

Newport City Council

Section 106 Annual Report (2019-20)

Purpose

This report summarises Newport City Council's progress on negotiating, monitoring and implementing planning obligations, through Section 106 agreements, for the last financial year.

Background

Planning obligations, also known as Section 106 agreements (based on that section of The 1990 Town & Country Planning Act) are private agreements made between local authorities and developers and can be attached to a planning permission to make acceptable development which would otherwise be unacceptable in planning terms. The land, rather than the person or organisation that develops the land, is bound by a Section 106 Agreement.

Planning Obligations are used for three purposes:

- Prescribe the nature of development, for example, requiring a given portion of housing is affordable
- Compensate for loss or damage created by a development, for example, loss of open space
- Mitigate a development's impact, for example, through increased public transport provision

Contributions and obligations, as secured by a S106, are registered as charges. They will remain, as a charge, until they have been formally discharged by the council.

S106 Secured

In the 12 months between 1 April 2019 and 31 March 2020, a total of 31 planning permissions have been granted, which have been subject to Section 106 agreements. A list is attached at **Appendix A**. The value of the financial contributions secured total £374,189.

The financial contributions secured through these legal agreements will be used to provide or enhance facilities off-site, such as sustainable transport services and infrastructure, highway improvements, public open space, community facilities and educational facilities.

When such contributions are received, consultation is undertaken with all relevant service areas and Cabinet Members to establish how the contributions can be best spent, in accordance with an established and agreed Section 106 protocols.

The planning obligation requirements secured this year have also included 'in-kind' obligations, such as provision of on-site affordable housing, public open space and education facilities.

S106 Received, Committed or Spent

At 31 March 2020, the council held £8,647,248 within the Section 106 rolling account. The majority of the contributions have been committed to schemes, as agreed by Cabinet Members and Heads of Service, or are pending further consultation. A summary of 'live' Section 106 planning obligations are attached at **Appendix B**.

Between April 2019 and March 2020 the council received financial contributions of £1,652,895. In particular, large contributions were received from the following developments:

- £699,152 for education services from the former Alcan Works, Jubilee Park, Rogerstone;
- £625,173 for education services from the former Tredegar Park Golf Club, Bassaleg

£608,970 was spent on Section 106 schemes during 2019/20 on a number of projects, including enhancements to public transport, walking and cycling, new school places, open space enhancements, children's play areas and improvements to community facilities.

'In Kind' S106

In addition to financial contributions, the council has also worked with developers to deliver 'in-kind' obligations on the development sites.

Public open space, public transport and education facilities are being delivered at the majority of major housing sites under construction. Notable examples include:

- Open spaces and play areas at Glan Llyn;
- Open spaces and play areas at Jubilee Park;
- Primary School at Glan Llyn

Separately, a total of 225 new build affordable housing units were delivered in 2019/20 via Section 106 Agreements.

Contact Us

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