

S106 overview

September 2023

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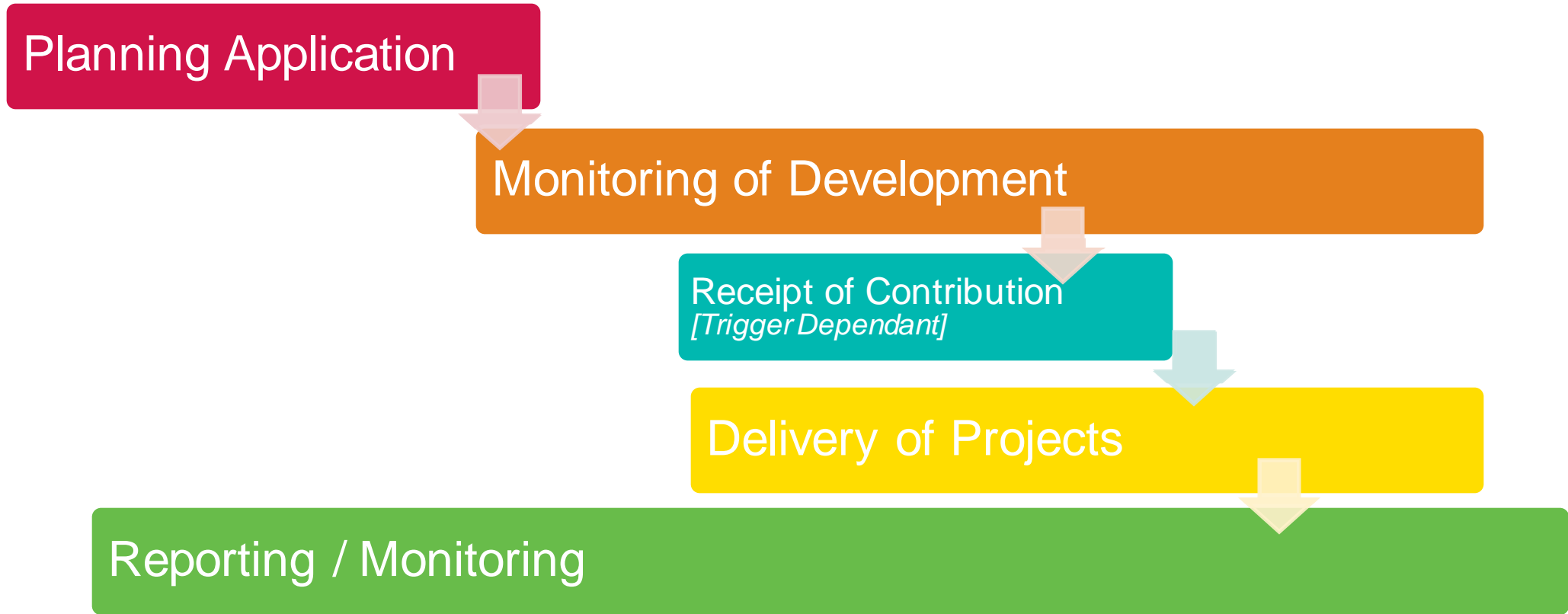
North Tyneside Council

Background information

- 2018 Authority review of S106 governance
- 2019 appointment of Capital Contracts S106 manager - commenced review of cross service officer roles and responsibilities and identification of service area link officers
- 2022 significant review of accuracy of data held and refining of monitoring processes
- Investment Programme Board (IPB) gateway approval process established
- Review of S106 monies received and pipeline projects
- S106 supporting the wider strategic North Tyneside plan
- November 2022 Cabinet report setting governance
- Regular updates to IPB and relevant Cabinet Members
- Ongoing review and updates provided to Finance Sub Committee (superseded by OSC&FC)
- All member S106 briefing circulated in June 2023



Key stages in the lifecycle of S106



Planning Application

- **Key Lead:**
 - Planning Manager
 - Service area leads
 - Developer
- **Key elements:**
 - Planning application submitted
 - Potential contributions to be assessed against legislative tests
 - Planning assess mitigating requirements for proposed development and viability of ask
 - Service areas contacted to confirm what the contribution will be spent on
 - Contribution value, timing and priority identified and agreed
 - Applications presented to planning committee for determination
 - Amount agreed in planning process confirmed to the delivery service area and Finance (Legal agreement established)
 - Key trigger points identified
 - Any time constraints identified



Monitoring of Development

- **Key leads:**
 - Major Contracts Manager
 - Planning Manager
 - Finance
 - Developer
- **Key elements:**
 - Developer starts to build (depending on demand/market)
 - Planning monitor progress and triggers against each development
 - Invoices raised at trigger points (index linked)
 - Planning notify S106 stakeholders on receipt of contribution and/or changed information.
 - Major Contracts Manager works with service areas to review arrangements to deliver agreed projects
 - Gateway process through IPB is progressed



Receipt of Contribution

[Trigger Dependant]

- **Key leads:**

- Major Contracts Manager
- Planning Manager
- Finance

- **Key elements:**

- Receipt of S106 contribution from developer to Authority
- Contribution allocated to specific S106 service area and updated on finance master spreadsheet and project cost code
- Service area link officer identifies delivery plan for S106 funded project
- Finance monitor and review expenditure/income with Major Contracts Manager, aligned to agreed governance process
- Approval and delivery



Delivery of Projects

- **Key leads:**
 - Major Contracts Manager
 - Finance
 - Service area
 - Investment Programme Board (IPB)
- **Key elements:**
 - Projects developed by service areas with input from Major Contracts Manager
 - Consultation with Planning to ensure project spend aligns with legal agreement
 - Project submitted to IPB for Gateway approval in line with legal agreement
 - Financial position reflected within Investment Plan
 - Project delivery
 - Reporting of committed spend (in line with IPB approvals)



Reporting / Monitoring

- **Key leads:**

- Finance
- Major Contracts Manager
- Service area
- Investment Programme Board (IPB)
- Overview and Scrutiny Coordination and Finance Committee (OSC&FC)

- **Key elements:**

- Contributions and monthly project progress added to Finance s106 Master Spreadsheet
- Finance and Major Contracts Manager review Finance s106 Master Spreadsheet
- Major Contracts Manager working with Service Areas to monitor project delivery
- Major Contract Manager highlights and prioritises schemes nearing end date
- Regular reporting (monthly / quarterly) to IPB and OSC&FC
- Finance s106 Master Spreadsheet maintained as one definitive source of information for key lead usage, IPB decisions and Member reporting
- A significant S106 total of circa. 30% of contributions relates to ambition for education



Community Infrastructure Levy (CIL)

- Introduced in 2018
- Full Council approved the Authority's CIL Charging Schedule and Cabinet approved the Infrastructure List associated with CIL
- The Infrastructure List is kept continually under review by the Authority
- The December 2022 Infrastructure Funding Statement identifies the following projects funded by CIL receipts:
 - Secondary education
 - Health facilities
 - Community Facilities
 - Off-site walking and cycling connections associated with Murton Gap and Killingworth Moor
 - Sustainable transport connections
 - Strategy highway improvements
- Only recently have large scale CIL liable developments begun to feed into CIL
- As at the end of Q1 (2023/24), £675k of CIL monies have been received by the Authority
- Strategic plan proposed for delivery linked to CIL documents

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Next Steps

- Monthly s106 Officer review and monitoring.
- Quarterly update to IPB
- Bi-Monthly reporting of s106 to Cabinet via Budget Monitoring reporting.
- Offer of bespoke meetings with ward Members to discuss S106 process following circulation of briefing note and associated documents in June 2023
- At future Overview, Scrutiny Co-ordination and Finance Committee, provide service specific area reviews as requested.



S106 and CIL

Any Questions?

