

To: City Executive Board & Council

Date: City Executive Board – 13th January 2010
Council – 11th February 2010

Item No:

Report of: Head of City Development

Title of Report: PROPOSED EXPENDITURE OF FINANCIAL CONTRIBUTIONS MADE TO THE COUNCIL UNDER PLANNING AGREEMENTS

Summary and Recommendations

Purpose of report: The purpose of this report is to add new developer funded (S106) schemes to the Capital Programme. These payments have been received during this financial year (09/10) and towards the end of the last financial year (08/09).

Key decision? Yes

Executive lead member: Councillor Colin Cook

Report Approved by:

Executive Director, City Regeneration: Melbourne Barrett

Head of City Development: Michael Crofton Briggs

Spatial & Economic Development Manager: Mark Jaggard

Head of Environmental Development: John Copley

Finance: Anna Hedges

Legal: Jeremy Thomas

Policy Framework:

Corporate Plan Objectives:

- Creating a high quality environment for residents and visitors
- Improving access to affordable housing
- Improving the health of our citizens

Oxford Local Plan 2001-2016

Recommendation(s): The City Executive Board is asked to recommend to Council to agree to the inclusion of new developer funded schemes to be added

to the Capital Programme and additional contributions to developer funded schemes already in the Capital Programme as set out in Appendix 1

Introduction

1. The report lists developer contributions collected during this financial year (09/10) and towards the end of last financial year (08/09). The contributions need to be added to the Capital Programme in order that expenditure of the contributions can take place. The purpose of this report is to seek approval to:
 - add new schemes to the Capital Programme funded by developer contributions;
 - add additional contributions to existing schemes already in the Capital Programme.

A full monitoring report on all developer funding was presented to Area Committees in August/September 2009 and is repeated annually.

Constraints on using Developer Contributions

2. Developer contributions are collected to mitigate the impact of the development and overcome what would otherwise be a potential reason to refuse a planning application. The contributions are received under the terms of legally binding planning agreements that restrict the purpose for which the contributions can be used unless otherwise expressly agreed with the developer. The expenditure of the contributions can only be used on schemes that cover the purpose for which the contribution was received.

Contributions Secured

3. So far in this financial year approximately £650k has been secured through the planning system by way of Section 106 Agreements towards City and County services. As the trigger for payment of contributions is usually 'on commencement of development' there is sometimes a delay between securing the contribution and payment of the contribution.

Contributions currently held

4. At the start of the 2009/10 financial year, the City held £2,885,210 in developer funding and has received £173,267 of new developer funded contributions so far this year. This is broken down as follows for the directorates City Services and City Regeneration:

	City Services		City Regeneration		
	City Works – Parks Services – mainly play areas	City Leisure – indoor sport facilities	Community Housing & Development – affordable housing and community facilities	City Development – West End, public works of art and remainder of cycle schemes	Total
Approximate expenditure 09/10	£159,677	£17,986	£752,500	£145,408	£1,075,571
Approximate expenditure 10/11	£545,204	£38,715	£880,363	£150,349	£1,614,631
Expenditure in future years			£116,430	£251,845	£368,275
Total	£704,881	£56,701	£1,749,293	£547,602	3,058,477

Schemes implemented or due to be implemented in 2009/10

5. Approximately £1.1 million has been spent, is due to be spent, or will be passed to the County Council for highway facilities. 15 schemes are due for completion. The main schemes completed or due for completion include;

- Milham Ford Park Land – recreational facilities;
- Bernwood Park – play area;
- Salesian Gardens – affordable housing;
- Sunnymede – affordable housing;
- Affordable housing – garage sites
- Isis Care Home – work of art;
- Tesco to Blackbird Leys - cycle route

Schemes to be implemented in 2010/2011

6. Approximately £1.6 million of developer funding will be spent on schemes for implementation in 2010/11. The main schemes for implementation are as follows:

- Bridge over Fiddlers Stream
- Littlemore Baptist Church – affordable housing (part funded)
- Beenhams, Railway Lane – affordable housing (part funded)
- Barton Village Pavilion - Improvements
- Rose Hill – improved community facilities

Capital Programme

7. **Appendix 1** gives the details of new Section 106 contributions received so far during this financial year (09/10) and towards the end of last financial year (08/09). It sets out the proposed changes to the Capital Programme for schemes funded by developer contributions. These changes are either:
 - new developer funded schemes to be added to the Capital Programme – the new schemes being proposed reflect the reason the developer contribution was taken;
 - additional contributions received which can be added to developer funded schemes already in the Capital Programme.
8. Expenditure of these contributions cannot commence until Council have approved the changes to the Capital Programme. If these changes are agreed, Area Committee will be informed (consulted when necessary) on individual schemes to be implemented by the City Council, once initial design work and consultation has been undertaken.

Legal Implications

9. Any legal implications are covered within the individual Section 106 Agreements. Constraints on spending developer funded contributions is covered under paragraph 2.

Risk Analysis

10. A risk assessment has been undertaken and the risk register attached (Appendix 2). All risks have been mitigated to an acceptable level.

Climate Change Implications

11. Community and leisure facilities – where works to community and leisure buildings are planned then the lowest carbon options practicable for heating and lighting should be employed, and any opportunities taken to improve insulation levels and energy efficiency. It may be that Environmental Development can help with sources of funding, and advice around measures including the potential for renewable technologies.
12. Looking more widely at Climate Change issues - any work upgrading cycle and pedestrian routes encourages people to drive less, and therefore has potential to reduce carbon emissions across the city, which would benefit the National Indicator 186 (carbon emissions per capita) data for Oxford.

Equalities Impact

13. Equality issues are addressed in seeking contributions for affordable housing and community facilities to improve the lives of people in local neighbourhoods.

Financial Implications

14. This report is to add new contributions received through Section 106 agreements to the Capital Programme, represented by new schemes or added to existing schemes.

Recommendation(s)

15. The City Executive Board is asked to recommend to Council to agree to the inclusion of new developer funded schemes to be added to the Capital Programme and additional Section 106 contributions to schemes already in the Capital Programme as set out in Appendix 1.

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Background papers: Legal agreements for the developer contributions listed, copies of which are held