

SWALE BOROUGH COUNCIL

Infrastructure Funding Statement 2020/2021

DECEMBER 2021



(development at Oare Gravel Works - Faversham Lakes)



CONTENT

1. INTRODUCTION	
Section 106 Agreements	3
2. DEFINITION OF INFRASTRUCTURE	4
3. SECTION 106 (PLANNING OBLIGATIONS) REPORT	5 – 6
3.1 Developer Contributions Received in 2020/2021	
3.2 Non-Monetary Contributions for 2020/2021	
3.3 Developments with the largest total contributions 2020/2021	
3.4 Developer Contributions Received in 2020/2021 – by type	
4. DEVELOPER CONTRIBUTIONS SPEND 2020/2021	
4.1 Section 106 Infrastructure Expenditure 2020/2021	7
5. INFRASTRUCTURE PLANNED OR PRIORITISED FOR DELIVERY IN 2021/2022	
5.1 Details of Planned S106 Expenditure	8 – 9
6. CONCLUSION	10

1. **INTRODUCTION**

SECTION 106 AGREEMENTS (S106)

Section 106 Agreements (S106) are legal agreements which provide for on/off site infrastructure that is required to make a development acceptable.

Swale Borough Council seek developer contributions through S106 Agreements (also known as planning obligations).

Section 106 of the Town and Country Planning Act 1990 enables a local planning authority to enter into a negotiated agreement – a planning obligation – to mitigate the impact of a specific development, to make it acceptable in planning terms. The planning obligation might, for example, require the provision or contribution to a new or improved road, school, health facility or local green infrastructure. Local planning authorities can also seek planning obligations to secure a proportion of affordable housing from residential developments. In some instances, Section 106 planning obligations may require payments to be made to parish councils.

Contributions collected from a site must be spent in accordance with the S106 Agreement and are normally paid at a staggered period over the build out of the development. This means there will be intervals in receiving the S106 monies which reflects in a fluctuation of the balance of monies collected. The expenditure balances will also be impacted by the timing of the delivery of projects. These are regulated within a S106 clause which allows time for the key infrastructure delivery partners in receipt of S106 money to plan and account for project delivery complexities.

For those projects with a spend by date, the developer can claw back any unspent S106 contributions not allocated after the period for unspent contributions which are generally five or ten years after receipt of the money depending on the complexity of the project. Swale Borough Council holds the contributions until the projects have been identified and funds are requested to be drawn down. The spend by dates are monitored by the Council to safeguard from developer claw back.



2. DEFINITION OF INFRASTRUCTURE

THE DEFINITION OF INFRASTRUCTURE – taken from ‘Bearing Fruits 2031’ – the Swale Borough Local Plan (adopted July 2017)

STATEMENT 6

Definition of infrastructure

This list of infrastructure requirements is not exclusive, but includes:

- Transport – ports, road networks, car parking, cycle and pedestrian infrastructure, rail and bus provision;
- health - local health facilities;
- social infrastructure – education facilities, supported accommodation and other social care facilities, social and community facilities, sports facilities, open spaces (including accessible natural space), arts and culture, parks and play space;
- green infrastructure – existing and proposed green grid network as identified in the Local Plan Green Infrastructure Plan;
- public services – waste management and disposal, libraries, emergency services, Council offices, Job Centre Plus offices, training facilities, cemeteries, places of worship, prisons and drug treatment centres;
- utility services – non-renewable and renewable energy infrastructure, water supply, waste water treatment, sewerage and telecommunications (including digital internet) infrastructure: and
- flood defence infrastructure – in the context of making new development safe on a site specific basis.

3. SECTION 106 (PLANNING OBLIGATIONS) REPORT

3.1 Developer Contributions Received in 2020/2021

Total money to be provided through planning obligations agreed in 2020 / 2021	£ 4,544,425.53 *
Total money received through planning obligations (whenever agreed) in 2020 / 2021	£ 9,879,000.00
Total money, received through planning obligations (whenever agreed) spent in 2020 / 2021	£ 635,000.00
Total money received through planning obligations (whenever agreed), retained at the end of 2020 / 2021	£11,449,000.00

3.2 Non-Monetary Contributions

Total number of affordable housing units to be provided through planning obligations agreed in 2020 / 2021	34 *
Number of affordable housing units to be provided through <u>variations</u> to original planning obligations (DoV's made in 2020 / 2021)	221
Provision of Public Openspace to be provided through planning obligations agreed in 2020 / 2021	One development

* please note that some S106 agreements relate to outline applications for which reserved matters applications are pending or yet to be submitted, therefore the contribution figure / number of units has yet to be calculated / determined.

3.3 Developments with the largest total contributions received during 2020 / 2021:

15/502912/FULL - Milton Pipes Ltd, Cooks Lane, Sittingbourne	£970,364.08
16/507877/FULL - Land To The West of Crown Quay Lane, Sittingbourne	£3,389,644.65
18/500257/EIFUL - Land adj to Quinton Farm House, Quinton Road, Sittingbourne	£622,914.24
14/502729/OUT - Ospringle Brickworks Sumpter Way Faversham	£117,020.87
15/504264/OUT - Land At Perry Court, London Road, Faversham	£1,906,598.61
15/506681/FULL - Sittingbourne Mill & Wharf Sites Land Adj Milton Road, Mill Way And Charlotte Street Sittingbourne	£320,000.00



14/500561/OUT - Former HBC Engineering Site Power Station Road Halfway Minster-on-sea	£219,968.20
SW/14/0045 - Land East Of Love Lane, Faversham	£715,923.39
18/502735/FULL - Land At Perry Court, Ashford Road, Faversham	£177,065.00

3.4 Development Contributions Received 2020 / 2021:

S106 INFRASTRUCTURE	RECEIVED
Adult Social Care (KCC)	£31,824.53
Affordable Housing (SBC)	£320,000.00
Air Quality Mitigation (SBC)	£88,065.31
Community Infrastructure Provision (KCC)	£219,968.20
Community Learning (KCC)	£32,031.31
Cricket Pitches (SBC)	£61,992.62
Education (secondary and primary) (KCC)	£ 4,381,663.69
Electric Vehicle Charging (SBC)	£20,000.00
Footpath Maintenance (KCC)	£5,581.40
Health Care (NHS/CCG)	£372,143.90
Highways / Junction Improvements (KCC)	£ 216,338.01
Kemsley Train Station	£7,750.00
Libraries (KCC)	£141,500.87
Open Space / Play Areas (SBC)	£205,852.70
Policy A9 Land Assembly (SBC)	£1,544,079.75
Primary Education Land (KCC)	£69,853.67
Public Rights of Way (KCC)	£84,309.51
SAMMS (Strategic Access Management & Mitigation) (Natural England)	£273,537.45
Secondary Education Land (KCC)	£66,610.97
Social Care (KCC)	£49,802.49
Sustainable Transport (SBC & KCC)	£140,030.40
Waste (KCC)	£5,623.33
Wheelie Bins (SBC)	£45,667.78
Youth Services (KCC)	£19,837.19

3. DEVELOPER CONTRIBUTIONS SPEND IN 2020 – 2021 (including closing balance)

3.1 In 2020/2021, £6,350,000.00 was spent towards infrastructure. As a result of the income and expenditure, there is a balance of £11,449,00.00 as of 31 March 2021. Of this balance, the majority is formally committed to specific projects identified within the individual S106 agreements.

S106 INFRASTRUCTURE	S106 SPEND	TOWARDS
CIP Payment (KCC)	£219,968.20	<ul style="list-style-type: none"> • Primary Education - towards the new Queenborough/Rushenden Primary School • Libraries - towards additional stock and resources at Sheerness and Minster on Sea Libraries • Community Learning - towards additional equipment and classes at Sheppey Adult Education Centre, Sheerness • Social Care - towards extra care accommodation
SAMMS (Natural England)	£319,862.13	Strategic Access Management & Mitigation
Selling Parish Council	£11,963.18	Contribution for provision of off-site play equipment
INVVU Construction Consultants Ltd	£2,384.10	Sittingbourne footpath (Spirit of Sittingbourne Development)
Upchurch Parish Council	£12,573.09	Contribution towards the provision of off-site play equipment
Open Space / Play Areas (SBC)	£25,000.00	Provision of open space and play areas within / in the vicinity of the developments
Waste / Recycling Bins (SBC)	£65,578.70	Provision of waste bins at developments

Detail of the monetary and non-monetary receipts from S106 agreements is reflected in the S106 Report at Appendix 1.



4. INFRASTRUCTURE PLANNED OR PRIORITISED FOR DELIVERY IN 2021/2022

S106 funding must be spent in accordance with the terms of the legal agreement (as part of the planning application process). The heads of terms can include a clause to spend the S106 contribution between five and ten years of the agreement. S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement.

S106 income varies on a site-by-site basis depending on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure.

- 4.1 Details of planned S106 expenditure across each main spend area are set out below. Much of our planned spending is focused on smaller-scale improvement works to directly mitigate the impact of development, for example:

£1,002,985.57 towards Primary Education Contribution - Land at Station Road Teynham

£366,963.56 towards Secondary Education Land Contribution- Land at Station Road Teynham

£112,248.89 Healthcare Contribution - Land At Station Road Teynham

£76,841.09 Sports Contribution - Land At Station Road Teynham

£153,585.80 Highways Contribution - Land at Station Road Teynham Contribution

£57,72.79 Play Equipment Contribution - Land at Station Road Teynham

£113,173.65 Highways Contribution - Land at Oare Gravel Works, Ham Road, Faversham

£299,924.98 Primary Education Contribution - Land at Oare Gravel Works, Ham Road, Faversham

£74,498.52 SAMMS Contribution - Land at Oare Gravel Works, Ham Road, Faversham

£69,869.35 Secondary Education Contribution - Land at Oare Gravel Works, Ham Road, Faversham



£40,230.99 Adult Social Care Contribution - Land at Oare Gravel Works, Ham Road, Faversham

£132,192.00 Healthcare Contribution - Land at Belgrave Road, Halfway

£37,570.68 SAMMS Contribution - Land at Belgrave Road, Halfway



5. CONCLUSION

Swale Borough Council is committed to working with the local community and other stakeholders to ensure that planning contributions are used in a fair and transparent way to maximise the benefits and opportunities arising from development and aims to work with infrastructure providers to deliver infrastructure such as new affordable homes, community infrastructure, and highway and environmental improvements needed to support planned growth across the borough of Swale.