penarth;
 - Penarth Heights;
 - Brynethin, Dinas Powys
 - Ardwyn, Dinas Powys.
12. A summary of income and spend on each Section 106 agreement between April 2016 and March 2017 is attached at [Appendix B](#), along with an update on progress between April and August.
13. £1,437,773.02 was spent on Section 106 schemes during 2016/17 on a number of schemes, with enhancements to public transport, walking and cycling, new school places, open space enhancements, children's play areas and improvements to community facilities. Photographs of schemes which have been implemented can be found in [Appendix C](#). A summary list is provided below:

Sustainable Transport

- Port Road Footway/Cycle Scheme;
- Barry Island Causeway Improvement Scheme;
- Penarth Cycle Parking Project;
- Llantwit Major minor footpath improvement works;
- Penlan Road Cycle/Footway;
- Lighting scheme at zig-zag path;
- Replacement bus shelters in Penarth; and
- Green links.

Public Open Space

- Plassey Square Play Area;
- George Street Play Area;
- Cwrt Y Vil Play Area; and
- Assisted with Fforest Community Park.

Education

- Gwenfo Primary School; and
- Works started at St. Brides Primary School.

Public Art

- Victoria Gardens enhancements

Community Facilities

- Purchases for The Murchfield Community Centre, Dinas Powys;
- Purchases for Heol Llidiard Community Hall, Llangan.

14. The Council also used Section 106 contributions to provide direct support to third parties, such as Dinas Powys Voluntary Concern, to assist with purchases and implement projects.
15. Further, the Council's Section 106 Officer and Regeneration Department have also been working with groups such as Wenvoe Community Council; Ogmores Village Hall Association; SAINTS in St. Athan and Ystradowen Community Sports Association, to try and ascertain match funding from Welsh Government (using Section 106 monies as the match) to deliver larger schemes identified by the community.

Implementation of Planning Obligations in 2016/17 – 'In Kind' Obligations

16. In addition to financial contributions, the Council has also worked with developers to deliver 'in kind' obligations on the development sites.
17. A total of 217 new build affordable housing units were delivered in 2016/17 via Section 106 Agreements in 2016/17, from major developments such as The Grange, Wenvoe; ITV Studios, Culverhouse Cross; the former caravan park and residential centre in Ogmores by Sea; St. John's Well, St Athan; and the land to the rear of St. David's Primary School, Colwinston. This is the highest recorded number of affordable housing units delivered via section 106 agreements (2015/16 – 111 units; 2014/15 – 57 units; 2013/14 – 12 units).
18. Public open space and public art is being delivered at the majority of major housing sites under construction throughout the Vale of Glamorgan. Notable examples include:
 - The new play area and public art delivered by Taylor Wimpey at Trem Echni, Rhoose (application reference 2012/00937/FUL).
 - Public art delivered by Bellway Homes in Ystradowen (application reference 2013/00856/OUT), comprising of unique ceramic door plaques, and illusory decoration of the existing pump station's fencing.

Strong Communities Fund

19. The Strong Communities Fund has been created with the aim of making such groups less reliant on grants and developing innovative community initiatives and facilities across the Vale of Glamorgan. This scheme amalgamates the Council's Cash Grant, Christmas meals fund and small policy grants into one refocused fund. There may be

opportunities in particular wards for Section 106 funding to be made available to this fund, in addition to the core fund (subject to Cabinet and Local Ward Member approval in accordance with the s106 protocol) to assist Community Groups, the Voluntary Sector, and Town and Community Councils to deliver community infrastructure. The Council will publicise when Section 106 funding becomes available in the Fund, with the relevant terms and conditions, such as the area it is applicable to, and the legal definition of how it is to be spent.

Resource Implications (Financial and Employment)

20. The contributions paid by Developers under the planning obligations system have a positive impact on many of the Council's functions including education, community facilities, open spaces, highways and public transport.
21. The report and appendices set out in detail the financial receipts and spends in respect of s106 agreements for 2016/17.

Sustainability and Climate Change Implications

22. The planning obligations sought through Section 106 Legal Agreements are an important mechanism to mitigate the impacts of new developments. In terms of sustainability, contributions can assist in allowing for the needs of walking and cycling as well as enhancements to public transport all of which can contribute to a reduction in the carbon footprint.

Legal Implications (to Include Human Rights Implications)

23. The planning obligations and CIL systems are covered by Section 106 of the Town and Country Planning Act 1990 (as amended), The Planning Act 2008 (as amended), The Community Infrastructure Levy Regulations 2010 (as amended) and the Localism Act 2011.

Crime and Disorder Implications

24. None arising out of this report, although planning obligations can be related to crime and disorder matters given that such matters are material considerations in the planning process.

Equal Opportunities Implications (to include Welsh Language issues)

25. None arising out of this report, although contributions to various community enhancements and public transport services do improve accessibility to such persons and other services for the benefit of those who otherwise do not have access to facilities.

Corporate/Service Objectives

26. The contributions paid by Developers under the planning obligations system have a positive impact on many of the Council's functions including education, community facilities, highways and public transport, and seek to mitigate the impact upon

services created by new development. More specifically, Section 106 financial and in-kind obligations assist in meeting the Council's Corporate Plan Objectives:

- Objective 2: Providing decent homes and safe communities – increasing the number of sustainable, affordable homes delivered within the Vale of Glamorgan.
- Objective 3: Promoting regeneration, economic growth and employment –delivering sustainable transport improvement schemes; developing opportunities for employment and training through new developments; and Links between Penarth Haven and the Town Centre.
- Objective 4: Promoting sustainable development and protecting our environment - developing a Community Infrastructure Levy which uses developer contributions to improve community facilities.
- Objective 5: Raising overall standards of achievement – using Section 106 Education contributions to assist the education department to meet the Council's aims set out under this objective.
- Objective 7: Encouraging and promoting active and healthy lifestyles – using Section 106 Sustainable Transport contributions to deliver infrastructure which will encourage and promote active and healthy lifestyles; using Section 106 Public Open Space contributions to support play development.

Policy Framework and Budget

27. This is a matter for Executive decision by Cabinet.

Consultation (including Ward Member Consultation)

28. No Ward Member consultation has been undertaken as the report has implications for the Vale of Glamorgan as a whole rather than specific wards. Consultation has been undertaken with the representatives of the relevant service areas.

Relevant Scrutiny Committee

29. Environment and Regeneration.

Background Papers

Town and Country Planning Act 1990
The Community Infrastructure Levy Regulations 2010

Contact Officer

Charlotte Pugh, Senior Planner (Development Contributions)

Officers Consulted

Operational Manager – Accountancy
Operational Manager – Legal Services
Head of Visible Services and Transport
All S106 Service Area Contacts

Responsible Officer:

Rob Thomas, Managing Director