

# Allocation of S106 monies: Application 03/00627/OUT (Hawksyard)

Report of the Cabinet Member for Economic Growth, Environment & Development Services:

Councillor I. Pritchard

Date: 12<sup>th</sup> June 2018

Agenda Item: 8

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Key Decision Yes

Local Ward Members Armitage with Handsacre  
Cllr Cox  
Cllr Marshall  
Cllr Tittley  
Cannock Chase Council Brereton and Ravenhill Parish Council  
Cllr Dudson  
Cllr Fisher  
Cllr Foley



## CABINET

## 1. Summary

- 1.1 The District Council is in receipt of £401,000.00 through a Section 106 Agreement associated with the planning application 03/00627/OUT (Hawksyard).
- 1.2 In accordance with agreed procedures Cabinet approval is required for the allocation of the aforementioned monies and follows consideration of the matter by the CIL/S106 Strategic Infrastructure Group (SIG) and Joint Members and Officer Group (JMOG)<sup>1</sup>.

## 2. Recommendations

- 2.1 Cabinet note the content of the report and consider the recommendations made by both Strategic Infrastructure Group (SIG) and JMOG in relation to the allocation of funding, noting the variances between the groups.
- 2.2 Cabinet approve the allocation of part of the Section 106 monies as set out in Table 1 below for projects within Armitage with Handsacre parish.

**Table 1**

Project	Allocation
Replacement of children's play equipment at Upper Lodge Play Area	£21,000.00
Armitage with Handsacre Village Hall heating upgrade	£19,821.71
Armitage with Handsacre Village Hall storage container	£15,700.00
Re-siting/improvement of Armitage War Memorial and surrounding area	£120,000.00
Replacement of canopy and installation of artificial grass at Armitage Pre-School	£13,000.00

<sup>1</sup> SIG (officer group consisting of Lichfield District Council and Staffordshire County Council officers) and JMOG (Member and officer group consisting of Lichfield District Council and Staffordshire County Council officers and Members) are the respective groups that exist within the Council's Community Infrastructure Levy governance procedures. They, inter alia, consider the applications for awarding non site specific Section 106 monies and CIL monies.

- 2.3 Cabinet consider the allocation of part of the Section 106 monies of this report as set out in Table 2 below and if so minded recommend the allocation as set out in Table 2 below for projects in Brereton and Ravenhill parish (Cannock).

**Table 2**

Project	Allocation
Canal Towpath Improvements	£211,478.29

## 3. Background

- 3.1 On the 5<sup>th</sup> December 2017 Cabinet approved the use of the established CIL Governance and Administration Procedures to enable the allocation of non-site specific Section 106 monies.
- 3.2 The District Council is in receipt of £401,000.00 of developer contributions to support the **“provision of social, recreation, education, community and health”** secured through Schedule 2 Part 2 Paragraph 2(b) of a S106 Agreement associated with the planning application 03/00627/OUT (Hawksyard). The full wording of the referenced section of the agreement is as follows;
- “b. The remaining proportion of the Social and Community facilities Contribution shall be applied towards the provision of social recreation education community and health within the Parish of Brereton and Ravenhill or Armitage and Handsacre as appropriate which are affected by and of benefit to people residing within the Development;”
- 3.3 The development forms part of the East of Rugeley Strategic Development Allocation within the adopted Local Plan Strategy. This brownfield development site was considered to be a suitable location for development to help address the housing needs in both Lichfield District and those arising within Rugeley in Cannock Chase District.
- 3.4 In October 2017 both Armitage with Handsacre Parish Council (Lichfield District) and Brereton and Ravenhill Parish Council (Cannock Chase) were contacted. They were encouraged to submit funding applications by the 31<sup>st</sup> January 2018 to the District Council for capital projects which could benefit their communities in terms of social, recreation, education, community and health provision and potentially be eligible for Section 106 funding in line with the above agreement.
- 3.5 Correspondence with the Parish Councils during this period expressed the view that to remain in accordance with the relevant Section 106 Agreement the funding could only be awarded to one of the Parishes. The impact on and the need for improved infrastructure provision following housing delivery is not restricted by administrative boundaries and this principle is clearly captured within the agreement; it references both Parishes in relation to affect and the benefit within their communities. Maintaining such a narrow reading of this section of the Agreement would inhibit the creation of a sustainable community.
- 3.6 A number of projects, (seven in total) were duly submitted to the District Council. Table 3 below summarises the projects submitted.

**Table 3**

Parish	Project Title	Project Summary	Project Costs
Brereton & Ravenhill	Canal Towpath Improvements	To improve the canal towpath (1410 linear metres) to	£218,280.00

<b>Parish</b>	<b>Project Title</b>	<b>Project Summary</b>	<b>Project Costs</b>
		facilitate better access to Rugeley town centre. Towpath from Bridgewater Drive to Wheelhouse Road and then on from Wheelhouse Road to A51.	
Brereton & Ravenhill	Real time bus stop passenger information	To provide real time electronic information boards at all bus stops on the 825 bus service through the parish of Brereton and Ravenhill (from the point where the Chase Line crosses the A460 to the roundabout where Armitage meets the A51 by-pass).	£181,720.00
Armitage with Handsacre	Replacement of play equipment at Upper Lodge Play Area	The removal and replacement of play equipment and surfacing at an established site (Upper Lodge), provision for under 9s.	£21,000.00
Armitage with Handsacre	Village Hall heating upgrade	The heating system in the Village Hall is over 25 years old elements of which do not comply with current regulations or is difficult to source replacement parts. The improvements will enable provision of heating and hot water for over 2000 annual users of the hall.	£19,821.71
Armitage with Handsacre	Village Hall storage container	Storage is limited within the Village Hall the storage unit will be used by the local Scout group and other regular hall users. The space will enable the hall to provide appropriate provision for users with the aim of maintaining booking and extending users.	£15,700.00
Armitage with Handsacre	Re-siting/improvement of Armitage war memorial and surrounding area	The betterment and re-sitting of the war memorial, including notice board, speaker's podium and games area. The projects will improve safety for those attending events and create a new and improved area of public interest.	£120,000.00
Armitage with Handsacre	Replacement of canopy and installation of artificial grass at Armitage Pre-School	Armitage Preschool is located with Armitage Village Hall. The outdoor space requires investment to enable it to be used effectively by the children	£13,000.00

Parish	Project Title	Project Summary	Project Costs
		all year round. Improvements include replacing a damaged canopy and resurfacing.	

- 3.7 Following assessment of the bids it was considered that the application submitted by Brereton and Ravenhill in partnership with Staffordshire County Council relating to the Real Time Bus Stop Information provision concerned sustainable transport and as such would not fall under this aspect of the Section 106 agreement for which funding was available. This was therefore disqualified.
- 3.8 The Canal Towpath Improvements project has the largest funding request, representing more than half of the funding available. The project application identifies £30,000.00 match funding provided by the Canal and Rivers Trust, a charitable organisation who are a partner in the project and would deliver the improvements. The project will be delivered over two phases. The District Council's CIL SIG recommended to JMOG that this project should benefit from a £211,478.29 funding allocation. This represented a slight shortfall in the overall level of request however it was suggested that the phased delivery of the scheme and support of charitable partner would mean the shortfall would not be a major barrier to delivery.
- 3.9 Two projects submitted by Armitage with Handsacre Parish Council will result in the Village Hall being able to continue to operate effectively and also increase capacity. A further project submitted by Armitage Pre School (located in the Village Hall) will ensure outdoor facilities are available to children throughout the year. A scheme submitted by the Parish Council will see investment in play equipment in a location which historically has been used for play. Finally the Parish Council has requested a contribution of £120,000.00 to support the delivery of public realm improvements to an existing car park area - the project will include relocating the existing war memorial, creation of usable public space and a games area. It is intended to have this project completed in time for WW1 centenary events.
- 3.10 On the 18<sup>th</sup> April 2018 JMOG met and considered recommendations made by SIG. The meeting was also attended by ward members from Armitage with Handsacre who were invited to speak to this matter. An invite had also been extended to representatives from Brereton and Ravenhill Parish Council and Cannock Chase members to attend but this was not taken up. Following representations and discussion, JMOG members decided to support the recommendations presented to it save for the allocation of monies to the Canal Towpath scheme. In terms of the latter it was the view of members that the need for canal towpath improvements had not been fully justified.
- 3.11 The CIL Governance and Administration Procedures are clear that the final decision on such matters rests with Cabinet. It is therefore for Cabinet to consider the recommendations of both SIG and JMOG. In relation to this report, the only variance in recommendations relates to specifically the allocation of funding support to the Canal Towpath Improvement project.
- 3.12 It is the view of officers that there is little if no basis for the Canal Towpath scheme not being supported in accordance with the Section 106 agreement nor for it to be seen as any different to those projects being recommended for approval within Armitage with Handsacre. The Hawksyard scheme serves to meet the needs of Lichfield District and Cannock Chase and impacts on neighbouring communities within and without the district. With the exception of the transport project described above, all 7 remaining bids have been judged to conform with the Section 106 agreement. It should be noted that with or without support for the Canal Towpath Scheme 100% of the funding request for projects in Armitage with Handsacre would be met. The Cabinet is now asked to consider whether it wishes to support those projects together with the Canal Towpath scheme.

3.13 Finally, it should be noted that the aforementioned decision of JMOG did not result in a recommendation that unallocated monies be re-distributed amongst the other qualifying projects or to any one project or be allocated to Armitage with Handsacre Parish Council. If Cabinet is not minded to support the allocation of monies to the Canal Towpath scheme then the unallocated monies will need to be the subject of a subsequent bidding round in accordance with the Council's agreed procedures.

Alternative Options	<ol style="list-style-type: none"> <li>1. Non-site specific Section 106 monies could be allocated to infrastructure priorities identified by the District Council. Without the input of the Parish Councils and other service providers it is very likely that those priorities would not address local infrastructure need.</li> </ol>
Consultation	<ol style="list-style-type: none"> <li>1. Allocation of Section 106 monies: Application 03/00627/OUT (Hawksyard) has been considered by the Strategic Infrastructure Group (SIG) and the Joint Members Officer Group (JMOG).</li> <li>2. An invitation to attend and make representations at JMOG was extended to relevant ward members of both Lichfield and Cannock Chase Council's and the relevant Parish councils.</li> </ol>
Financial Implications	<ol style="list-style-type: none"> <li>1. The Section 106 Obligation identified within the report is time restrictive, failure to spend the secured monies within a set time period would enable the developer to clawback such funding. Specifically there is a five year from the date of payment spend requirement identified within (Schedule 2 Part 2, Para 3). These monies were received by the District Council in March and November 2016.</li> <li>2. The application process supported by the previously adopted CIL Governance Structure has ensured the meaningful allocation of developer contributions, thus reducing the impact on Council resources and in turn contributing to F4F.</li> </ol>
Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> <li>1. The allocation, investment and subsequent delivery of improved infrastructure will contribute the following outcomes identified within the District Council's Strategic Plan 2016-20. <ul style="list-style-type: none"> <li>• More people will be active and healthy.</li> <li>• More people will use parks and open spaces.</li> <li>• More people will be involved in volunteering and community activity.</li> <li>• Our heritage and open spaces will be well maintained or enhanced.</li> </ul> </li> </ol>
Equality, Diversity and Human Rights Implications	<ol style="list-style-type: none"> <li>1. None</li> </ol>
Crime & Safety Issues	<ol style="list-style-type: none"> <li>1. None</li> </ol>

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	That the Allocation of funding to a third party will reduce the District Councils ability to ensure timely delivery.	The Officer Working Group (OWG) that is part of the adopted CIL Governance and Administration Procedures will undertake a project monitoring role.	Yellow
B	That the decision not to award monies to the canal project submitted to Brereton and Ravenhill is subject to Judicial Review.	Officers would need to need to secure Counsel advice on the matter.	Red

C	That the monies are subject to claw back within a 5 year time horizon if projects are not delivered, and/or money is not allocated.	The Officer Working Group (OWG) that is part of the adopted CIL Governance and Administration Procedures will undertake a project monitoring role.	Yellow
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**Background documents**  
CIL, Governance Structure and Administration Arrangements

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