

## **POLICY & FINANCE COMMITTEE**

**23 SEPTEMBER 2021**

### **PAYMENT OF CHILDREN AND YOUNG PEOPLE SPACE CONTRIBUTION TO BILSTHORPE PARISH COUNCIL**

#### **1.0 Purpose of Report**

1.1 To seek committee approval to forward fund the refurbishment of the children's play park and park at Maid Marion Way, Bilsthorpe from funding secured under a Section 106 agreement linked to the Oldbridge Way development, Planning Reference No. 20/00642/FULM in order to enable the Parish Council to progress the proposed works.

#### **2.0 Background Information**

- 2.1 At its meeting of 22 February 2017 the Councillors' Commission agreed that the remit of the Policy & Finance Committee should be amended to make clear that the determination of how S106 monies should be applied or obligations fulfilled, falls within the remit of that Committee rather than the Planning Committee.
- 2.2 The Commission further agreed that the scheme of officer delegation be extended to give the Chief Executive and all Chief Officers delegated powers to determine how S106 monies should be applied or obligations fulfilled where the terms of the S106 Agreement are sufficiently precise or where the amount of the proposed expenditure does not exceed £50,000. However, in cases where the amount of money in question is significant it was agreed that there should be some Member input into this process.
- 2.3 The developer was granted planning approval to deliver a residential scheme of 120 dwellings and associated infrastructure contributions through a Section 106 agreement reference no. AG 1214. Specifically within the agreement there was an obligation on the developer to pay a Children and Young People Space contribution of £111,271.20 plus indexation to provide an off-site contribution towards such provision.
- 2.4 The S106 agreement AG 1214 requires the developer to pay the contribution prior to the occupation of the 48<sup>th</sup> dwelling. Currently the development is progressing, with 68 houses started but not yet complete. Whilst it is clear that the trigger will be hit, until it is, monies would not be released by the developer to the Council. In order to allow the improvement scheme to be implemented it is suggested that the Council provides a payment to the Parish in advance of the contribution from the developer. The advance payment can be made from Council reserves and the equivalent value repaid into reserves on receipt of the contribution from the developer.

#### **3.0 Proposals**

- 3.1 To forward fund the refurbishment of the children's play park at Maid Marion Way, Bilsthorpe from funding secured under a Section 106 agreement linked to the Oldbridge Way development in Bilsthorpe (Planning Reference no 20/00642/FULM and AG 1214).
- 3.2 That the base sum of £111,271.20 be transferred to Bilsthorpe Parish Council initially and any uplift secured indexation also be transferred when received by the Council.

3.3 That appropriate provision be made in the Council's capital programme for this scheme.

#### **4.0 Equalities Implications**

4.1 There are no equality implications in respect of the various protected characteristic groups in connection with this proposal. The forward funding of the Children and Young People Space contribution will enable further accessible community infrastructure improvements to be delivered for the benefit of all residents of Bilsthorpe.

#### **5.0 Digital Implications**

5.1 There are no adverse digital implications associated with this report.

#### **6.0 Financial Implications (FIN21-22/9454)**

6.1 The intention is to fund retrospectively using Section 106 monies due to be received in relation to Section 106 agreement reference no. AG 1214. Specifically within the agreement there was an obligation on the developer to pay a Children and Young People Space contribution of £111,271.20. Therefore in the first instance the contribution would need to be financed using borrowing. No annual MRP charge will be chargeable against this as the intention is to fund through the section 106 once received.

6.2 Should the section 106 contribution not be received and hence is not available to finance the spend, the Council would need to use its own finance to fund this and hence a decision would need to be made at that point in time in terms of the most appropriate funding mechanism.

#### **7.0 Community Plan – Alignment to Objectives**

7.1 The proposal will primarily contribute to the Council's Community Plan objectives of 'create vibrant and self-sufficient local communities where residents look out for each other and actively contribute to their area' and 'Improve the health and wellbeing of local residents' through taking a local lead on developing the best use of community facilities with support from the District Council as and where appropriate.

#### **8.0 RECOMMENDATIONS that:**

**(a) the base sum of £111,271.20 plus indexation be transferred to Bilsthorpe Parish Council under a side legal agreement and any uplift secured through indexation also be transferred when received by the Council; and**

**(b) a capital budget be created for £111,271.20, funded by borrowing until such time that the section 106 contribution is received.**

#### **Reason for Recommendations**

**To enable Bilsthorpe Parish Council to progress with the refurbishment of the children's play area and park at Maid Marion Way, Bilsthorpe with its appointed project team and contractor.**

Background Papers

Nil

For further information please contact Andy Hardy on Extension 5708.

Matt Lamb

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