



Fylde Council

Infrastructure Funding Statement

(1 April 2020 - 31 March 2021)

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1. Introduction

- 1.1. Local Authorities are now required to produce an Infrastructure Funding Statement on an annual basis as a result of changes to government legislation as required by the Community Infrastructure Levy (Amendment) (England) (No. 2) 2019.
- 1.2. The intention is that the data and infrastructure funding statements will give policy makers, customers and members of the public better insights into how developer contributions are supporting new development and local infrastructure.
- 1.3. Fylde Council does not operate a Community Infrastructure Levy and, as such, this statement will only set out income and expenditure relating to section 106 (s106) agreements. Income from s106 agreements, or 'planning obligations' or 'developer contributions' is used to offset harm caused by development and help fund the provision of supporting infrastructure in association with development and to maximise the benefits and opportunities from growth, such as employment opportunities and affordable homes.
- 1.4. This Infrastructure Funding Statement provides a summary of financial contributions the Council has secured through s106 agreements from new developments and is an overview of the information collected for the financial year 2020/21.
- 1.5. The report provides:
 - An overview of s106 agreements;
 - The Council's internal process relating to s106 contributions;
 - The s106 agreements signed in the 2020/21 monitoring period;
 - The s106 contributions paid to the Council in the 2020 /21 monitoring period;
 - S106 contributions estimated for future years; and
 - Projects delivered in the Borough via s106 agreements in the 2020/21 monitoring period.
- 1.6 The information included in the report will be updated annually and published on the Council's website. This will ensure the most up to date information on the amount of developer contributions received by the Council from new developments, in addition to information on where these monies have been spent is readily available to members of the public and other interested parties.
- 1.7 It should be noted that this data represents estimates at a fixed point in time. Not all the planning approvals documented will necessarily be implemented. Additionally, the requirements of the s106 obligations can be subject to change and in the case of outline planning permissions are dependent on the approval of subsequent reserved matters application(s). However, the data reported within this document is the most robust available at the time of publication.

2. Section 106 Obligations

- 2.1. Under section 106 (s106) of the Town and Country Planning Act 1990 a Local Planning Authority (LPA) can seek obligations, both physically on-site and also contributions for off-site, when it is considered that a development will have negative impacts that cannot be dealt with through conditions in the planning permission.
- 2.2. For example, new residential developments place additional pressure on existing social, physical and economic infrastructure in the surrounding area. Planning obligations aim to balance this extra pressure with both new infrastructure within the site which can be used by people from the surrounding area and improvements to the surrounding area to ensure that a development makes a positive contribution to the local area.
- 2.3. The National Planning Policy Framework (2021) states that “planning conditions should be kept to a minimum and only imposed where they are necessary, relevant to planning and to the development to be permitted, enforceable, precise and reasonable in all other respects. Agreeing conditions early is beneficial to all parties involved in the process and can speed up decisionmaking. Conditions that are required to be discharged before development commences should be avoided, unless there is a clear justification”.
- 2.4. Obligations can only be sought where they are **directly related to the development, fairly and reasonably related in scale and kind to the development, and necessary to make the development acceptable in planning terms.**
- 2.5. The Council cannot ask for contributions via section 106 planning obligations in certain circumstances:

“Planning obligations for affordable housing should only be sought for residential developments that are major developments...For residential development, major development is defined in the National Planning Policy Framework as development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. For non-residential development it means additional floorspace of 1,000 square metres or more, or a site of 1 hectare or more...Planning obligations should not be sought from any development consisting only of the construction of a residential annex or extension to an existing home.”¹

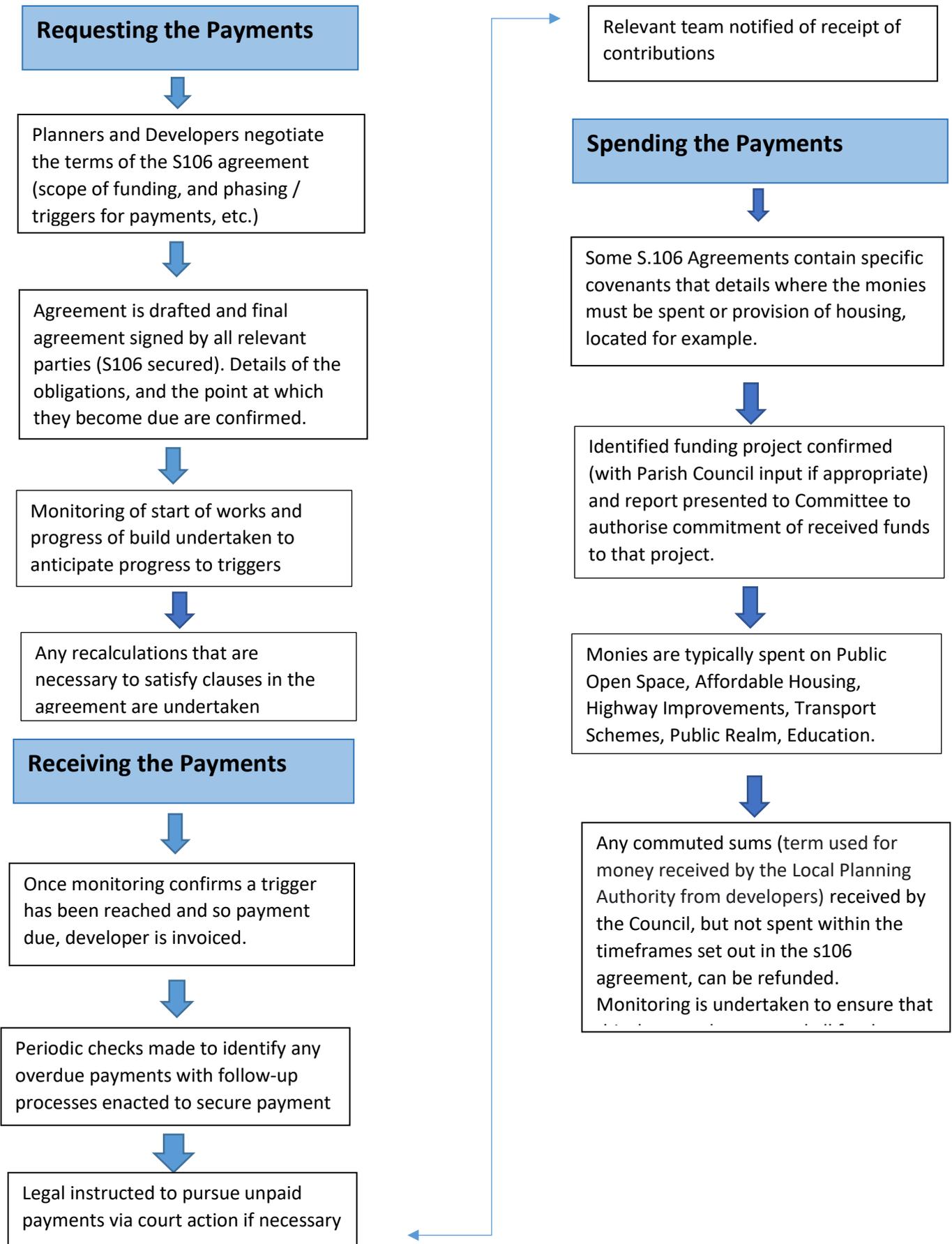
The Council’s S106 Process for Off Site Financial Contributions

- 2.6. Where it is determined that on-site infrastructure and/or affordable housing required by policy is not appropriate, the Council will request a financial contribution from developers to meet these needs outside of the development site through a s106 obligation.
- 2.7. Once the s106 has been signed, it is a legal obligation, but it will only be paid if the planning permission is implemented and reaches the trigger point for payment such as commencement or prior to occupation of the development whether that be housing or another use. When the

¹ Planning Practice Guidance 2019 Paragraph 023 ‘Planning Obligations’
<https://www.gov.uk/guidance/planningobligation>

planning permission is granted, the s106 obligation is registered as a land charge which stays with the land, obligating any future owners until the terms are met.

- 2.8. The Council's Development Manager and Senior Planning Officers instruct the Council's Legal Officers to prepare new and varied s106 agreements, using either delegated authority or a resolution from the Planning Committee where appropriate. The flow chart overleaf summarises the key stages of the Council's internal s106 procedure from the preparation of a s106 agreement through to the spending of monies secured by agreements.
- 2.9. The link to the Council's s106 webpage is: [Section 106 Agreements \(fylde.gov.uk\)](https://www.fylde.gov.uk/section-106-agreements)



3. Monitoring Fees

- 3.1. Regulation 122 (2A) of the Community Infrastructure Levy (CIL) Regulations 2010 (as amended) permits local authorities to charge a fee for monitoring and reporting on planning obligations. Monitoring fees can be used to monitor and report on any type of planning obligation, for the lifetime of that obligation. Monitoring fees should not be sought retrospectively for historic agreements.
- 3.2. Fees could be a fixed percentage of the total value of the section 106 agreement or individual obligation; or could be a fixed monetary amount per agreement/obligation (for example, for in-kind contributions). Authorities may decide to set fees using other methods. However, in all cases, monitoring fees must be proportionate and reasonable and reflect the actual cost of monitoring. Authorities must report on monitoring fees in their infrastructure funding statements.
- 3.3. Fylde Council charge a monitoring fee of £300 per trigger set out in the obligation. So, an affordable housing contribution payable in 3 installments would attract a monitoring fee of £900. It matters not whether the trigger is payment of a sum of money, or a restriction on the staging of the development e.g. no more than 50% of market dwellings can be completed/occupied until all of the on-site Affordable Housing has been completed and transferred to an Registered Social Landlord.
- 3.4. Fylde Council require the payment of the full monitoring fee on commencement of development to ensure parity with all of the obligations.

4. Section 106 Agreements Signed in 2020/21

- 4.1. The table below shows details of the s106 agreements signed in the period between 1st April 2020 and 31st March 2021.

Location	Date of Agreement	Details
197 Kirkham Road, Freckleton (ref: 19/0552)	10/06/2020	Affordable Housing contributions. £200,000 due in 2 instalments on occupation of 6th dwelling and again on occupation of the 9th dwelling.
St Leonards Bridge Garage, St Leonards Road East, Lytham St Annes (ref:17/0299)	02/10/2020	Onsite Affordable Housing and an Education contribution (secondary only) and highway contribution all due directly to Lancashire County Council. Highways contribution (£7,500) due within 12 months of first occupation on site.

		Secondary Education contribution of £25,080.90 due before occupation of 25 dwellings.
Land Brook Mount, 4 Lytham Road, Warton (ref:19/0541)	11/09/2020	Public Open Space contribution of £26,000 due prior to the first occupation of the first dwelling.
Land Adjacent North View Fold, Wrea Green (ref: 19/0690)	07/10/2020	<p>Primary Education contribution £80,252.70 due directly to Lancashire County Council.</p> <p>NHS contribution £12,632.00 due before first occupation of 25% of dwellings.</p> <p>Sustainable Transport contribution of £64,827.00 due directly to Lancashire County Council.</p> <p>S106 monitoring fees £2,400 due prior to commencement of the development.</p>
Land Oak Lane, Newton with Clifton (ref:20/0315)	22/12/2020	<p>Public Open Space contribution of £37,000 due to occupation of any dwelling.</p> <p>Primary Care Contribution of £24,025 before occupation of 25% of dwellings all due to Fylde Council.</p> <p>Primary Education contribution of £117,249.72 due on occupation of dwelling numbers 14 and 29 – due to Lancashire County Council.</p>
Relating to Land High Meadows, Lower Lane (ref: 19/0796)	13/11/2020	Deed of variation bringing planning app 19/0796 into the original obligation for 18/0043. This amends the triggers for payments 50% prior to 7th dwelling and 50% prior to occupation of 8th dwelling.
Land at Coppice Farm, West Moss Lane, Lytham St Annes (ref: 19/0544)	15/02/2021	Travel Plan contribution.

5. Section 106 Contributions Received in 2020/21

5.1. A total of **£259,316.13** has been received in S106 contributions in the 2020/21 period. The following table provides information on which developments these contributions have been received from:

	Development Site	S106 contributions received (£)
Public Open Space (POS)	Land at 23-33 Fairhaven Road (14/0320)	£10,307.00
Affordable Housing	Land at 23-33 Fairhaven Road (14/0320)	£71,812.82
	Land Opposite 15-23 Ribchester Road, Lytham (20/0266)	£75,000.00
Highways Improvements	M55 Link Road	£3,090.75
Bus Stops and Transport Schemes	Nine Acres Nursery, Harbour Lane, Warton (10/0766)	£18,000.00
Public Realm	Land at 23-33 Fairhaven (14/0320)	£20,957.56
Education	Land at Ballam Road (Ballam Oaks) 14/0161	£60,148.00
		Total: £259,316.13

6. Projects Delivered by S106 contributions 2020/21

6.1. Fylde Council is committed to ensuring that the necessary infrastructure required to enable development to be brought forward will be delivered to support growth and maximise the benefits secured from development.

6.2. As well as reporting on the total amount of contributions the Council has received through s106 obligations, it is also useful to include information on the projects delivered as a result of these monies across the Borough in 2020/21². These are listed below. No monies were spent on affordable housing within this monitoring period.

² Highways and Education services are delivered by Lancashire County Council

	Development Site	S106 monies spent	Project Delivered
Highways Improvements	Former Gov. offices, Heyhouses Lane (ref:13/0450 and 13/0635).	£88,326.64	To be used towards delivering of sustainable transport infrastructure, including footpaths, cycleways and bridleways relating directly to the scheme including works associated with the M55 to Heyhouses link Road Scheme (delivered by Lancashire County Council).
Bus Stops and Transport Schemes	Nine Acres Nursery, Harbour Lane, Warton (ref: 10/0766)	£18,000.00	Transport contributions. Installment 4 of 4.
Public Realm	Former Government Offices, Heyhouses Lane (ref: 13/0450) Pontins Site 1, Clifton Drive North, St. Annes (ref: 16/0062) with Orchid Court 35-37 South Prom (ref: 14/0327)	£9,500.00 £108,000.00	Towards the cost of implementing and maintaining the St Anne's Town Centre. In this instance the regeneration of St. Andrews Road South, St. Annes. Towards the cost of implementing and maintaining the St Anne's Town Centre. In this instance the regeneration of Wood Street, St Annes.
Total: £223,826.64			

7. 106 Contributions Secured for Future Years.

7.1. During the 2020/21 period, the Council has secured s106 contributions from the following development sites which will be paid/delivered in future years should the developments progress as planned. These contributions will be paid by the developers either once development has commenced on site, once a specified number of homes have been occupied on the site or when another specific trigger point has been met.

Location	Agreement Date	S106 amount	Details of s106 provision
St Leonard's Bridge Garage, St Leonard's Road East, Lytham St Annes (ref: 17/0299)	02/10/2020	£32,580.90	Highways contribution of £7500 due within 12 months of first occupation on site. Secondary Education contribution of £25,080.90 due before the occupation of 25 dwellings. All due directly to Lancashire County Council.
Land at Brook Mount, 4 Lytham Road, Warton (ref: 19/0541)	11/09/2020	£26,000	Public Open Space contribution (£26,000) due prior to the occupation of the first dwelling.
Land adjacent North View Fold, Wrea Green (ref:19/0690)	07/10/2020	£157,711.70	Primary Education contribution of £80,252.70 is due directly to Lancashire County Council as is the Sustainable Transport contribution of £64,827.00. NHS contribution of £12,632.00 due before 25% of the dwellings are occupied.
Land at Oak Lane, Newton with Clifton (ref: 20/0315)	22/12/2020	£178,274.72	Public Open Space contribution of £37,000 due prior to occupation of any dwelling. Primary Care contribution of £24,025 due before occupation of 5 dwellings. These are due directly to Fylde Council. Primary Education contribution of £117, 249.72 due on occupation of 14 and 29 dwellings, this is due

			directly to Lancashire County Council.
Land at Coppice Farm, West Moss Lane, Lytham St Annes (ref: 19/0544)	15/02/2021	£6,000	Travel plan contribution of £6,000 due to Lancashire County Council before occupation of dwellings.
Total: £ 400,567.32			

8. Section 278 Agreements

8.1. Section 278 agreements (s278) under the Highways Act 1980 are legally binding agreements between the Local Highway Authority (Lancashire County Council) and the developer to ensure delivery of necessary highway works resulting from new development.

8.2. It may provide for infrastructure such as:

- Roundabouts.
- Priority junctions.
- Junctions with traffic lights.
- Right turn lanes.
- Improved facilities for pedestrians and cyclists.
- Improvements to existing junctions.

8.3. S278 agreements are reported on by the Highways Authority, which in this case is Lancashire County Council.

9. Summary

9.1. The s106 activity in 20/21 shows that the Council received a total of £259,316.13 s106, contributions with £223,826.64 being spent within this period. This is made up of £88,326.64 for highway works, £18,000.00 on Bus Stops and Transport Schemes and £117,500.00 spent on improvements to the public realm.

S106 Contributions Received in 2020/2021

Infrastructure Type	S106 available (£)
Public Open Space	10,307.00
Affordable Housing	146,812.82
Highways Improvements	3,090.75
Bus Stops and Transport Schemes	18,000.00
Public Realm	20,957.56
Education	60,148.00

Total: £259,316.13

S106 Contributions Spent in 2020/21

Infrastructure Type	S106 available (£)
Highway works	88,326.64
Bus Stops and Transport Schemes	18,000.00
Public Realm	117,500.00
Total: £223, 826.64	

9.2. As of March 2021, a s106 total (including committed funds) of £5,36,269.44 was available to fund public open space, highways, bus stops and transport, affordable housing, education and public realm projects within the Borough.

S106 Contributions Available at the end of March 2021 by Infrastructure Type

Infrastructure Type	S106 available (£)
Public Open Space	211,121.90
Affordable Housing	2,718,443.44
Highways	315,101.28
Bus Stops and Transport Schemes	231, 361.77
Public Realm	570,819,15
Education	1,314,421.90
Total: £5,361,269.44	

10.Next Steps

10.1. Fylde Council will update this Infrastructure Funding Statement at least annually. The next Infrastructure Funding Statement, for the period 2021/22 will be submitted to the Department of Levelling Up, Housing and Communities and published on the Council's website before 31 December 2022.