

METROPOLITAN BOROUGH OF KNOWSLEY

Infrastructure Funding Statement

2019/20

1. Introduction

- 1.1 This Infrastructure Funding Statement (IFS) is an annual public report, which provides a summary of "developer contributions" made and pending during the most recent financial year. In this case between 1st April 2019 and 31st March 2020.
- 1.2 Developer Contributions (also known as "s106 agreements" or "Planning Obligations") are used to secure financial and non-financial contributions (including affordable housing), or other works, to mitigate the impact of new homes and other buildings, which create extra demands on local facilities. For example, improvements to local greenspaces, or meeting the capital costs associated with delivering additional pupil places at a school close to a large development site.
- 1.3 This report (for 2019/20) provides an overview of what s106 agreements are and information about developer contributions (for the year):
- currently held
 - paid to the Council
 - spent
 - entered into, and
 - secured.
- The projects delivered because of developer contributions are also listed.

2 Planning Obligations / s106 Agreements

2.1 What are they?

- 2.1.1 Planning Obligations / s106 Agreements are legal agreements secured under national planning law¹ and made between local planning authorities and applicants for planning permission (developers). They can also be via a "unilateral undertaking" entered into by a person with an interest in the land without the local planning authority. The government provides guidance about Planning Obligations [here](#).
- 2.1.2 Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms.
- 2.1.3 Developers may be asked to provide contributions for infrastructure in several ways. Knowsley Council, as the Local Planning Authority (LPA), seeks Planning Obligations from applicants for planning permission where it is not possible to address the unacceptable impacts of a development through a planning condition, such as when a financial contribution is required. To be lawful, obligations secured via a S106 agreement must be:
- Necessary to make the development acceptable in planning terms
 - Directly related to the development, and
 - Fairly and reasonably related in scale and kind to the development

¹ S106 of the Town and Country Planning Act 1990: <https://www.legislation.gov.uk/ukpga/1990/8/section/106>

- 2.1.4 Developer Contributions secured via Planning Obligations can be used to deliver the mitigation on the land where planning permission was granted, for example through the provision of affordable housing as part of a larger housing development. Alternatively, they may fund all (or part of) mitigation nearby. For example, a development may part-fund additional pupil places at a local school, which, when combined with other developer contributions will meet the overall capital costs of delivery.
- 2.1.5 The use of Planning Obligations is governed by the fundamental principle that planning permission may not be bought or sold. Therefore, it is not legitimate for unacceptable development to be permitted because of benefits offered by a developer, which are unrelated to the development under consideration. Similarly, planning obligations should never be used purely as a means of securing a share in the development profits for the local community.

2.2 When are Developer Contributions required in Knowsley?

- 2.2.1 Knowsley Council's requirements for S106 planning obligations are principally set out in its "Local Plan Core Strategy"², specifically Policy CS27: Planning and Paying for New Infrastructure and the adopted "Developer Contributions Supplementary Planning Document" (SPD)³.
- 2.2.2 Separate SPDs for "*Earlsfield Park*" in Huyton, "*Halsnead Garden Village*" and "*East of Halewood*", set-out specific requirements for those locations, to be secured via planning obligations.
- 2.2.3 A further SPD in relation to "*Adding Social Value to Development: Employment and Skills*" also requires a developer contribution to be secured via a planning obligation in order to allow the monitoring of social value strategies to be undertaken.

2.3 Development Viability

- 2.3.1 The Council's starting-point in discussions with developers is that all new development proposed should fully meet local planning policy, including any requirements identified for developer contributions towards infrastructure – as explained above. However, the Council must base its decision on a planning application on the individual circumstances of each application. This includes a consideration of any evidence submitted by a developer which shows that the delivery of a development would not (or is unlikely to) take place because its viability would be adversely effected by the payment of all (or some of) the developer contributions required.
- 2.3.2 The Council always robustly challenges viability evidence presented by developers and it has been successful in achieving, through negotiation, increased developer contributions over and above those initially offered by developers. However, developers are not obliged to agree to a planning obligation and in such cases, the Council must ultimately consider whether to refuse planning permission.
- 2.3.3 Following a refusal of planning permission, a developer has a right of appeal to government. At an appeal the appropriateness and scope of the developer contribution is determined by the Planning Inspector and not Knowsley Council.

2.4 Completed Planning Obligations/ s106 Agreements

- 2.4.1 Once a Planning Obligations/ s106 Agreement is signed, it is registered in the Local Land Charges Register. Planning obligations are tied to the land and they may be enforced against anyone who originally enters into the agreement and any successor in title unless the agreement specifies otherwise.

² <https://www.knowsley.gov.uk/residents/building-and-planning/local-plan/adopted-documents>

³ <https://www.knowsley.gov.uk/residents/building-and-planning/local-plan/adopted-documents/supplementary-planning-documents>

- 2.4.2 The requirements of a Planning Obligation/ s106 Agreement come into effect if the planning permission is implemented and any milestones (triggers) set out in the Obligation/Agreement are reached. A Developer Contribution towards education provision may, for example, be required upon the developer’s completion of the 50th and 100th new home.
- 2.4.3 The Council’s s106 Monitoring Officer proactively monitors the progress of new development to ensure that the requirements of Planning Obligations/ s106 Agreement are met and that the related infrastructure projects (or affordable housing) can be delivered. In the small number of cases where a developer contribution becomes overdue, the s106 Monitoring Officer takes action to ensure its payment.
- 2.4.4 Some Planning Obligations/S106 Agreements require developer contributions not spent within a certain time to be refunded to the developer. The Council aims to ensure that all developer contributions are spent on the projects they were identified for and no refunds were required to be made during the reported year.
- 2.4.5 National regulations⁴ permit Councils to charge developers a “monitoring fee” through Planning Obligations/S106 Agreements, to cover the cost of the monitoring and reporting on delivery of that section 106 obligation as described above. The Council does not currently request S106 monitoring fees but intends to begin charging them from April 2021.

3 Section 106 Contributions summary

3.1 S106 monies on hand at the beginning of the reporting year

- 3.1.1 The table below highlights that as of the 31 March 2019, a total of £4,849,210 s106 money was available to fund public open space, highways infrastructure, affordable housing and economic development (Social Value, the provision of apprenticeships and training) within the Borough. Projects have been identified for all contributions with the exception of the affordable housing contribution.

<u>S106 Contributions Held as at 31st March 2019</u>	
Contribution Type	S106 Contributions Held (£)
Public Open Space - Commuted Sum	224,896
Public Open Space	2,371,590
Town Centre Promotion	22,279
Highways	881,324
Economic Development	3,000
Affordable Housing	1,316,121
Townscape Heritage Initiative	30,000
Total	4,849,210

⁴ The Community Infrastructure Levy (Amendment)(England)(No.2) Regulations 2019

3.2 Contributions secured between 1st April 2019 and 31st March 2020

3.2.1 During the reported year (of 2019/20) the Council secured contributions totalling £704,715 and the provision of 39 on-site affordable homes from development sites with planning permission. Some contributions have already been received and others will be paid or delivered in future years should the developments progress as planned. The table below summarises these agreements and identifies which development they relate to, what the contributions are for and their value, whether they have been received or spent and any projects they have been allocated for.

Planning App No & Site	Ward	Contribution Type	Amount Agreed (£)	S106 Status	Project
19/00424/FUL - Land Between St. Kevin's Drive and Roughwood Drive Northwood Kirkby	Northwood	Off-Site Affordable Housing	344,223.00	Received	Un-Allocated at present time
		Public Open Space	122,770.00	Received	Enhancement of surfaces & entrances to Old Rough Park, project for the enhancement of Tower Hill Park and Eddie McArdle Playing Field
18/00735/FUL - Former Site of Longview Social Club, Lyme Grove, Huyton	Stockbridge	Public Open Space	33,089.00	Agreed	Alt Park Street Furniture and Infrastructure Improvement Project, Wastlebridge Park Habitat Improvement Project. Bowring Park Play Project and King George V (Huyton) Ball Stop Fence Replacement Project
		On-Site Affordable Housing	-	Agreed	3 affordable homes to be delivered on-site
18/00596/FUL - Everton Football Academy, Finch Lane, Halewood	Halewood South	Employment and Training	12,109.00	Agreed	Social Value Contribution for training and to create local employment opportunities
19/00004/FUL -Yorkshire Imperial Metals Ltd East Lancashire Road	Northwood	Employment and Training	8,081.00	Spent	Social Value Contribution for training and to create local employment opportunities
19/00292/FUL - Pex Hill	Whiston & Cronton	Employment and Training	394.00	Spent	Social Value Contribution for training and to create local employment opportunities

Country Park Cronton					
19/00337/OUT -Academy Business Park Knowsley Industrial Park, Kirkby	Northwood	Employment and Training	11,464.00	Agreed	Social Value Contribution for training and to create local employment opportunities
19/00481/FUL - Former Daf Trucks Site and Adjacent Land, Coppice Lane, Huyton	St Gabriels	Employment and Training	5,759.00	Agreed	Social Value Contribution for training and to create local employment opportunities
19/00297/FUL - Former Watch Factory Site, Off Bookbinders Lane Prescot	Prescot North	Employment and Training	13,950.00	Received	Social Value Contribution for training and to create local employment opportunities
19/00094/FUL - Land Adjacent to D Evans Electrical, Wilson Road, Huyton	St Gabriels	Employment and Training	1,341.00	Agreed	Social Value Contribution for training and to create local employment opportunities
19/00520/FUL - Plot B Image Business Park, Acornfield Road, Knowsley Industrial Park, Kirkby	Northwood	Employment and Training	6,555.00	Received	Social Value Contribution for training and to create local employment opportunities
19/00674/FUL - The Custom Complex Yardley Road, Knowsley Industrial Park, Kirkby	Northwood	Employment and Training	2,015.00	Received	Social Value Contribution for training and to create local employment opportunities
14/00375/OUT - Land to The Rear of Knowsley Community College Princess Drive, Huyton	Pagemoss	Highways Infrastructure	27,000.00	Agreed	Highway Improvements at junction of Page Moss Avenue and Princess Drive

		On-site Affordable Housing	-	Agreed	30 affordable homes to be delivered on-site
		Public Open Space	83,792.00	Received	Alt Park Infrastructure Improvement Project, Littlewood Infrastructure Improvement Project
19/00519/FUL - Land At Waterpark Drive Stockbridge Village	Stockbridge	Public Open Space	32,173.00	Agreed	Littlewood Infrastructure enhancement of pathway/entrance features, Stockbridge Village Play Area enhancement, Lord Derby Playing Fields Improvement Project
		On-site Affordable Housing	-	Agreed	6 affordable homes to be delivered on-site

Total	704,715.00
--------------	-------------------

3.3 S106 monies received in the reporting year

3.3.1 The table below shows that the Council received a total of £1,257,151 in s106 contributions. The table below highlights the money received for different categories of infrastructure.

<u>S106 Contributions Received in 2019/20</u>	
Contribution Type	S106 Contributions Received (£)
Public Open Space Commuted Sum	36,258
Public Open Space	802,091
Affordable Housing	346,000
Highways	64,327
Economic Development	8475
Total	1,257,151

3.3.2 The table below provides a detailed breakdown of all contributions paid to the Council between 1st April 2019 and 31st March 2020. It sets out the development, how much monies were received by the council, what type of infrastructure these monies were to be spent on and where applicable the project they have been allocated to be spent on.

<u>Planning Application Reference</u>	<u>Site Address</u>	<u>Ward</u>	<u>Contribution Type</u>	<u>s106 Contribution Received (£)</u>	<u>Project</u>
---------------------------------------	---------------------	-------------	--------------------------	---------------------------------------	----------------

16/00822/FUL	Land to the south of Arncliffe Road, Halewood	Halewood North	Public open space	25,415.00	Halewood Park Infrastructure Improvement Frensham Boundary Improvement Halewood Park Play Enhancement
98/00639/APP	Land Off Shevingtons Lane, Saxon Way, Kirkby	Shevington	Public open space	36,258.00	Long Term Maintenance (commuted sum)
13/00067/FUL	Playing Field Lodge, Knowsley Lane, Huyton	Longview	Public open space	2,526.00	Enhancement of existing open space within area
19/00004/FUL	Titan Site, East Lancashire Road, Kirkby	Northwood	Economic Development	8,081.00	Job/Apprenticeship Opportunities
17/00301/HYB	Land Between Cronton Road and M62 Motorway	St Gabriels	Highways	18,500.00	Installation of CCTV Cameras at Junction of Cronton Road/ Coppice Lane
11/00548/COU	Flukers Brook Farm, Flukers Brook Lane	Prescot West	Public open space	1,870.00	Enhancement of existing open space within area
18/00062/HYB	Earlsfield Park Knowsley Lane	Stockbridge	Public open space	375,000.00	Lord Derby Playing Pitches and Oak Plantation
19/00292/FUL	Pex Hill, Cronton	Whiston & Cronton	Economic Development	394.00	Job/Apprenticeship Opportunities
17/00301/HYB	Land Between Cronton Road and M62 Motorway	St Gabriels	Highways	45,827.00	Traffic Signal Maintenance Sum at Junction of Wilson Road/Cronton Road
16/00772/FUL	Site at Former Bowring Community Sports College, Roby	Page Moss	Public open space	92,250.00	Bowring Park Playground Enhancement Project & Jubilee Park Playing Pitch and Facilities Project
17/00301/HYB	Land Between Cronton Road and M62 Motorway	St Gabriels	Public open space	14,080.00	Replacement Tree Planting within Wilson Road or immediate area.

17/00053/FUL	Land at Waterpark Drive, Stocksbridge Village	Stockbridge	Public open space	32,771.00	Littlewood Infrastructure, Stocksbridge Village Play Area, Lord Derby Playing Fields
17/00201/FUL	Roughwood Drive, Kirkby	Northwood	Public open space	123,404.00	Maintenance of on-site public open space & trees. Enhancement of Tower Hill Park & Old Rough Park
17/00201/FUL	Roughwood Drive, Kirkby	Northwood	Affordable Housing	346,000.00	Off- Site Affordable Housing - Awaiting a suitable scheme
17/00075/HYB	Land Between Shevingtons Lane And Headbolt Lane, Kirkby	Shevington	Public open space	50,983.00	Maintenance of adopted on-site public open space.
14/00375/OUT	Phase 4 North Huyton - Gately	Page Moss	Public open space	83,792.00	Woolfall Heath Connection Link & Littlewood Connection Link

Total	1,257,151
--------------	------------------

3.4 Total S106 monies allocated to infrastructure but not spent between 1st April 2019 and 31st March 2020

3.4.1 The table below details that £3,739,112 of S106 monies were allocated to each type of infrastructure, but not spent, between 1st April 2019 and 31st March 2020.

Contribution Type	S106 Contributions Held (£)
Public Open Space - Commuted Sum	261,154
Public Open Space	2,587,168
Town Centre Promotion	19,779
Highways	868,011
Economic Development	3,000
Total	3,793,112

3.5 S106 monies spent between 1st April 2019 and 31st March 2020

3.5.1 The table below identifies that £705,129 of S106 monies were spent between 1st April 2019 and 31st March 2020 and sets out how much was spent on each type of infrastructure. No monies were spent repaying borrowed money.

<u>S106 Contributions Spent in 2019/20</u>	
Contribution Type	S106 Contributions Spent (£)
Public Open Space	586,514
Town Centre Promotion	2,500
Highways	77,640
Economic Development	8,475
THI	30,000
Total	705,129

3.6 S106 monies available to the Council April 2020

3.6.1 After considering the amount of monies received and the amount of monies spent between 1st April 2019 and 31st March 2020, the table below identifies that there was a net total of £5,401,233 in s106 contributions available to spend. Of the total money that was held on the 31 March 2020:

- £1,662,122 is currently un-allocated. This sum is for the provision of off-site affordable housing and will be used once suitable projects are identified.
- £261,154 is commuted sums held in relation to allocated Public Open Space projects.

<u>Total S106 (net) Amount Available to Spend as of March 2020 (£)</u>	
Net Total as of March 2019	4,849,210
s106 income received 2019/20	1,257,151
Total	6,106,362
Minus monies spent 2019/20	705,129
Total	5,401,233