

Developers Contributions

Appendix G3

The council receives Section 106 contributions from developers of housing sites throughout the borough. Most of these contributions come with restrictions as to what they can be spent on. The main categories are:

- Affordable Housing
- Public Open Space, Sports and Recreation
- Town Centre Enhancements
- Transport

Contributions towards affordable housing are also referred to as 'commuted sums'. They are paid by a developer when the size or scale of a development triggers a requirement for certain number of affordable housing units on site but the actual number delivered is lower. The council then uses the commuted sums to ensure affordable housing is delivered in alternative schemes either by the council itself as the developer or paying over to another developer.

For receipts in the 'Transport' category, the work is carried out by LCC, as the highways authority, and the receipt is paid over on completion. The Council is reliant on LCC planning and delivering these projects.

Table 1 summarises the forecasted use of Section 106 in the current financial year 2020/21 and across the next 3 financial years. The vast majority of the 'use' of the receipts relates to capital expenditure on schemes within the capital programme. Occasionally there are minor amounts that are used for revenue expenditure. No new receipts have been assumed due to there being too much uncertainty about timing and potential values.

Table 2 lists the schemes within the capital programme that are forecasted to utilise Section 106.

Community Infrastructure Levy (CIL)

The Council publishes an annual Infrastructure Funding Statement that outlines what projects CIL can be spent against. There is only one scheme in the capital programme that is forecasted to use CIL – "Green Link Penwortham Holme to Howick", which has a total budget of £250,000. Any CIL received in relation to sites within the City Deal are to be paid over. The balance of CIL that has been received and not yet committed in £1.230m.

Table 1 – Summary of Section 106 Usage

Category	Balance c/f 19/20	Receipts in 20/21	Forecast Use 20/21	Balance c/f 20/21	Forecast Use in Future Years	Balance Not Yet Allocated
Affordable Housing	5,044	224	(758)	4,509	(4,245)	264
Public Open Space, Sports or Recreation	1,841	21	(1,086)	776	(423)	353
Town Centre Enhancements	82	-	(15)	67	(42)	25
Transport	575	-	-	575	(565)	10
Total	7,541	245	(1,859)	5,927	(5,275)	653

Table 2 – Section 106 funding to be applied to capital schemes

Scheme	20/21 £'000	21/22 £'000	22/23 £'000	Total £'000
Affordable Housing - former McKenzie Arms, Bamber Bridge	100	1,700	453	2,253
Affordable Housing - Tom Hanson House, Station Road, Bamber Bridge	588			588
Extra Care scheme			2,000	2,000
Next Steps Accom - Purchase 2 houses	70			70
Affordable Housing Total	758	1,700	2,453	4,912
A tree for every resident	35	53	48	136
Arboretum landscaping	30			30
Church Road, Bamber Bridge		40		40
Green Link - Shruggs Wood	61			61
King George V Playing Fields, Higher Walton	50			50
King George V Playing Fields, Higher Walton Additional works			25	25
Leyland Loop	91			91
Leyland Train Station Ticket Office	15	45		60
Lostock Hall Football Facility (St Gerard's)	90			90
New Longton Regeneration		75		75
Open Spaces - Balcarres Green	26			26
Open Spaces - Bent Lane	68			68
Overflow Car Park	120			120
Playground - Bellis Way	20	10		30
Playground - Haig Avenue		97		97
Playground - Hurst Grange	190	35		225
Playground - Leadale Green	35			35
Playground - Seven Stars	175			175
Playground - Worden Park	50			50
Tarn Wood, Penwortham	31			31
Other Section 106 Total	1,087	355	73	1,515
Grand Total	1,845	2,055	2,527	6,427