

SWALE BOROUGH COUNCIL

Infrastructure Funding Statement 2019/2020

February 2021



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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. SECTION 106 (PLANNING OBLIGATIONS) REPORT

2.1 Developer Contributions Received in 2019/2020

Total money to be provided through planning obligations agreed in 2019 / 2020	£ 277,826.06*
Total money received through planning obligations (whenever agreed) in 2019/2020	£ 3,982,976.49
Total money, received through planning obligations (whenever agreed) spent in 2019/2020	£ 4,232,000.00
Total money received through planning obligations (whenever agreed), retained at the end of 2019/2020	£ 2,217,000.00

2.2 Non-Monetary Contributions

Total number of affordable housing units to be provided through planning obligations agreed in 2019/2020	35 *
Provision of Public Openspace to be provided through planning obligations agreed in 2019/2020	1 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.

2.3 Developments with the largest total contributions received during 2019/2020:

Land North of Graveney Road Faversham Kent ME13 8UJ	£1,017,850.07
Parcel H East Hall Farm Sittingbourne Kent ME10 3TP	£ 217,604.25
Land at Station Road Teynham Kent ME9 9SY	£ 146,251.64
99 High Street and Land to The North of High Street Newington	£1,375,417.94
Land at Perry Court London Road Faversham Kent	£ 872,865.33



2.4 Development Contributions Received 2019/2020:

S106 INFRASTRUCTURE	RECEIVED
Adult Social Care (KCC)	£ 59,081.58
Community Learning (KCC)	£ 24,344.05
Education (secondary and primary) (KCC)	£ 2,037,080.73
Health Care (NHS/CCG)	£ 435,839.63
Highways (KCC)	£ 656,508.53
Libraries (KCC)	£ 107,918.87
Open Space / Play Areas (SBC)	£ 291,495.27
Public Art (SBC)	£ 16,448.86
SAMMS (Strategic Access Management & Mitigation) (Natural England)	£ 174,540.96
Social Care (KCC)	£ 37,511.81
Waste / Recycling Bins (SBC)	£ 42,075.93
Youth Services (KCC)	£ 30,257.86

3. DEVELOPER CONTRIBUTIONS SPEND IN 2019 – 2020 (including closing balance)

3.1 In 2019/20, £ 4,232,000.00 was spent towards infrastructure. As a result of the income and expenditure, there is a balance of £2,217,000.00 as of 31 March 2020. Of this balance, the majority is formally committed to specific projects identified within the individual S106 agreements.

S106 INFRASTRUCTURE	S106 SPEND	TOWARDS
Adult Social Care (KCC)	£74,433.93	Changing Places in both Faversham and Sittingbourne; Sittingbourne & Faversham Hub
Community Learning (KCC)	£21,736.42	Sittingbourne and Faversham Adult Ed Centres; creche facilities in Murston
Primary Education (KCC)	£1,451,372.16	Extra school places Faversham; extension to Regis Manor PS; new Quinton Road primary school; Sunnybanks PS
Secondary Education (KCC)	£1,239,757.79	Extra school places Faversham; new Quinton Road Secondary school; Abbey Secondary School; Sittingbourne College and Westlands School
Youth Services (KCC)	£24,292.77	Youth services in Newington area; Faversham Youth Consortia Bysingwood Rd; St Mary's Children's Centre / Bysingwood Children's Centre
Highways & Footpaths (KCC)	£994,650.98	Sustainable modes of transport and public transport services; footpath north side of Canterbury Lane; improve capacity at junction 7 of M2; junction improvements at Barton Hill Drive
Libraries (KCC)	£103,342.79	Mobile libraries for Upchurch and Newington; Faversham and Sittingbourne libraries
SAMMS (Natural England)	£30,535.40	Strategic Access Management & Mitigation
Bobbing Parish Council	£51,419.46	Bobbing Village Hall Fund



Network Rail	£128.16	Lighting attached bridge 204
INVVU Construction Consultants Ltd	£1,812.20	Sittingbourne footpath (Spirit of Sittingbourne Development)
Open Space / Play Areas (SBC)	£182,000.00	Provision of open space and play areas within / in the vicinity of the developments
Waste / Recycling Bins (SBC)	£42,093.35	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 2020/2021

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:

£ 127,000.00 towards highways and junction improvements at Land at Perry Court, Ashford Road, Faversham

£50,000.00 towards sustainable travel and electric vehicle charging at Land at Perry Court, Ashford Road, Faversham

£581,000.00 towards primary and secondary education at land east of Love Lane Faversham

£62,000.00 towards cricket pitch and pavilion at land east of Love Lane Faversham

£219,97.00 towards community infrastructure provision at former HBC Engineering Site Power Station Road Halfway

£201,840.00 towards Milton Creek landscaping and pedestrian link at Land west of Crown Quay Lane Sittingbourne

£1,544,080.00 towards Policy A9 Land Assembly Contribution at Land west of Crown Quay Lane Sittingbourne

£92,216.00 towards Strategic Access Management & Mitigation (SAMMS) at Land west of Crown Quay Lane Sittingbourne

£1,731,636.00 towards primary and secondary education at land at Perry Court, London Road Faversham

£110,030.00 towards sustainable transport and travel at land at Perry Court, London Road Faversham

£320,000.00 towards affordable housing at Sittingbourne Mill & Wharf Site, land adj Milton Road, Mill Way and Charlotte Street, Sittingbourne



4. 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.

