

8th December 2015

Council's approach to using Section 106 money

Purpose of report

To provide an update on the Council's approach to considering the allocation of Section 106 funding.

Recommendations

- 1) To note the approach for deciding allocations that prioritises school expansions to meet the Council's statutory responsibilities to secure sufficient pupil places.
- 2) The Forum are invited to provide feedback to inform the criteria that should be used to allocate Section 106 monies for school improvement if monies are not required or available for school expansions.

Background

The Council is in receipt of Section 106 funding arising from developments within the Borough. The allocations that are currently secured/available to the Council are identified in appendix A.

Whilst Section 106 contributions have been secured by the Council over recent years a consultation exercise is currently underway to move from the traditional Section 106 system to a new Community Infrastructure Levy process which will change the way in which the Council is able to secure and use funding for priority projects such as the provision of additional or improved school places and other needs. The Council's Children Services Department along with other Council services have been invited to contribute to the internal discussions currently underway that will help the Council decide how it prioritises and commits future CIL funding and have already fed into the process the importance of prioritising the improvement and expansion of the school estate

Proposal

Given the statutory obligation of the Council to provide sufficient pupil places for children the first call on Section 106 funding is to support schemes to expand schools where the Council forecasts the need for additional places to be best provided.

The following criteria is used to help consider which schools are recommended for enlargement:

- Reducing mixed age teaching
- Boundary issues
- Chosen school appetite for increasing numbers
- Other relevant contextual information (as reported to Cabinet February 2014)
- Location relevant to need
- Parental preference and popularity of school
- Site related issues
- Cost efficiency
- Ofsted rating

Should there be no forecast or actual need for more pupil places at schools within either a 3 mile radius for secondary schools or 2 mile radius for primary schools of an appropriate development site, Section 106 can be spent on school schemes to improve existing education facilities. In some cases the wording of Section 106 agreements is non prescriptive in terms of the radius and or other considerations. A brief summary of each current 'live' Section 106 agreement in terms of what the funding can be spent on is included in the attached schedule (see Appendix A).

Financial implications/Value for Money

A summary of the Section 106 money is available totalling £879,887 is attached at Appendix A.

Legal Implications

The Council has a statutory duty to secure sufficient school places for the Children and Young People of Walsall.

All S106 monies are required to be spent as per the related individual contribution conditions stated.

School Improvement

This report provides school forum members the opportunity to inform the criteria for decision making as regards how S106 monies are allocated to support the school improvement agenda in the event that monies are not needed or appropriate to utilise to support school enlargements.

Members eligible to vote

EDUCATION S106 CONTRIBUTIONS REGISTER
Balances as at 31 March 2015

Application No	Development Name	Conditions Attached	Summary of S106 Wording	Expiry Date for Spend	Amount Agreed	Cabinet Date	School	LMP	Allocated to	Received to Date	Spend to date	Balance
02/2417/OL/E2	St Margaret's Hospital site	Secondary Sector. 2 further contributions of £350k each due on completion of 150 & 350 Dwellings on site plus further sum on completion of development. Exact amount to be calculated according to formula depending on exact number of dwellings built.	Towards improvement of facilities at schools within catchment areas of the site for pupils in years 7-11 and post 11.	Within 5 years of receipt of each contribution: £53,659.20 - 19/06/2011 £100,000.00 - 19/06/2011 £344,750.00 - 20/05/2015	£576,523	13 October 2010	Barr Beacon Language College	Pheasey and Paddock	Barr Beacon Language College Provision For Additional Accommodation	£576,523	£576,523	
05/2039/FL/E4	Binary House, Boatmans Lane, Walsall	Secondary Sector. Due on or before 50% Apartments occupied.	To be used towards provision of Secondary School education in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities).	None.	£45,046		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£45,046	£0	£45,046
07/2340/FL/E9	Land off Thames Road, Goscote	Secondary Education facilities within 3 miles	Towards provision of secondary education facilities within 3 miles of the site in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities) and Education SPD 2007.	29/10/2015	£20,516		Allocated - Basic Need Feasibility Studies			£20,516	£0	£20,516
09/1695/FL	Bell Lane, Bloxwich, Walsall	Secondary Education	To be used towards provision of Secondary School education in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities).	16/08/2017	£222,810		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£222,810	£0	£222,810
06/0126/OL/W1	Heston and Granby, Stafford Road, Wednesbury (The Keep)	Secondary Sector, 50% 42nd dwelling, 50% Completion	Towards provision of Secondary School education within reasonable proximity of site.	16/09/2016	£135,669		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£135,669	£0	£135,669
06/0344/FL/E3	2 Coppice Road, Walsall, WS9 9BL	Secondary	Towards provision of education (doesn't specify whether primary or secondary).	None.	£28,583		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£28,583	£0	£28,583
06/0344/FL/E3	2 Coppice Road, Walsall, WS9 9BL	Secondary	No record of additional contribution for this development?	None.	£439		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£439	£0	£439
06/0641/FL/E9	The Stag, Field Road	Secondary Sector. Due on various triggers	Towards the provision of secondary school places within a 3 mile radius of the site. N.B. Only £3,625.00 has been received for this S106 and no further contributions will be coming forward due to a later permission being implemented superseding the S106.	None.	£36,257		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£3,625	£0	£3,625
07/1492/FL/E11	Site R/O 160-164 Broad Lane, Bloxwich	Primary and Secondary Sector, due on commencement	Towards provision of primary education facilities within 2 miles radius and secondary education facilities within 3 miles radius of the site in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities) and Education SPD 2007. N.B. Only £21,680.71 has been received for this S106 following a deed of variation in 2011 to reduce the education contribution.	27/02/2017	£42,005		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£21,681	£0	£21,681
07/1494/FL/W6	Bentley Health clinic, Churchill Rd, Walsall	Secondary Sector, due on commencement	Towards provision of secondary education facilities within 3 miles radius of the site in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities) and Education SPD 2007.	18/08/2013	£26,132		Allocated			£26,132	£0	£26,132
07/2323/FL/E12	Land at Goscote Lane and Well Lane	Secondary Education facilities within 3 miles	Towards provision of secondary education facilities within 3 miles radius of the site in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities) and Education SPD 2007.	29/10/2015	£7,655		Allocated - Basic Need Feasibility Studies			£7,655	£0	£7,655
08/0059/FL	Land at Cartbridge Lane South, Walsall	Secondary Education facilities within 3 miles	Towards provision of secondary education facilities within 3 miles radius of the site in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities).	27/02/2016	£157,471		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£157,471	£0	£157,471
06/2209/OL/E9	Shire Oak Reservoir, Chester Road, Walsall	Primary/Secondary Education	Towards provision of primary education facilities within 2 miles radius and secondary education facilities within 3 miles radius of the site in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities) and Education SPD 2007.	None.	£108,350		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£108,350	£0	£108,350
10/1593/FL	Watermead Grange, Walsall	Secondary Education	Towards provision of secondary education facilities within 3 miles radius of the site in accordance with UDP Policies GP3 (Planning Obligations) and 8.8 (Use of S106 for new / improved education facilities) and Education SPD 2007.	29/11/2016	£97,576		Funding Still To Be Allocated To A Capital Scheme And Approved By Cabinet			£97,576	£0	£97,576
					£1,425,629					£1,452,076	£576,523	£875,553

QV @ 31/03/2015 £879,887

Variance -£4,334