

UPDATE ON EXPIRED S106 RECEIPTS (DEVELOPER CONTRIBUTIONS)

To: **Audit and Accounts Committee**

Meeting Date: **28 May 2019**

From: **Deputy Chief Executive**

Electoral division(s): **All**

Forward Plan ref: **Not Applicable** *Key decision:* **No**

Purpose: **The paper details the expired Section (S) 106 receipts and the proposed action to be taken.**

Recommendations: **The Committee is asked to note the contents of the report and confirm the proposed approach set out in paragraph 2.3**

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1. BACKGROUND

- 1.1 When new developments are proposed and there is insufficient infrastructure capacity in the local area to serve them, Cambridgeshire County Council may seek contributions from developers towards the funding or provision of infrastructure necessary to mitigate the impact of proposals on local services by providing land, funding or directly delivering works in kind to provide new facilities and other infrastructure. Such contributions are secured through legal agreements made under Section 106 of the Town and Country Planning Act 1990 (as amended) between local planning authorities and developers in the context of the granting of planning permission.
- 1.2 **What happens when schemes are delayed or don't happen and the S106 funds have or will expire?** S106 contributions are agreed with developers to be spent for specific purposes within a set period of time. If any of the contributions have not been spent within the set period, upon receipt of a written request from the party that made the payment, the County Council is obliged to return the unspent money to the payer.
- 1.3 Previously Audit and Accounts Committee received a report explaining the S106 process and monitoring arrangements. The Chairman of Audit and Accounts Committee asked for a regular update on expired S106 receipts and this has been provided bi-annually (although a comprehensive update is identifiable after year-end once the S106 funds are applied as funding against the schemes completed in that year).
- 1.4 Across the last few years only two expired S106 receipts have been reported to the Chairman – both of which have been agreed with the respective developers that they can be carried forward and applied after the expiry date (these are Sidgewick Avenue and Bottisham Bus Stop).

2. MAIN ISSUES

- 2.1 Across the last financial year, two further schemes expired with funds unspent, and the information in the table below, detailing the residual funds, as at 14/5/2019.

Description	Deadline	Notes	Balance £
Cycle Network Contribution means improvements to the cycle network in Littleport agreed by the County Council in consultation with the District Council.	01/07/2018	We are contacting the developer to seek permission to use this after the expiry date and for alternative purposes.	25,224
Archaeological	01/02/2018	A total of £29,842 was received. This remaining £3,196 is not needed for the purpose specified. We will seek permission from developer to use this for alternative purposes.	3,196

- 2.2 The S106 team will work with the Services to identify alternative proposals for these S106 funds and contact the respective developer to request the alternative use for the funds but it is within the rights of the developer to ask for the return of any expired funds
- 2.3 The S106 team will continue to monitor the S106 funds and chase services when the expiry dates approaches. However, it is likely that there will always be some occasions where it is not possible to apply S106 as the needs of the community have changed and the original purpose of the funding is no longer

required.

3.0 SIGNIFICANT IMPLICATIONS

3.1 This is a monitoring update – there are no significant implications.

Background Papers – None