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Infrastructure Funding Statement 2021/22

SOUTH HAMS DISTRICT COUNCIL

Contents	Page number
Introduction	1
Developer Contributions	2
Section 106 Planning Obligations	3
Monitoring Fees	10
Index Calculation	10
Appendices:	
1. Developer agreements	
2. Developer agreement contributions	
3. Developer agreement transactions	

1. Introduction

1.1 This report sets out South Hams District Council's Infrastructure Funding Statement (IFS). It provides a summary of the contributions toward the provision of infrastructure that have been secured in association with new development. Such 'developer contributions' are in the form of financial or non-financial contributions and are secured by a legal agreement. The report covers the financial year 1 April 2021 – 31 March 2022.

1.2 Local planning authorities are required to publish their developer contributions data on a regular basis. A requirement has been inserted into the Community Infrastructure Levy (CIL) Regulations requiring charging authorities to publish an IFS, summarising their developer contributions data. These will help to inform the public and all interested parties on the funding of and provision of new infrastructure, and give policy-makers a better insight into how developer contributions are supporting new development and local infrastructure. They will become increasingly important for developers who wish to understand what the appropriate level of planning obligations payable in relation to a development is. It is intended that these reports will be produced annually. This is the third IFS for South Hams (the first IFSs were required to be published by 31 December 2020).

1.3 Developer contributions take the form of agreements that either secure funding towards new infrastructure (on the development site or off-site), or make direct provision of infrastructure as part of any new development. The local planning authority and developer enter into a negotiated agreement (often referred to as a 'planning obligation') – to mitigate the impact of a specific development, to make it acceptable in planning terms. They are typically secured by legal agreements, known as 'Section 106 (S106) Agreements', made under S106 of the Town and Country Planning Act 1990. Another form of such legal agreements is Section 278 (S278) Agreements. These are made under S278 of the Highways Act 1990 between the Local Highway Authority and the developer, and are used to secure improvements or alterations to the highway. In recent years some authorities have introduced the Community Infrastructure Levy (CIL) as a means of collecting finance to help fund more generalised, strategic infrastructure. The CIL has not been introduced in the South Hams.

1.4 IFSs are required to set out the infrastructure projects or types of infrastructure that the authority intends to fund, either wholly or partly, though this will not dictate how funds must be spent and in turn collected. They are non-binding, and it should be noted that data on developer contributions is imperfect as it represents estimates at a given point in time, and can be subject to change. However, the data in this report is the most accurate and robust available at the time of publication.

2. Developer Contributions

Section 106 Planning Obligations

2.1 Planning Obligations (also known as S106 Agreements) are legal agreements which can be attached to a planning permission to mitigate the impact of development. Obligations can only be sought where they are directly related to the development, fairly and reasonably related in scale and kind to the development, and necessary to make the development acceptable in planning terms.

2.2 The Council's requirements for S106 planning obligations are set out in the Joint Local Plan (JLP) Supplementary Planning Document (adopted July 2020). Section 12 provides guidance to developers, planners, the community, and other stakeholders on how planning obligations will be sought and the impacts of development mitigated. This guidance operates in the context of JLP Strategic Objective SO12 and primarily supports Policy DEL1. It also reflects national guidance contained in the NPPF. The guidance should also be considered alongside the Developer Contributions Evidence Base document, which sets out the methodologies for calculating benchmark developer contributions towards infrastructure required to mitigate the impacts of development. The evidence base document includes evidence and formulae to help provide a proportionate approach for determining the costs of mitigating the impacts of development, ensuring planning obligations are necessary, directly related and fairly and reasonably related in scale and kind to the development.

2.3 S106 contributions can either be provided on-site, for example through the provision of an equipped play-area or affordable housing, or off-site in the form of financial payments.

2.4 Once the S106 has been signed, it is an obligation, but it will only be realised if the planning permission is implemented and reaches the specific trigger point for payment set-out in the agreement, such as commencement or prior to occupation. When the planning permission is granted, the S106 obligation is registered as a Land Charge which stays with the land, obligating any future owners until the terms are met.

Section 278 Highway Agreements

2.5 Additional legal agreements that can fund infrastructure are Section 278 Agreements (S278). These are legally binding agreements made under the Highways Act 1990 between Local Highway Authorities and developers. S278 agreements are required to secure alterations or improvements to the highway.

Forecasting

2.6 National guidance suggests that Councils should consider reporting on estimated future income where possible. The Council will look at incorporating forecasting of developer contributions in future versions of the IFS.

3. Section 106 Planning Obligations

Monies received before 1 April 2021 that had not been allocated as of 1 April 2021

3.1 Table 1a below shows the total amount of S106 money held by the Council on 31 March 2021. Table 1b lists all of the S106 money held by and to be spent by the Council, and Table 1c lists the S106 money held by the Council, but was due to be transferred to external bodies and organisations.

Table 1a – Total money held by the Council at 31 March 2021

Recipient	Amount held
To be spent by SHDC	£5,731,921.97
To be transferred to external bodies	£30,369.32
Total	£5,762,291.29

Table 1b – Unspent monies held by and to be spent by the Council at 31 March 2021

Infrastructure type	Amount held
Open Space, Sport and Recreation	£2,577,126.50
Affordable housing (off site)	£1,417,601.63
Landscape	£1,457,547.80
Sherford	£108,749.53
Ecology	£107,212.60
Employment	£57,959.27
Air Quality	£5,724.64
Total	£5,731,921.97

Table 1c – Unspent monies held by the Council at 31 March 2021 due to be transferred to external bodies

Recipient	Amount held
Plymouth Tamar SAC	£20,369.32
Ivybridge Mill Group Archives	£10,000
Total	£30,369.32

Monies agreed during 2021/22

3.2 Table 2 outlines the financial contributions that have been agreed through signed S106 agreements during this financial year. As is evident, the largest total amount secured by infrastructure type relates to open space, sport and recreation.

Table 2 – Monies agreed during 2021/22

Infrastructure type	Monies agreed
Open Space, Sport and Recreation	£569,004.55
Affordable Housing	£410,000.00
NHS contribution	£63,360.00
Green Infrastructure	£30,504.90
Monitoring fees	£15,618.00
Total	£1,088,487.45

Monies received during 2021/22

3.3 Table 3a shows the total income received during this financial year, destined for South Hams District Council and other bodies. Table 3b shows the money that is to be spent by the District Council and Table 3c shows the money that is to be transferred to other bodies. In many instances the money received was agreed and signed for in S106 agreements predating this financial year.

3.4 It should be noted that financial contributions towards services and functions provided by Devon County Council are collected direct by the county council, i.e. they are not collected by SHDC and transferred to DCC. These will be reported in the Devon County Council IFS.

3.5 Whilst the figures below have been categorised for different infrastructure types, they have not necessarily been 'allocated' to specific projects.

Table 3a – Total monies received during 2021/22

Recipient	Monies received
South Hams District Council	£649,456.65
Sherford	£69,251.41
Other bodies	£13,767.44
Total	£732,475.50

Table 3b – Monies received during 2021/22 to be spent by SHDC

Infrastructure type	Monies received
Open Space, Sport and Recreation	£540,020.46
Affordable Housing	£109,333.33
Sherford	£69,251.41
Monitoring fees	£180.00
Total	£718,785.20

Table 3c – Monies received during 2021/22 to be transferred to other bodies

Recipient	Monies received
Community Facilities	£10,000.00
Plymouth Tamar SAC	£3,767.44
Total	£13,767.44

Monies received that was allocated but not spent during 2021/22

3.6 Table 4 shows the amount of money that was allocated in 2021/22 but not spent, regardless of when the funding came in.

Table 4

Allocation	Monies allocated but not spent
Brixton Parish Council – improvements to footpath 26	£90.00
Brixton Parish Council – purchase and improvement of land at Cofflete	£4,424.58
Cornwood Parish Council – renewal of Lutton play area	£8,965.15
Dartington Sports Club - changing room extension	£3,000.00
Dartington Recreation Association – improvements to community centre	£3,811.31
Dartington Recreation Association – improvements to outdoor swimming pool	£75,000.00
Dartington Recreation Association – provision of multi-goal on tennis courts	£9,631.75
Ivybridge Town Council – improvements to Filham Park	£46,075.00
Kingsbridge Town Council – improvements to Kingsbridge Recreation Ground	£18,050.00
Modbury Association of Recreation and Sport – improvements at QEII ground	£68,304.18
Salcombe and District swimming pool association – new pool covers	£11,476.80
Salcombe Rugby Club – upgraded floodlighting and ball stop netting	£19,792.50
Salcombe Tennis Club - access improvements	£6,415.00
Salcombe Town Council - fitness equipment and football goals	£22,867.00
South Hams District Council – Bridgetown Corridor footpath works	£297.94
South Hams District Council – Dartmouth tree management work to open up viewpoints	£741.79

Allocation	Monies allocated but not spent
South Hams District Council – improvements to Woodlands Park Ivybridge - play, seating and interpretation	£37,480.35
South Hams District Council – replacement play equipment, Brixton	£9,782.00
Stoke Gabriel Football Club – new stand	£3,836.84
West Alvington Parish Council - play and adult fitness equipment	£8,708.00
Total	£358,750.19

Total monies spent in 2021/22

3.7 Tables 5a, 5b and 5c give details of the monies spent by SHDC or transferred to other bodies for spend during 2021/22

Table 5a – Total monies spent and transferred during 2021/22

Monies spent/transferred	Amount
South Hams District Council	£733,596.35
Transferred to other bodies	£29,300.74
Total	£762,897.09

Table 5b – Total monies spent by SHDC during 2021/22

Infrastructure project	Monies spent
Blackawton Playing Fields Committee – resurfacing of tennis court	£13,138.80
Brixton Parish Council – improvements to footpath 26	£5,400.00
Brixton Parish Council – land purchase and improvements at Cofflete	£2,450.00
Dartington Recreation Association – improvements to community centre	£2,775.94
Dartington Recreation Association – woodland adventure bike track	£11,387.00
Dartington Sports Club – grounds maintenance equipment	£15,600.00
Ivybridge Bowls Club - grounds maintenance equipment	£6,440.00
Ivybridge Community College – replacement of all-weather pitch with community use agreement	£50,000.00
Ivybridge Town Council – Filham Park masterplan	£654.00

Infrastructure project	Monies spent
Kingsbridge Rugby Club – access improvements	£7,500.00
Loddiswell Parish Council – surfacing under swings	£5,700.00
Malborough Parish Council – Improvements to Malborough Playing Fields and Malborough Park play area	£63,723.63
Marldon Parish Council – covered storage shelter	£3,500.00
Marldon Parish Council – renewal of Torfield play area	£45,000.00
Modbury Association of Recreation and Sport – grounds maintenance equipment	£19,944.00
Modbury Association of Recreation and Sport – improvements at QEII ground	£129,195.76
Modbury Parish Council – renewal of Memorial Hall play area	£54,943.93
Newton Ferrers Parish Council – provision of cycle racks and tree planting at Butts Park	£1,017.71
Salcombe Dinghy Sailing – purchase of day boat	£8,000.00
Salcombe Yacht Club – upgrade of topper fleet	£15,414.14
South Hams District Council – Bridgetown Corridor Footpath Works	£44,119.14
South Hams District Council – Erme Riverside tree planting	£250.00
South Hams District Council – improvements to Donkey Lane play area, Ugborough	£7,720.56
South Hams District Council – renewal of Ermington play area	£38,900.00
South Hams District Council – replacement play equipment, Brixton	£9,782.00
South Hams District Council – Woodlands Park Ivybridge - improvements to pond and interpretation	£1,297.71
South Hams District Council – Woodlands Park Ivybridge - tree planting	£1,715.44
Stoke Gabriel Cricket Club – improvement of access and new roof for community pavilion	£11,200.00
Stoke Gabriel Parish Council – improvements to Orchard play area	£25,000.00
Stoke Gabriel Scout Group – improvements to toilets and showers	£6,020.64
Totnes Bowls Club – improvements to windows and fencing	£5,000.00
Totnes Rugby Club – clubhouse refurbishment	£2,592.11
Totnes Sub Aqua Club – resuci anne manikin	£1,000.00

Infrastructure project	Monies spent
Totnes with Bridgetown PCC – improvements to St John’s Church Hall for community use	£4,938.00
Ugborough Parish Council – improvements to Bittaford play area	£3,001.64
West Alvington Parish Council - play and adult fitness equipment	£8,708.00
Yealmpton Parish Council – improvements to Stray Park play area	£2,464.00
Dartmouth United Charities -affordable housing	£23,000.00
Sherford – Design Review Body, Review Panel, economy and training	45,200.00
Monitoring & GI Post Fee	£29,902.20
Total	£733,596.35

Table 5c – Total monies transferred during 2021/22

Recipient	Infrastructure project	Monies transferred
Plymouth City Council	Tamar SAC	£19,800.74
Stoke Gabriel Parish Council	Community Facilities – Scout Hall	£9,500.00
Total		£29,300.74

3.8 Table 5d shows the total monies (received under any planning obligation during any year) which were retained at the end of the reported year.

Table 5d – Total money held by the Council at 31 March 2022

Money held by SHDC	Amount held
Total	£5,731,869.70

Non-monetary contributions agreed during 2021/22

3.9 Table 6 shows the non-monetary contributions that were agreed through S106 agreements during 2021/22. The non-monetary contributions include affordable housing, public open space and Landscape and Ecology Management Plans (LEMP).

3.10 This table could potentially include Supplementary Agreements or Deeds of Variation. In such instances the non-monetary contributions have been assessed against the original agreement to determine if there has been any change in the provision of the non-monetary contributions. The same principle has been applied to all forms of non-monetary contributions.

Table 6 – Non-monetary contributions

Planning application reference number	Site/location	Non-monetary contribution
Affordable Housing		
3197/19/OPA	Land adjacent to New Park Road, Lee Mill	8 affordable dwellings
1419/20/FUL	Land West of Beara Farm, Landscope,	5 affordable dwellings
3460/17/OPA	Lutterburn Farm, Ugborough	2 affordable dwellings
3445/18/FUL	Beechwood House, Sparkwell	7 affordable dwellings
3841/20/OPA	Land at Sawmills, North of A385, Dartington	12 affordable dwellings
3842/20/OPA	Land at SX 783 624, Broom Park, Dartington	24 affordable dwellings
		Total = 58 dwellings
Open Space & SUDS		
3197/19/OPA	Land adjacent to New Park Road, Lee Mill	Open Space & SUDS specification submission
3445/18/FUL	Beechwood House, Sparkwell	Open Space & SUDS specification submission
3841/20/OPA	Land at Sawmills, North of A385, Dartington	Open Space & SUDS specification submission
3842/20/OPA	Land at SX 783 624, Broom Park, Dartington	Open Space & SUDS specification submission
1419/20/FUL	Land West of Beara Farm, Landscope,	Open Space & SUDS specification submission
		Total = 5 sites
LEMP Landscape Ecology Management Plans		
3197/19/OPA	Land adjacent to New Park Road, Lee Mill	LEMP – plan detailing maintenance and management of land
3460/17/OPA	Lutterburn Farm, Ugborough	LEMP – plan detailing maintenance and management of land
3445/18/FUL	Beechwood House, Seaton Orchards, Sparkwell	LEMP – plan detailing maintenance and management of land

Planning application reference number	Site/location	Non-monetary contribution
3841/20/OPA	Land at Sawmills, North of A385, Dartington	LEMP – plan detailing maintenance and management of land
3842/20/OPA	Land at SX 783 624, Broom Park, Dartington	LEMP – plan detailing maintenance and management of land
		Total = 5 sites
Biodiversity Scheme		
3197/19/OPA	Land adjacent to New Park Road, Lee Mill	Biodiversity scheme submission
		Total = 1 site
Allotments		
3842/20/OPA	Land at SX 783 624, Broom Park, Dartington	Allotment area – no less than 1,500m ²
		Total = 1 site

4. Monitoring fees

4.1 The Council generally exercises the right to charge S106 monitoring fees. These have historically been levied at a rate of 5% of the total value of the financial contribution that the Council receives. More recent S106 agreements have fixed monitoring fees that are in addition to the financial contributions received by the Council.

5. Index calculation

5.1 Many of the S106 agreements have clauses to index link agreed S106 financial contributions, calculated to either CPI, RPI or BCIS (Building Cost Information Service) indices. The relevant indices are calculated using the date that the S106 agreement was signed and the contribution trigger point. The calculation formula will then uplift the contribution due, according to the change of indices between the date signed and the trigger point. This will account for some changes in contributions detailed in the S106 agreement and actual amounts received.

Appendices

1. Developer agreements
2. Developer agreement contributions
3. Developer agreement transactions