

# SOUTH HOLLAND DISTRICT COUNCIL



## INFRASTRUCTURE FUNDING STATEMENT 2020/2021



*Spalding Town Centre on Market Day*

Published December 2021

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# 1. Introduction

- 1.1. District Councils are now required to produce an Infrastructure Funding Statement (IFS) on an annual basis, as a result of changes to legislation introduced by the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 (please see Appendix A).
- 1.2. This report provides a summary of the financial contributions sought and received from developers for the provision of infrastructure to support development in South Holland, and the subsequent use of those contributions by South Holland District Council. The report covers the financial year 1 April – 31 March 2021. **Detailed information can be viewed within the CSV files accompanying this statement and appendices.**
- 1.3. The information within this report will be updated annually and published on the Council's website. This will ensure the most up-to-date information with regards to Section 106 agreements is readily available to members of the public and other interested parties.
- 1.4. The NHS (healthcare), Lincolnshire County Council (education), and Parish Councils (open spaces etc.), will produce their own reports with regards to spend for their specific contributions, as Section 106 monies are transferred to these outside bodies.
- 1.5. Please note the data provided for developer contributions can be subject to change because it represents an estimate at a given point in time, especially in relation to outline planning applications. The details are finalised once a full/reserved matters planning application has been submitted.
- 1.6. South Holland District seeks developer contributions through Section 106 agreements (also known as "planning obligations"). South Holland District Council has not adopted a Community Infrastructure Levy (CIL). CIL is an additional way that local authorities can seek developer contributions. As South Holland District Council is not a CIL charging authority, this Infrastructure Funding Statement relates solely to financial contributions sought through Section 106 agreements which are discussed in more detail below.

## Section 106 Agreements

- 1.7. 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.
- 1.8. Section 106 agreements are drafted when it is considered that a development will have significant impacts on the local area that cannot be moderated by means of conditions attached to a planning decision. For example, a new residential

development can place extra pressure on the social, physical, and/or economic infrastructure which already exists in a certain area. A planning obligation will aim to balance the pressure created by the new development with improvements to the surrounding area ensuring that, where possible, the development will make a positive contribution to the local area and community.

- 1.9. The agreements can cover both on-site and off-site financial contributions. Site-specific financial contributions are secured and must be used for defined purposes. Examples include the provision of education facilities, traffic and transport/highways related works, open space provision, and affordable housing contributions. Provision of on-site affordable housing can be included, as well as non-financial obligations including requirements such as (but not limited to) employment, skills strategies, and travel plans. Off-site financial contributions occur where on-site infrastructure and/or affordable housing is not appropriate. The Council will request a financial contribution(s) from the developer/applicant to meet these needs outside of the development site. These are agreed through a Section 106 obligation.
- 1.10. Where a contribution is required towards highways/education (Lincolnshire County Council) and healthcare (NHS) as a result of new development, these are agreed on a case by case basis, evidenced by an assessment of the impact the development will have, and the mitigation measures required to minimise this impact.
- 1.11. Once a Section 106 agreement has been signed, it is an obligation, but it will only be actioned if the planning permission is implemented and reaches the trigger point for payment. Trigger points include the commencement of development, or prior to a certain percentage of a development being occupied for example. When the planning permission is granted, the Section 106 obligation is registered as a land charge which runs with the land, obligating any future owners until the terms are met.

## 2. Section 106 Agreements – Monitoring Fees

2.1. As a result of the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019, Councils are now expressly allowed to charge monitoring fees in relation to Section 106 agreements, providing they are proportionate and reasonable, and reflect the actual cost of monitoring. The monitoring of Section 106 agreements is costly and requires significant resource, and South Holland District Council therefore took the decision to start charging monitoring fees in September this year. The time spent monitoring Section 106 agreements has been calculated, and a 3-tier cascade system has been introduced to reflect the different amounts of time spent monitoring agreements for different sized developments. Fees are payable at the same time as any legal costs, or on execution of the Section 106 legal agreement. The fee structure is as follows:

<b>Development Size</b>	<b>Fee</b>
Minor Developments – less than 10 residential units and where the gross floor space to be built is up to 1,000 square metres, or where the site area is less than 1 hectare. Where the number of dwellings to be constructed or floor area proposed is not given in the application, a site area of less than 0.5 hectares is classed as a minor development.	£1,500
Small Scale Major Developments – 10-199 residential units (inclusive) and where the gross floor space to be built is 1,000 – 9,999 square metres, or where the site area is 1 hectare and less than 2 hectares. Where the number of dwellings to be constructed or floor area proposed is not given in the application, a site area of between 0.5 hectares and less than 4 hectares is classed as a small-scale major development.	£2,500
Large Scale Major Developments – 200 or more residential units and where the gross floor space to be built is 10,000 square metres or more, or where the site area is 2 hectares or more. Where the number of dwellings to be constructed or floor area proposed is not given in the application, a site area of 4 hectares or more is classed as a large-scale major development.	£3,500

*N.B. Please note charges are not applicable for Deed of Variations.*

### 3. SECTION 106 (PLANNING OBLIGATIONS) REPORT

#### 3.1. Headline Figures

##### Monetary Contributions

<p><b>Total money to be provided</b> through planning obligations agreed in 2020/21 <i>(Please see CSV File - Contributions)</i></p>	£1,621,857
<p><b>Total money received</b> through planning obligations <b>(whenever agreed)</b> in 2020/21 <i>(Please see Appendix B – Summary Spreadsheet of Transactions)</i></p>	£963,451
<p><b>Total money received</b> through planning obligations <b>(whenever agreed), spent</b> in 2020/21 <i>(Please see CSV File Transactions – Filter to Spent)</i></p>	£7,707
<p><b>Total money</b>, received through planning obligations <b>(whenever agreed), transferred to Outside Bodies</b> in 2020/21 <i>(Please see CSV File Transactions – Filter to Transferred)</i></p>	£320,160
<p><b>Total money</b>, received through planning obligations <b>(whenever agreed), held on behalf of Outside Bodies (NHS)</b> in 2020/21 <i>(Please see Appendix B – Summary Spreadsheet of Transactions)</i></p>	£78,251
<p><b>Total money</b>, received through planning obligations <b>(whenever agreed), held on behalf of Outside Bodies (LCC)</b> in 2020/21. Waiting on signed undertakings before transferred. Delayed due to COVID. <i>(Please see Appendix B – Summary Spreadsheet of Transactions)</i></p>	£395,966
<p><b>Total money</b>, received through planning obligations <b>(whenever agreed), retained</b> at the end of 2020/21</p>	£2,367,993



*Spalding Power Station Expansion (H16-0835-17) contributed £231,159 towards 2020/21 s106 transactions.*

### Non-Monetary Contributions

<b>Total number of affordable housing units to be provided</b> through planning obligations agreed in 2020/21	165
<b>Total number of affordable housing units which were provided</b> through planning obligations (whenever agreed) in 2020/21. Please note these were split between Affordable Rent, Intermediate Rent and Shared Ownership	36



*Affordable Housing provided within the Wignals Gate, Holbeach development (H09-1178-19)*



## APPENDIX A: The Regulatory Requirements for Infrastructure Funding Statements

### **The Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019**

#### Regulation 121A states:

(1) Subject to paragraph (2), no later than 31st December in each calendar year a contribution receiving authority must publish a document (“the annual infrastructure funding statement”) which comprises the following—

**(a) a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL (other than CIL to which regulation 59E or 59F applies) (“the infrastructure list”);**

**(b) a report about CIL, in relation to the previous financial year (“the reported year”), which includes the matters specified in paragraph 1 of Schedule 2 (“CIL report”);**

**(c) a report about planning obligations, in relation to the reported year, which includes the matters specified in paragraph 3 of Schedule 2 and may include the matters specified in paragraph 4 of that Schedule (“section 106 report”).**

(2) The first annual infrastructure funding statement must be published by 31st December 2020.

(3) A contribution receiving authority must publish each annual infrastructure funding statement on its website.

## APPENDIX B: Summary Spreadsheet of Transactions 2020-2021

5106											
Current 5106 agreements											
	Application Reference	Location	Payments received 20/21	Date payments banked/ transferred	Category of payment	Amount allocated (including transactions from previous years)	Amount unallocated	Amount Spent / Transferred (including transactions from previous years)	Amount Allocated but Not Spent/ Not Transferred Yet	Recipient of allocated payment	Amount repaid to developer
2020-21	H05-0308-17	184 Fleet Road, Fleet Hargate	£72,695.20	19/08/2020	Education	£72,695.20	£0.00	£0.00	£72,695.20	LCC - waiting for a signed undertaking	n/a
	H05-0308-17	184 Fleet Road, Fleet Hargate	£8,851.39	19/08/2020	Open Spaces	£0.00	£8,851.39	£0.00	£0.00	n/a	n/a
	H09-0288-15	Balmoral Way, Holbeach	£153,384.94	26/03/2021	Education	£153,384.94	£0.00	£0.00	£153,384.94	LCC - waiting for a signed undertaking	n/a
	H02-0673-18	Crease Drive, Crowland	£15,634.41	01/03/2021	Education	£15,634.41	£0.00	£0.00	£15,634.41	LCC - waiting for a signed undertaking	n/a
	H02-0575-18	Crease Drive, Crowland	£10,895.17	31/07/2020	Healthcare	£10,895.17	£0.00	£0.00	£10,895.17	To be transferred to NHS - Agreed to hold monies while restructuring	n/a
	H02-0575-18	Crease Drive, Crowland	£11,013.17	01/03/2021	Healthcare	£11,013.17	£0.00	£0.00	£11,013.17	To be transferred to NHS - Agreed to hold monies while restructuring	n/a
	H02-0575-18	Crease Drive, Crowland	£71,719.23	31/07/2020	Open Spaces	£71,719.23	£0.00	£71,719.23	Transferred	Crowland Parish Council	n/a
	H02-0673-18	Crease Drive, Crowland	£65,063.62	01/03/2021	Open Spaces	£65,063.62	£0.00	£65,063.62	Transferred	Crowland Parish Council	n/a
	H02-0575-18	Crease Drive, Crowland	£72,499.75	01/03/2021	Open Spaces	£72,499.75	£0.00	£72,499.75	Transferred	Crowland Parish Council	n/a
	H09-0475-18	Penny Hill Road, Holbeach	£84,764.74	26/03/2021	Education	£84,764.74	£0.00	£0.00	£84,764.74	LCC - waiting for a signed undertaking	n/a
	H09-0475-18	Penny Hill Road, Holbeach	£7,538.13	26/03/2021	Healthcare	£7,538.13	£0.00	£0.00	£7,538.13	To be transferred to NHS - Agreed to hold monies while restructuring	n/a
	H16-0835-17	Spalding Power Station Expansion, Spalding	£196,912.22	20/04/2020	Communities	£196,912.22	£0.00	£110,877.76	£86,034.46	Transferred to Pinchbeck Parish Council. The remainder to be spent on Strategic Leisure Project	n/a
	H16-0835-17	Spalding Power Station Expansion, Spalding	£22,720.64	20/04/2020	Cycleways	£22,720.64	£0.00	£0.00	£22,720.64	To be spent on Cycleways improvement at Daffodil Walk	n/a
	H16-0835-17	Spalding Power Station Expansion, Spalding	£7,609.91	15/10/2020	Environmental Improvements	£7,609.91	£0.00	£0.00	£7,609.91	Air Monitoring - SHDC Env.	n/a
	H16-0835-17	Spalding Power Station Expansion, Spalding	£3,915.98	20/04/2020	Resources	£3,915.98	£0.00	£7,706.76	£0.00	Payment to Planning Department (Application Fee): £3915.98 received in 20/21 plus the balance of £3,790.78 received in 18/19	n/a
	H14-0109-19	Spalding Road Pinchbeck	£69,486.59	28/01/2021	Education	£69,486.59	£0.00	£0.00	£69,486.59	LCC - waiting for a signed undertaking	n/a
	H14-0109-19	Spalding Road Pinchbeck	£48,804.32	28/01/2021	Healthcare	£48,804.32	£0.00	£0.00	£48,804.32	To be transferred to NHS - Agreed to hold monies while restructuring	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£15,000.50	03/08/2020	Affordable Housing	£0.00	£15,000.50	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£14,437.50	03/08/2020	Affordable Housing	£0.00	£14,437.50	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£10,503.75	12/03/2021	Affordable Housing	£0.00	£10,503.75	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	2020/21		£963,451.16			£914,658.02	£48,793.14	£327,867.12	£590,581.68		

N.B. £3,855 credits raised for indexation recalculations for H01-0924-18 and H09-0475-18 from last year (see Appendix C for details)

## APPENDIX C: Summary Spreadsheet of Transactions 2019-2020

S106											
Current S106 agreements											
	Application Reference	Location	Payments received 19/20	Date payments banked/ transferred	Category of payment	Amount allocated (including transactions from previous years)	Amount unallocated	Amount Spent / Transferred (including transactions from previous years)	Amount Allocated but Not Spent/ Not Transferred Yet	Recipient of allocated payment	Amount repaid to developer
2019-2020	H09-0454-15	Low Lane, Holbeach	£62,001.47	18/02/2020	Education LCC	£131,086.65	£0.00	£131,086.65	Transferred	Lincs County Council	n/a
	H09-0331-17	Manor Farm (Holbeach Meadows), Holbeach	£5,000.00	11/06/2019	Economic Development	£0.00	£5,000.00	£0.00	£0.00	n/a	n/a
	H09-0475-18	Penny Hill Road, Holbeach	£85,329.57	27/01/2020	Education LCC	£85,329.57	£0.00	£0.00	£85,329.57	LCC - waiting for a signed undertaking. £665 credited due to indexation recalculation (20/21)	n/a
	H09-0475-18	Penny Hill Road, Holbeach	£7,588.36	27/01/2020	Healthcare	£7,588.36	£0.00	£0.00	£7,588.36	To be transferred to NHS - Agreed to hold monies while restructuring. £2,357 credited due to indexation recalculation (20/21)	n/a
	H01-0924-18	South of Moulton Chapel Road, Cowbit	£24,089.64	06/03/2020	Education LCC	£24,089.64	£0.00	£0.00	£24,089.64	LCC - waiting for a signed undertaking. £623 credited due to indexation recalculation (20/21)	n/a
	H01-0924-18	South of Moulton Chapel Road, Cowbit	£22,560.00	06/03/2020	Healthcare	£22,560.00	£0.00	£0.00	£22,560.00	To be transferred to NHS - Agreed to hold monies while restructuring. £665 credited due to indexation recalculation (20/21)	n/a
	H16-0835-17	Spalding Power Station Expansion, Spalding	£189,178.36	17/07/2019	Economic Development	£0.00	£189,178.36	£0.00	£0.00	n/a	n/a
	H16-0835-17	Spalding Power Station Expansion, Spalding	£59,118.24	17/07/2019	Environmental Improvements	£59,118.24	£0.00	£27,337.00	£31,781.24	Air Monitoring - SHDC Env. Services	n/a
	H16-0835-17	Spalding Power Station Expansion, Spalding	£10,029.12	17/07/2019	Environmental Improvements	£0.00	£10,029.12	£0.00	£0.00	n/a	n/a
	H04-1091-08	Towndam Lane, Donington	n/a	04/09/2019	Open Spaces	£18,132.17	£0.00	£18,132.17	Transferred	Donington Parish Council	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£16,000.00	18/04/2019	Affordable Housing	£0.00	£16,000.00	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£15,000.00	23/08/2019	Affordable Housing	£0.00	£15,000.00	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£16,875.00	28/11/2019	Affordable Housing	£0.00	£16,875.00	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£19,255.00	06/12/2019	Affordable Housing	£0.00	£19,255.00	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£20,125.62	06/01/2020	Affordable Housing	£0.00	£20,125.62	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	H14-0987-11	Viscount Close, Pinchbeck	£14,105.00	07/02/2020	Affordable Housing	£0.00	£14,105.00	£0.00	£0.00	Part of the monies held in a Default Compensation Account which cannot be spent yet	n/a
	H14-0156-14	Wardentree Lane, Pinchbeck	£225,157.22	23/01/2020	Education LCC	£225,157.22	£0.00	£225,157.22	Transferred	Lincs County Council	n/a
	H16-0684-19	Wygate Park / Nth of Witham Rd, Spalding	£50,558.66	25/10/2019	Open Spaces	£0.00	£50,558.66	£0.00	£0.00	n/a	n/a
	2019/20		£841,971.26			£573,061.85	£356,126.76	£401,713.04	£171,348.81		