

Nottingham City Council

Infrastructure Funding Statement 2020-21



December 2021



Nottingham
City Council

Quick Guide to the Infrastructure Funding Statement 2020-21

The Community Infrastructure Levy (CIL) Regulations require all local planning authorities that enter into Section 106 planning obligations during a reporting year to publish an annual Infrastructure Funding Statement (IFS). The IFS should, as a minimum, include the information set out in [Schedule 2 to the Community Infrastructure Levy Regulations 2010](#) (as inserted by the 2019 Regulations). This is the second IFS for Nottingham City and it covers the reporting period of 1 April 2020 to 31 March 2021.

The IFS should give communities better insight into how developer contributions collected by Nottingham City Council are supporting new development and local infrastructure.

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1.0 Introduction

- 1.1 This report provides information on the financial and non-financial contributions sought and received from developers for the provision of infrastructure to support development in Nottingham City. It also sets out the subsequent use of those contributions by the council. The report covers the financial year 1 April 2020 to 31 March 2021. This Infrastructure Funding Statement (IFS) should provide transparency for developers over the use of contributions and highlights the benefits of new development to communities.
- 1.2 Local Authorities are required under amendments to regulations ([The Community Infrastructure Levy \(Amendment\) \(England\) Regulations 2019 No.1103 that came into force 1 September 2019](#)) to produce an IFS annually that sets out details of planning agreements receipts and anticipated expenditure. This is to provide clarity and transparency to local communities and developers on the infrastructure and expenditure and in aligning this to planned development, as envisaged in the Local Plan.
- 1.3 Nottingham City Council does not currently have a Community Infrastructure Levy (CIL) in place and therefore seeks contributions via Section 106 (S106) agreements (also known as 'planning obligations'). Section 278 agreements are also legal agreements that are agreed between developers and the Council which result in permanent alterations or improvements to a public highway as part of a planning approval. However, there is no requirement to report on these in IFSs.

Key headlines from the statement

- 1.4 Within the reporting year:
- **£1.6m** of funding was drawn down (used to fund capital expenditure) towards the provision of affordable housing, meeting the Council's increased demand for extra school places as well as enhancement of public open space.
 - **£2.3m** has been received in S106 receipts - mostly commuted sums towards highways, education, open space and affordable housing, but also towards employment & training. There is a remaining balance of **£8.4m** in the infrastructure fund and a further **£0.7m** in the employment & training fund.

S106 Planning Agreements

- 1.5 Section 106 of the Town and Country Planning Act 1990 enables a local planning authority to enter into a negotiated agreement, also referred to as a planning obligation within legislation (see [Appendix 1](#) and [Appendix 2](#)). These mitigate the impact of a specific development and make the development acceptable in planning terms. The planning agreements might, for example, require the provision or contribution to a new or improved road, school, health facility or local green infrastructure. Local planning authorities can also seek planning agreements to secure a proportion of affordable housing from residential developments. For example, new residential developments place additional pressure on existing social, physical and economic infrastructure in the surrounding area. Planning agreements aim to balance this extra pressure with improvements to the surrounding area to ensure that a development

makes a positive contribution. In this example, the Council may seek contributions towards education improvements, affordable housing (on site or off-site), employment and training and the provision of additional or enhanced open space.

- 1.6 The agreement can result in financial contributions, which the Council will then use towards the agreed infrastructure to provide off-site infrastructure works, or contributions towards providing affordable housing elsewhere.
- 1.7 Where it is determined that on-site infrastructure and/or affordable housing required by policy is not appropriate, the Council may request from developers a financial contribution to meet these needs outside of the development site through a S106 agreements. In some cases, it can be combination of both on-site provision and off-site financial contributions.
- 1.8 Planning agreements may only constitute a reason for granting planning permission if they meet the following:
 - 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.
- 1.9 These tests are set out as statutory tests in [Regulation 122](#) (as amended by the 2011 and 2019 Regulations) and as policy tests in the National Planning Policy Framework.
- 1.10 Once the S106 has been signed, it is an agreement, but it will only be realised if the planning permission is implemented and reaches the trigger point for payment such as commencement or prior to occupation of a certain number of properties. When the planning permission is granted, the S106 agreements is registered as a land charge which stays with the land (and not the owner), obligating any future owners until the terms are met.

Planning Reform – new nationally set Infrastructure Levy

- 1.11 Details of a new nationally set ‘Infrastructure Levy’ were published in 2020 in the government’s White Paper, ‘Planning for the Future’. The government has said that it should see at least as much money raised to pay for local infrastructure and affordable housing as by the existing system of developer contributions in the planning process which would be scrapped.
- 1.12 Instead of negotiated Section 106 Agreements and the separate, locally set CIL, the government is proposing to introduce a single, nationally set ‘Infrastructure Levy’ as a proportion of the sale value of a development, above a minimum threshold. The aim is to raise more money for infrastructure and deliver more affordable housing whilst removing the delay and uncertainty that is considered inherent in negotiated agreements. Further details of how and when this replacement levy will be introduced are awaited. In the meantime, the current S106 requirements remain. Even when replaced, there will remain the need to monitor and administer existing S106 Agreements.

S106 related Terms used

1.13 Throughout the IFS there will be references to the following terms:

- **Agreed:** Contributions that have been agreed within a signed legal document. These contributions have not been collected and if the planning applications are not implemented they will never be received.
- **Received:** Contributions received, either non-monetary or monetary, by Nottingham City Council (NCC).
- **Allocated:** Contributions that have been received and allocated to specific projects.
- **Spent / Delivered:** Monetary or non-monetary contributions that have been spent / delivered.
- **This Financial Year:** Unless stated otherwise, this refers to the period 1 April 2020 – 31 March 2021.

2.0 Section 106 Planning Agreements (Obligations) Report

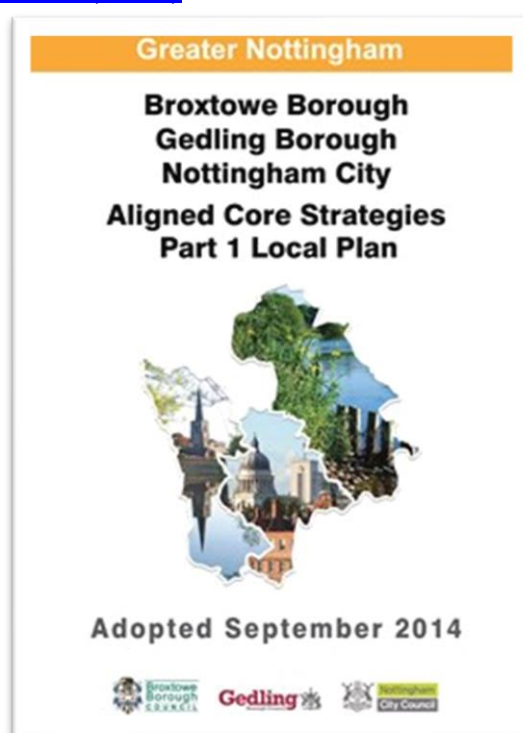
Local Plan Policies

2.1 Nottingham City's Local Plan sets out the Council's policies and proposals for development and the use of land in its area. The Local Plan also sets out why and when planning agreements may be required in order to ensure that a development proposal is in accordance with the Local Plan.

2.2 In Nottingham the Local Plan comprises of the following;

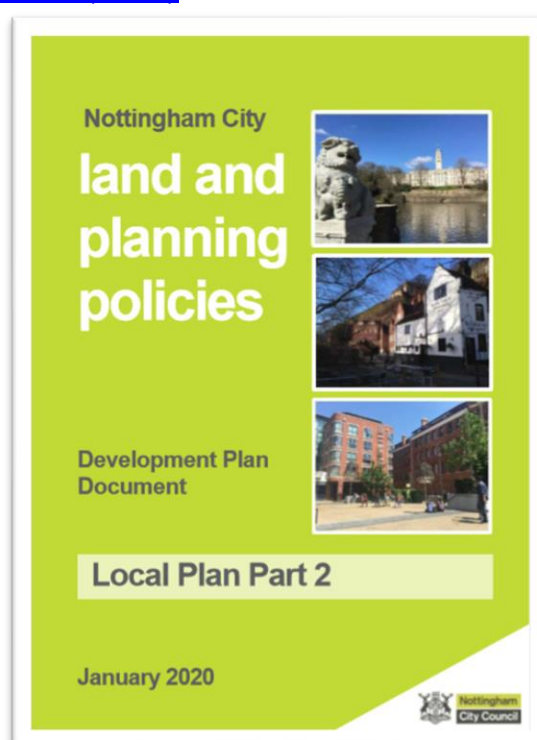
Part 1 (ACS)

[Nottingham City Aligned Core Strategy - ACS \(2014\)](#)



Part 2 (LAPP)



[Land and Planning Policies Document - LAPP \(2020\)](#)











2.3 The ACS includes a suite of strategic policies to deliver sustainable development in the City to 2028. In particular, Policy 19: Developer Contributions sets the general context for the Council to secure developer contributions as a result of development. This document is currently under review.



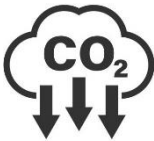
2.4 In the LAPP Policy IN4: Developer Contributions sets the context for how planning agreements will be negotiated to support necessary infrastructure. [Table 1](#) sets out the contributions that will be negotiated using the relevant Local Plan policies and details how these contributions are calculated, and where and what the contribution will be used for.

Table 1: Details of each type of the infrastructure, related Local Plan policies and further details

Type of Contribution	Related Local Plan Policy	Quantum of development/ calculations	In S106 Estimator	What are the contributions used for?	Where are contributions used?
<p>Employment and training</p> 	<p>Policy EE4: Local Employment and Training Opportunities</p>	<p>All schemes with build cost of over £1million.</p>		<p>Contributions are used on a variety of initiatives to help secure employment for city residents. These can include;</p> <ul style="list-style-type: none"> • providing a skilled bank of operatives to match to vacancies, apprenticeships, and work experience opportunities – also providing upskilling when identified to aid career progression • assisting residents with barriers into work access opportunities through the provision of employment support, training qualifications and PPE • assisting developers / contractors to maximise opportunities and benefits for city residents and environment through their Corporate Social Responsibility agendas <p>A percentage of contributions are also invested into the specialist team within the Nottingham Jobs service who align S106 budgets with all Employment & Skills initiatives.</p>	<p>Employment and training opportunities are on development sites however other initiatives may be elsewhere in the city, for example Job Fairs, community engagement events, employability workshops, accredited training providers and sector- based work academy programmes.</p>

Type of Contribution	Related Local Plan Policy	Quantum of development/ calculations	In S106 Estimator	What are the contributions used for?	Where are contributions used?
Open space 	<ul style="list-style-type: none"> Policy EN2: Open Space in New Development Policy EN3: Playing Fields and Sports Grounds relevant site allocations 	All major planning applications for residential and B1 commercial developments over 1,000 sq m of floorspace. On site open space is calculated based on the average number of residents or workers likely to be accommodated on the site based on the size of housing or the type of commercial development. Alternatively, financial contributions are based on the per capita cost of maintaining the City's main parks, which is annually revised (see Annual update of Open Space costs).		The creation of new or enhanced open space within the city. This could be in the form of on-site provision with the developer providing the land and equipment or a contribution to provide improvements to existing open space or could be a combination of on-site provision and a contribution.	Determined locally in consultation with Ward Councillors.
Drainage and flood protection 	Policy CC3: Water relevant site allocations	Major development where required to make development acceptable in planning terms. The need arising from the development will be determined by the scale and nature of the development on a case by case basis.	x	To mitigate against the impact of flooding from the development where necessary.	Locally or further along water courses, determined on a case by case basis.
Community facilities 	Policy LS5: Community Facilities	Major development where required to make development acceptable in planning terms. The need arising from the development will be determined by the scale and nature of the development on a case by case basis.	x	To fund new or enhanced community facilities that are required as a result of development.	Locally, determined on a case by case basis.




Type of Contribution	Related Local Plan Policy	Quantum of development/ calculations	In S106 Estimator	What are the contributions used for?	Where are contributions used?
Transport 	<ul style="list-style-type: none"> Policy TR1: Parking and Travel Planning Policy TR2: The Transport Network relevant site allocations 	Major development where required to make development acceptable in planning terms. The need arising from the development will be determined by the scale and nature of the development on a case-by-case basis.		Section 106 Highway/Transport contributions generally go towards local transport/highway provisions outside developments, such as pedestrian crossings, signalised junctions, public realm improvements. Contributions have also gone towards public transport, pedestrian, cycling and rights of way improvements locally, which can link citywide and encourage sustainable travel. S106 agreements can also be used to ensure a travel plan is agreed for a development.	Contributions are generally used for improvements in the vicinity of the development (e.g. new bus stops or pedestrian crossings that serve a new development), although for provisions such as improved frequency of bus services, this may extend further within the City area.
Education 	Policy LS5: Community Facilities	Residential development (excluding Purpose Built Student Accommodation). For education on sites of 10 or more dwellings (excluding 1 bed dwellings) the number of primary and secondary school places likely to be required is calculated based on the size and type of housing on the site. This number is then multiplied by the average cost of a school place, plus an additional amount for potential SEN places		Contributions are used for new or enhanced education facilities, to accommodate pupil growth. Contributions could be used for a number enhancement including <ol style="list-style-type: none"> Providing additional school places Providing new schools or school buildings Adapting, extending or enhancing existing school buildings Improving school grounds, sports and physical education facilities Developing, improving or extending SEND facilities (or other non-mainstream projects) in a special school, within a mainstream school or as separate unit 	<ul style="list-style-type: none"> Education contributions are usually invested in one or more of the primary and/or secondary schools in the local 'planning area' Planning areas are groups of local schools and are structured to reflect local circumstances, such as geographical location / close proximity, parental preference and pupil movement Education S106 funding could also be invested in developing or enhancing SEND provision anywhere in the city, as pupils with a specific SEND may need to travel to other settings which are not necessarily within their immediate local area

Type of Contribution	Related Local Plan Policy	Quantum of development/ calculations	In S106 Estimator	What are the contributions used for?	Where are contributions used?
Affordable housing 	Policy HO3: Affordable Housing	<p>Non Student - Major planning applications for residential development. 10% of homes on schemes 10-14 properties should be affordable and 20% on schemes of 15+ homes or sites or more than 0.5 Ha. If on site housing isn't provided a financial contribution can be made based on local house prices (see Updated costs).</p> <p>Student – same calculations as above but the number of units is calculated by dividing the number of PBSA bedspaces by 5.</p>		Where affordable housing cannot be delivered on site, a commuted sum can be accepted instead. These sums can then be redeployed by the Council in the delivery, development or acquisition of affordable homes, including through gifting or funding to other registered providers of social housing.	On site provision where developers provide in kind affordable housing. Where financial contributions are received then the money is spent citywide, determined on a case by case basis taking into account the availability of suitable sites and housing need.
Other 	Policy IN4: Developer Contributions allows for the Council to see contributions that are considered necessary to make developments acceptable in planning terms.	Major development where required to make development acceptable in planning terms. The need arising from the development will be determined by the scale and nature of the development on a case by case basis.	x	Other examples of S106 contributions could include public art, carbon offsetting and renewable energy mitigation and air quality improvements. However all contribution must meet the requirements of the legislation.	Locally, determined on a case by case basis.

2.5 Other planning agreements may be necessary to make developments acceptable in planning terms and may include for example heritage enhancement and protection, supporting policing/crime reduction, air quality measures or reducing carbon. Overall, the need arising from the development will be determined by the scale and nature of the development on a case-by-case basis.

Supplementary Planning Documents/Guidance

- 2.6 Supplementary Planning Documents (SPDs) provide further detail and explanation to support policy in the Nottingham City Local Plan. SPDs are a material consideration in making decisions on planning applications.
- 2.7 Those guidance documents, which currently set out further details including the financial contributions the Council will seek, include the following;

Infrastructure		Supplementary Planning Document/Guidance
Open Space		The Provision of Open Space in New Residential and Commercial Development.
Affordable Housing		<ul style="list-style-type: none"> • Affordable Housing and Developer Contributions. • Affordable Housing Contributions arising from Purpose Built Student Accommodation.
Education		Education Contributions from Residential Developments.





2.8 The cost for each type of infrastructure is reviewed on an annual basis with details found on the Council’s web site www.nottinghamcity.gov.uk/s106-costs. In addition, other SPDs are planned that will add further guidance to Local Plan policy, with some also setting out additional financial contributions that the Council will seek. Further details about S106 in Nottingham is available at www.nottinghamcity.gov.uk/s106.

S106 Estimator Tool

2.9 To help make the process of determining S106 open and transparent, Nottingham City Council has produced a new tool to give a summary of likely financial contributions for the following infrastructure;

- Affordable Housing
- Open Space
- Education; and
- Employment & Training

2.10 The [S106 Estimator](#) calculates the following contributions that the Council may seek, dependent on the type of development.

Type of Scheme	 Affordable Housing	 Open Space	 Employment & Training	 Education
Residential - non student	✓	✓	✓	✓
Residential - Purpose Built Student	✓	✓	✓	✗
Commercial	✗	✓	✓	✗

2.11 This is a working tool to help developers understand the likely contributions that the Council will seek. It cannot be a comprehensive assessment of all S106 contributions that the Council may request in light of a full evaluation of a planning application taking into account all material considerations. Further details can be found by visiting the S106 Estimator web page www.nottinghamcity.gov.uk/s106-estimator.

Use Class Order Changes

2.12 Since the adoption of the Local Plan, the government has made significant changes to the Use Class Order in 2020/2021. The Council has prepared a [Statement on Use Class Changes](#) which sets out how policies in the Local Plan and Supplementary Planning Documents that refer to specific use classes can be applied in light of these changes. The Council will continue to seek S106 contributions in line with the adopted Local Plan and Supplementary Planning Documents.

Viability

2.13 If an applicant considers there to be issues of viability due to the level of contributions being sought which would render a proposal undeliverable, they are required to submit robust viability assessment. Such assessments will be independently examined before the scale and nature of any reduction is agreed.

Infrastructure Funding Statement Requirements

2.14 On the 1st September 2019, the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 were published. This introduced a new requirement into the Community Infrastructure Levy Regulations 2010 ('the Regulations') for all Charging Authorities to publish a document, before the 31st December each calendar year, known as 'the annual infrastructure funding statement'. An extract of the legislation is provided in [Appendix 1](#) with [Appendix 2](#) setting out a list of schedule requirements for the IFS.

2.15 As Nottingham City does not currently have a Community Infrastructure Levy, this document needs to contain a 'Section 106 report' about planning agreements in relation to the previous financial year. The document must be published on the Council's website - <https://www.nottinghamcity.gov.uk/ifs>.

- 2.16 In addition, the IFS also provides an update on financial contributions collected through Section 106 planning agreements. This includes details of new planning agreements which were agreed upon during the reported year, the amount of money which was received during the reported year, the monies which have either been allocated or expended within the reported year, and the amount of monies retained at the end of the reported year. The report also gives a breakdown of any non-monetary agreements.
- 2.17 Further to these statutory requirements the government recommends that local authorities also publish the raw data that informs the IFS. It is not a statutory requirement to release this data however; going forward it is hoped that improved procedures and reporting will allow this to happen for future reporting years.

3.0 Headline Figures

Summary of Section 106

3.1 This sections provides an update on financial contributions collected through Section 106 planning agreements, including;

- details of new planning agreements which were **agreed** upon during the reported year
- the amount of money which was **received** during the reported year
- the monies which have either been **expended** within the reported year
- the amount of monies **retained** at the end of the reported year; and
- the report also gives a **breakdown of any non-monetary** agreements.

Monetary Contributions

3.2 Set out below in [Table 2](#) are the headline financial contributions agreed from S106 for the reporting period. The followings tables have been colour co-ordinated to show how they link so for example the 'Total money to be **provided** through planning agreements agreed in 2020/21' is broken down into further details in [Table 3](#).

Table 2: Monetary Contributions

	Revenue (£)	Table for further details
Total money to be agreed through planning agreements agreed in 2020/21	£4,340,679	Table 3
Total money received through planning agreements (whenever agreed) in 2020/21	£2,317,573*	Table 4
Total money, received through planning agreements (whenever agreed), spent in 2020/21	£1,718,889*	Table 6
Total money, received through planning agreements (whenever agreed), retained at the end of 2020/21 ¹	£9,289,314	Table 10
Total money, received through planning agreements (whenever agreed), retained at the end of 2020/21 as 'commuted sums' for longer term maintenance .	n/a	

* Includes top slice admin/monitoring fee.

Monetary Contributions – Provided (agreed) in 2020/21 per category

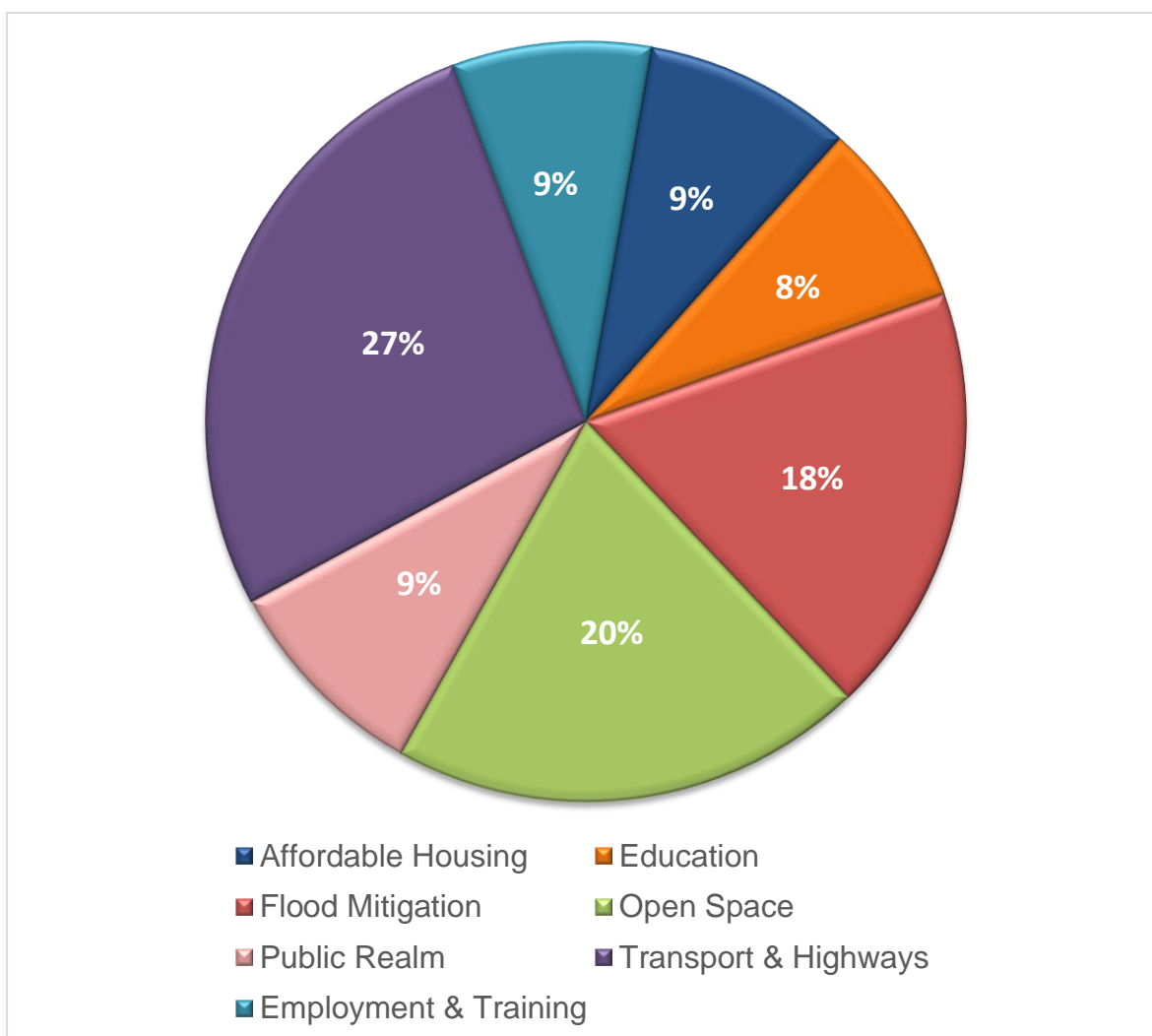
3.3 Set out in [Table 3](#) is a breakdown of the potential money that was agreed from S106 contributions per category broken down by capital and revenue contributions. It should be emphasised that these sums will only be realised if the planning permissions are implemented and the developments reach the payment triggers. [Figure 1](#) also shows the breakdown of monies agreed in the reporting year.

¹ excluding 'commuted sums' for longer term maintenance

Table 3: Monies agreed in 2020/21 per category

Type of Infrastructure	Capital	Revenue	Grand Total
Affordable Housing	384,774		384,774
Education	343,224		343,224
Flood Mitigation	796,364		796,364
Open Space	877,336		877,336
Public Realm	391,524		391,524
Transport & Highways	1,150,000	30,000	1,180,000
Employment & Training		367,456	367,456
Grand Total	3,943,223	397,456	4,340,679

Figure 1: Pie chart showing the proportion of S106 agreement by type/category



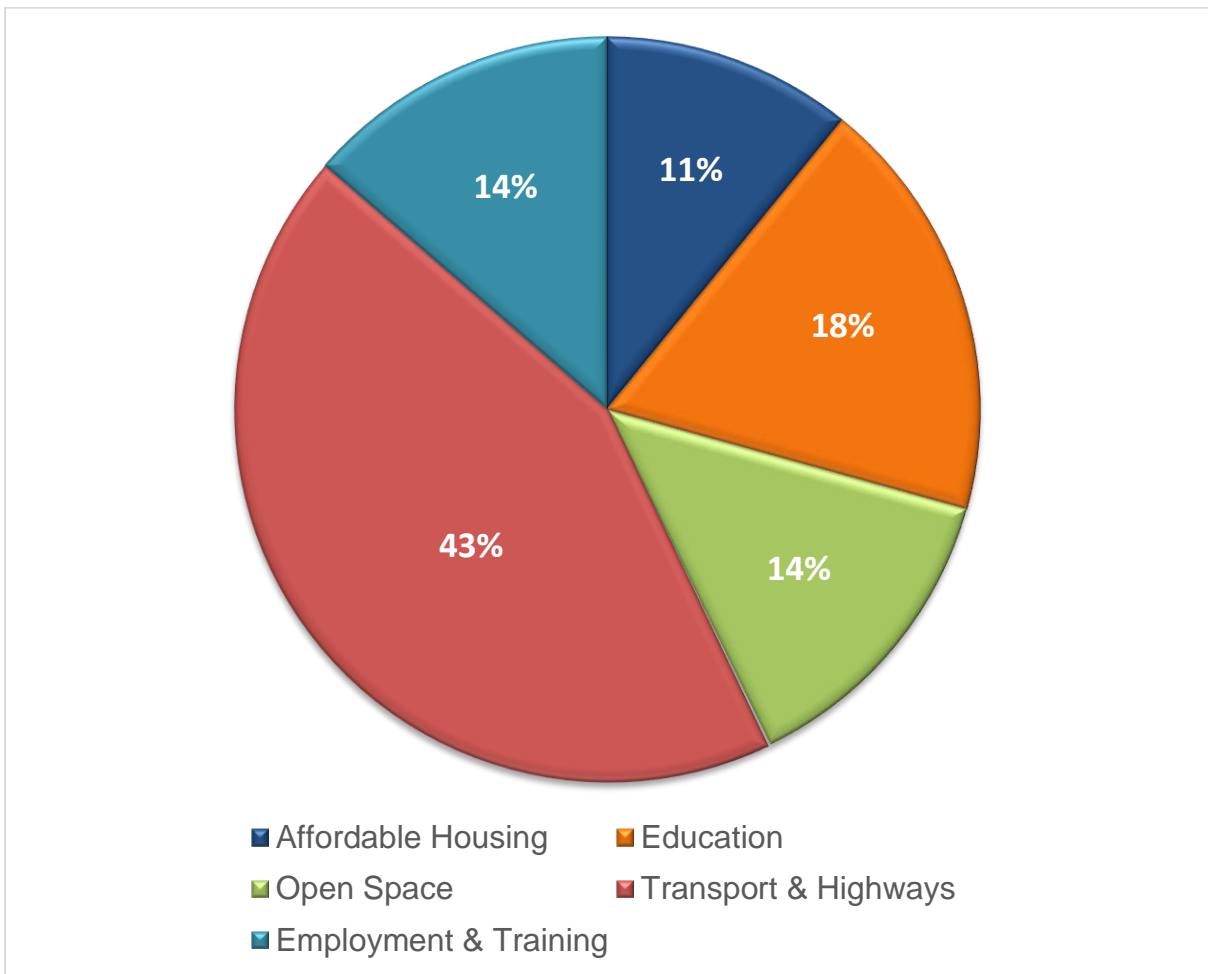
Monetary Contributions – Received (paid) in 2020/21 per category

3.4 Set out below in [Table 4](#) is a breakdown of the money that was received from S106 contributions per category in the reporting year. This will include monies agreed in previous years but received within the reporting year. Figure 2 also shows the breakdown of monies received in the reporting year.

Table 4 Monetary Contributions – Received in 2020/21 per category

Item of Infrastructure	Amount (£)
Affordable Housing	251,491
Education	427,688
Open Space	312,116
Public Realm	3,483
Transport & Highways	1,006,474
Capital Total	2,001,251
Employment & Training	316,321
Revenue Total	316,321
Overall Total	2,317,573

Figure 2: Pie chart showing the proportion of infrastructure monies received.



Non-Monetary Contributions

3.5 Set out below in Table 5 are the non-monetary contributions that were agreed in the reporting period. These are often referred to as in-kind contributions and could include for example, affordable houses provided on site by a developer.

Table 5: Non-Monetary Contributions

Total number of affordable housing units to be provided through planning agreements agreed in 2020/21.	0
Total number of affordable housing units, which were provided through planning agreements (whenever agreed) in 2020/21 ² .	25
Total number of school places for pupils to be provided through planning agreements agreed in 2020/21.	0
Total number of school places for pupils, which were provided through planning agreements (whenever agreed) in 2020/21 ³ .	0

3.6 In addition other non-monetary contributions can be secured through S106 agreement. In the reporting period there are no in-kind open space provision secured by S106 agreements.

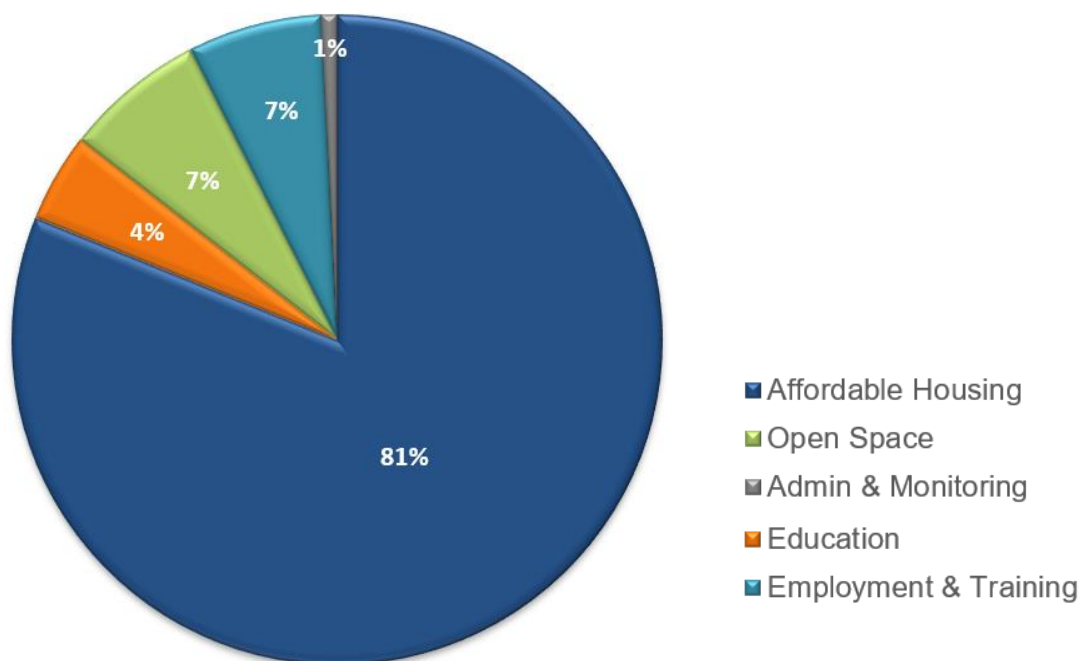
Section 106 infrastructure expenditure (spent) in 2020/21

3.7 Set out below in Table 6 is a breakdown by infrastructure type of the money spent in 2020/21 (whenever agreed). Figure 3 Pie chart showing the proportion of monies spent by infrastructure type also shows the breakdown of monies spent in the reporting year.

Table 6: Monies spent in 2020/21 per category

Row Labels	Capital	Revenue	Grand Total
Affordable Housing	1,394,325		1,394,325
Education	75,804		75,804
Open Space	120,395		120,395
Employment & Training		114,855	114,855
Admin & Monitoring		13,510	13,510
Grand Total	1,590,524	128,365	1,718,889

Figure 3: Pie chart showing the proportion of monies spent by infrastructure type



² Not a regulatory requirement but it is suggested that authorities, for clarity and transparency, report on this.

³ Also not a regulatory requirement but it is suggested that authorities, for clarity and transparency, report on this item.

- 3.8 Councils are required to report sums transferred to external organisations. In 2020/21, the sum of **£500,000** was paid to Framework Housing towards the provision of new affordable housing and the sum of **£34,325.46** was paid to Nottingham City Homes for the refurbishment of a house for use as temporary homelessness accommodation.
- 3.9 Detailed below in [Table 7](#) are items of infrastructure on which money received through planning agreements (whenever received) has been spent in 2020/21, and the amount of money, received through planning agreements, spent on each item. Note that some capital projects are carried out over longer periods than the financial year 2020-21.

*Table 7: Items of infrastructure on which money received through planning agreements (whenever received) has been **spent** in 2020/21*

Item of Infrastructure	Amount (£)
AFFORDABLE HOUSING TOTAL	1,394,325
26384 - Grant funding to Framework to provide new affordable housing	500,000
26774 - Eastglade new build development	800,000
27086 - Beckhampton new build development	60,000
24887 - Refurbishment of a house for letting	34,325
EDUCATION TOTAL	75,804
27591 - Specialist primary provision	75,804
OPEN SPACE TOTAL	120,395
15445 - Sunrise Nature Reserve	80
15450 - Hucknall Walkway Improvements	1,748
15451 - Right Track CC - New Play Area	2,411
18554 - Victoria Park & St Mary's Rest Garden	216
21865 - Broxtowe Country Park & Strelley Recreation Ground	15,473
21872 - Queen's Walk Recreation Ground	9,856
23867 - Footpath resurfacing at Forest Rec, Waterloo Prom. & Rd.	5,320
24897 - Victoria Embankment	74,452
24899 - Arkwright Walk Park	451
25960 - Improvements to Southglade Park	2,650
25965 - Green's Allotment	1,095
25966 - Woodthorpe Park play area, gym, café landscaping	3,488
27179 - Ronald Street, Lenton Rec & Radford Rec	2,625
27181 - John Carroll Open Space	530
TOTAL	1,590,524

Example of Infrastructure Funding by S106 Contributions

- 3.10 On the following page are some examples of the type of projects that have been supported by S106 contributions.

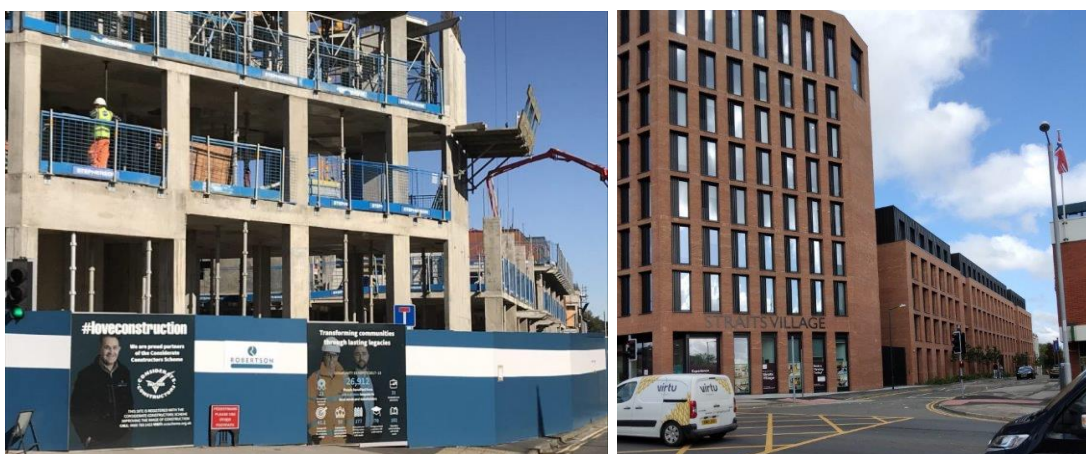
- **Affordable Housing** at Eastglade built and managed by Nottingham City Homes on behalf of Nottingham City Council through affordable housing S106 contributions. The whole scheme is 100% Nottingham City Council rented housing.



- **Highway Improvements** were agreed as part of the S106 for a residential scheme in Radford Bridge Allotments, Wollaton (planning ref 12/01583/POUT) and included the installation of 'your speed' signs and a new crossing.



- **Employment and Training** funding was secured as part of the construction phase S106 contribution as a result of the Purpose Built Student Accommodation scheme known as Straits Village on Huntingdon Street (18/00449/PFUL3).



Other Infrastructure Funded by Planning Agreements in 2020/21

- 3.11 The regulations require that details are set out of additional infrastructure funded by S106 agreements in the financial period 2020/21. However, as there are none of this type there is nothing to report. [Table 8](#) confirms there was no additional infrastructure funded by S106 agreements in the financial period 2020/21.

Table 8: Additional infrastructure funded by S106 agreements in the financial period 2020/21

Infrastructure Project/Type	Planning Agreement receipts spent
Nothing to report	N/A

Other Expenditure of Section 106 Receipts in 2020/21

- 3.12 The regulations require that details are set out of the total amount of money received through planning agreements (whenever agreed and money received), spent in 2020/21 on repaying money borrowed, including any interest, and details of the items of infrastructure which that money was used to provide (wholly or in part). For Nottingham this is zero as the Council does not borrow ahead of S106 receipt (see [Table 9](#)). Decisions are not taken until the sums are in hand.

Table 9: Other expenditure of Section 106 receipts in 2020/21

Infrastructure item	Planning agreement spent repaying money borrowed
Nothing to report	N/A

S106 Monitoring and Administration Costs

- 3.13 It is important that S106 planning agreements are monitored to ensure compliance. The Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 now allow Councils to charge a monitoring fee through S106 planning agreements, to cover the cost of the monitoring and reporting on delivery of that S106 agreement as described above. Monitoring fees can be used to monitor and report on any type of planning agreement, for the lifetime of that agreement. However, monitoring fees should not be sought retrospectively for historic agreements. Councils must report on monitoring fees in their IFS.
- 3.14 The Regulations allow monitoring fees to be either a fixed percentage of the total value of the S106 agreement or individual agreement; or could be a fixed monetary amount per agreement; or Councils 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.
- 3.15 All S106 agreements require monitoring on a regular basis to determine whether any triggers for payment have been reached. These trigger points can include for example commencement, completion or occupation of development. It is only when these triggers are reached that contributions are required to be paid. Although the onus is on developers informing the Council when these triggers are met, this is not always the case.

- 3.16 To cover some of the cost of monitoring and administering S106 agreements, Nottingham City Council takes 3% of S106 contributions to a maximum of **£5,406** (2020/21) subject to the maximum cost increasing in line with the Retail Price Index each year on 1 April.
- 3.17 The total amount of money, received through planning agreements (whenever agreed and money received), spent in 2020/21 in respect of monitoring (including the preparation of the S106 report for this Infrastructure Funding Statement) in relation to the delivery of planning agreements was **£13,510**. This shows the direct spend for staff resources in relation to monitoring of S106. It does not take into account the full cost of monitoring and administration of S106 contributions by the Council either within planning, legal or any of the spending departments. The Council is looking to examine the cost of monitoring and administration of S106 and will provide an estimate in future years within the IFS.

Section 106 receipts retained (allocated and unallocated)

- 3.18 'Allocated' means S106 sums retained by the reporting authority which have, or knowingly will be, used to fund a specific infrastructure project or infrastructure type. 'Allocated' also includes sums which will knowingly be passed to an external organisation.
- 3.19 The total sum of S106 monies retained at the end of 2020/21 was **£9,289,314**. The sum of **£4,071,282** was already allocated to projects as shown in [Table 10](#) and [Table 11](#). A further **£5,180,217** was unallocated at the 31 March 2021. Of this, **£2,884,316** was received prior to 2020/21, and **£2,295,901** was received. **£37,815** was the balance of the admin & monitoring fund.
- 3.20 The total amount of money, received under any planning agreement in any year, which had been allocated (to an infrastructure project or type) for spending by the end of 2020/21 but which had not been spent: **£3,704,162**.
- 3.21 Allocation of S106 contributions to projects can take some time. S106 contributions are not always the sole funding for projects, especially within Affordable Housing, Education and Open Space, and the development of projects and assembly of a complete funding package can take time to put in place. In addition, spending departments are sometimes awaiting receipt of other S106 contributions in order to combine them for particular projects. [Table 10](#) shows a detailed breakdown of the monies retained at the end of 2020/21.

Table 10: Monies retained at the end of 2020/21

Monies retained at the end of 2020/21	Allocated as at 31/03/21, but not yet spent at that date	Unallocated as at 31/03/21 (received prior to 2020/21)	Unallocated as at 31/03/21 (received during 2020/21)	Total
Affordable Housing	440,000	913,649	251,491	1,605,140
Education	1,182,100	1,604,166	419,882	3,206,149
Open Space	2,051,630	108,763	304,934	2,465,326
Public Realm	0	0	3,483	3,483
Transport & Highways	30,432	141,758	1,001,068	1,173,257
Capital	3,704,162	2,768,335	1,980,858	8,453,355
Employment & Training	263,463	115,981	315,043	694,487

Transport & Highways	103,657	0	0	103,657
Revenue	367,120	115,981	315,043	798,144
Total	4,071,282	2,884,316	2,295,901	9,251,499
Admin & Monitoring				37,815
Total				9,289,314

3.22 Summary details of the infrastructure projects or items to which receipts from planning agreements, whenever collected including 2020/21, have been allocated (but not spent) and the amount allocated to each item can be found in [Table 11](#). It should be noted that these allocations do not always represent the total cost of the projects. Some of the project budget may have been spent in previous years and some may be spent in future years. Many projects use S106 in combination with other grants, contributions and resources.

Table 11: Planning agreements, whenever collected including 2020/21, allocated (but not spent)

Infrastructure item	Sum
Affordable Housing Total	440,000
27086 - Beckhampton new build scheme	440,000
Education Total	1,182,100
27490 - Djanogly Strelley Academy	779,313
25389 - Fernwood Academy	3,355
27077 - Fernwood Primary	176,840
27591 - Specialist Primary Provision	222,593
Open Space Total	2,051,630
13465 - Mountfield Drive / Hazel Hill Park	2
13468 - Lincoln Street Park	3,059
15318 - Astley Drive Playground	600
15445 - Sunrise Nature Reserve	4,572
15450 - Hucknall Walkway Improvements	553
18554 - Victoria Park & St Mary's Rest Garden	51,331
19238 - King Edward Park Improvements	40,000
21327 - Victoria Embankment Memorial Garden	116,144
21329 - Whitemoor Nature Reserve	-1,397
21331 - Stockhill Park	21,918
21332 - Stockhill Circus Allotments	4,500
21408 - Wollaton Park Trees	1,151
21410 - Wollaton Park Walled Garden	10,469
21411 - Lenton Rec / Grove Road Trees	17,228
21863 - Melbourne Park	5,840
21865 - Broxtowe Country Park and Strelley Recreation Ground	321,878
21866 - Moorfield Allotments	467
21870 - Peggy's Park & Play Area	49,231
21872 - Queen's Walk Recreation Ground	44,669
21874 - Western Boulevard (Trafford Gardens Play Area)	3,475
21876 - Valley Road Park & Play Area	51,228
23424 - Torvill Drive Play Area	3,580
23867 - Footpath resurfacing at Forest Rec and at Waterloo Promenade & Waterloo Rd.	58,332
23868 - Victoria Embankment Memorial Gardens improvement works	15,198

Infrastructure item	Sum
23869 - Mill and Windmill Allotments, Leen Valley	7,102
24826 - Bulwell Bogs	21,810
24888 - Colwick Country Park	73,149
24889 - Marmion Park Play Area	5,000
24891 - Coppice Park	27,657
24894 - Area 6 Trees	11,463
24897 - Victoria Embankment	118,129
24899 - Arkwright Walk Park	26,149
24900 - Locksley Play Area, Clifton	2,000
24901 - Iremonger's Pond	2,226
24902 - Area 8 Trees	55,366
25959 - City Centre Open Space & Trees	20,338
25960 - Southglade Park	1,047
25961 - Bilborough Park	21,357
25962 - Green's Mill Park	4,319
25963 - Whitemoor Park	14,076
25964 - Northern Cemetery	19,647
25965 - Marmion Park	20,000
25965 - Green's Allotment	7,887
25967 - Shipstone Street Play Area	17,028
25968 - Independent Street Park	23,112
25969 - Forest Recreation Ground	11,861
25970 - Area 4 Trees	43,575
25971 - Area 2 Trees	61,081
25972 - Area 2 Trees	5,273
26063 - Area 4 Trees	4,020
26064 - Area 2 Trees	819
26082 - Aspley, Bilborough & Leen Valley Trees	20,000
26083 - Dales, Mapperley & St Anns Trees	25,000
27169 - Quarry Holes Nature Reserve	4,863
27170 - Woodfield Road Park	25,000
27171 - Amesbury Circus Play Area	25,000
27172 - Aspley Trees	20,000
27175 - Lenton Rec Ground	32,808
27176 - Robin Hood Chase Gym	15,000
27177 - Allotment Improvements	20,000
27178 - St Anns Trees	12,078
27179 - Ronald Street, Lenton Rec Ground & Radford Rec	133,065
27180 - Radford & Park Trees	6,864
27181 - John Carroll Open Space	9,470
27182 - Sandpiper Way Park	10,000
27183 - Arboretum	20,000
27184 - Wallen Street	20,000
27185 - Bobber's Mill Playground	5,000
27186 - St Peter's Churchyard	5,532
27187 - Arboretum Trees	12,000
27189 - Martin Pond Nature Reserve	173,146
ALP1952 - Southglade - Skate Park Footpath	4,000
N-C-4015 - Chediston Vale	3,289
Transport Total	30,432
25445 - George Green Way	30,432
Grand Total	3,704,162

Other allocated receipts from Planning Agreements

3.23 This section sets out additional information on expenditure of S106 receipts, the following sums are revenue expenditure, so are not infrastructure. In 2020/21, **£114,855** was spent on Employment & Training and Transport, as outlined in [Table 12](#). At the end of the financial period, the sum of **£694,487** was held for Employment & Training, and **£103,657** for Transport.

Table 12: Other allocated receipts from Planning Agreements

Revenue Expenditure funded through Planning Agreements	Sum
Employment & Training	
Training courses & training related activity	£36,675
Staffing costs	£78,180
Employment & Training Total	£114,855

Employment & Training (sums spent in 2020/21 outlined below):

- 3.24 S106 contributions are utilised by developers and subcontractors on each site by engaging in training and upskilling. Training is conducted by approved providers to enable the local workforce to increase their employability with courses that meet industry requirements. In addition to this training, upskilling opportunities paid through contributions allow contractors to uptake apprenticeships and NVQs at all levels to enable local people to broaden their skills and earning potential.
- 3.25 A percentage of contributions made by developers are also invested into a team of staff embedded within the Nottingham Jobs service which work to recruit local people to site opportunities, arrange training plans for residents and work with developers and contractors to maximise sites corporate social responsibility plans for benefit Nottingham's citizens and economy.

Appendix 1: The Regulatory Requirements for Infrastructure Funding Statements

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

Regulation 121A states:

- (1) Subject to paragraph (2), no later than 31st December in each calendar year a contribution receiving authority must publish a document ('the annual infrastructure funding statement') which comprises the following;
 - a) a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL (other than CIL to which regulation 59E or 59F applies) ('the infrastructure list');
 - b) a report about CIL, in relation to the previous financial year ('the reported year'), which includes the matters specified in paragraph 1 of Schedule 2 ('CIL report');
 - c) a report about planning obligations*, in relation to the reported year, which includes the matters specified in paragraph 3 of Schedule 2 and may include the matters specified in paragraph 4 of that Schedule ('section 106 report').
- (2) The first annual infrastructure funding statement must be published by 31st December 2020.
- (3) A contribution receiving authority must publish each annual infrastructure funding statement on its website.

* also known as agreements

Appendix 2: List of Schedule 2 requirements for the Infrastructure Funding Statements

Section 106 planning obligations*

Reporting requirement (Schedule 2, Paragraph 3 and (optional) 4)	
3 (a)	the total amount of money to be provided under any planning obligations* which were entered into during the reported year;
3 (b)	the total amount of money under any planning obligations* which was received during the reported year;
3 (c)	the total amount of money under any planning obligations* which was received before the reported year which has not been allocated by the authority;
3 (d)	summary details of any non-monetary contributions to be provided under planning obligations* which were entered into during the reported year, including details of— <ul style="list-style-type: none"> i. in relation to affordable housing, the total number of units which will be provided; ii. in relation to educational facilities, the number of school places for pupils which will be provided, and the category of school at which they will be provided;
3 (e)	the total amount of money (received under any planning obligations*) which was allocated but not spent during the reported year for funding infrastructure;
3 (f)	the total amount of money (received under any planning obligations*) which was spent by the authority (including transferring it to another person to spend);
3 (g)	in relation to monies (received under planning obligations*) which were allocated by the authority but not spent during the reported year, summary details of the items of infrastructure on which the money has been allocated, and the amount of allocated to each item;
3 (h)	in relation to monies (received under planning obligations*) which were spent by the authority during the reported year (including transferring it to another person to spend), summary details of— <ul style="list-style-type: none"> i. the items of infrastructure on which monies (received under planning obligations*) were spent, and the amount spent on each item; ii. the amount of monies (received under planning obligations*) spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part); iii. the amount of monies (received under planning obligations*) spent in respect of monitoring (including reporting under regulation 121A) in relation to the delivery of planning obligations*.
3 (i)	the total monies (received under any planning obligations*) during any year which were retained at the end of the reported year, and where any of the retained monies have been allocated for the purposes of longer term maintenance ('commuted sums'), also identify separately the total amount of commuted sums held.