



Warwick District Council

Developer Contribution Monitoring Report

Quarter 4, 2019/2020 (January – March 2020)

Contents

Executive Summary.....	3
Covid-19 impact	4
Section 106.....	5
New S106 agreements signed.....	5
S106 triggers met	6
S106 sums falling due	8
S106 sums received.....	9
Summary of development status as at end March 2020.....	11
Community Infrastructure Levy	14
CIL receipts.....	15
CIL contributions to Town and Parish Councils.....	16

Executive Summary

This report sets out a summary of Developer Contribution Monitoring that has been undertaken during Quarter 4 of the financial year 2019/2020 (1st January to 31st March 2020). It embraces contributions that fall under both Section 106 Agreements and the Community Infrastructure Levy (CIL).

Most site monitoring has happened remotely, as a result of Covid-19 lockdown restrictions which came into effect shortly before the end of the quarter.

During Q4 2019/20, two new S106 agreements have been signed, including one for a major development: 150 dwellings at “Land North of Birmingham Road, Hatton”.

S106 triggers have been met on a number of developments, including financial contributions totalling £1.3 million due to Warwick District Council, and £550,000 due to Warwickshire County Council. S106 income received by Warwick District Council was nearly £2 million and received by Warwickshire County Council was over £1.2 million. The sums due and received by Warwick District Council include sums to be passed to third parties such as the NHS and Police.

Since the beginning of the financial year (Q1, Q2, Q3 & Q4 2019/20), CIL demand notices have been issued on nine developments, totalling just under £5.8 million. During the same period, £1.8 million has been received by way of CIL payments, with a further £5.3 million outstanding.

Covid-19 impact

Shortly before the end of this quarter, travel and social distancing restrictions began to be imposed associated with the Covid-19 lockdown. This has had a significant impact on construction in Warwick District, with the majority of development sites shutting down completely. It has also impacted on officers' ability to monitor sites. In many cases, information has been gathered remotely, making use of existing Building Control data and contacting developers directly. However, there are cases where this has not been possible, particularly for some smaller sites.

Information regarding the development status of S106 sites is given where available, but please be aware that there may be gaps in this data.

The longer-term impact of Covid-19 on development is not clear. Information from house builders suggests that they are keen to re-start as soon as it is safe to do so, but there are concerns regarding how quickly the market may recover. Delays in completions will impact on S106 income, as this is tied to 'trigger points' at which payments become due. For example, a payment might be due when 50% of dwellings are occupied. It might be expected that there would be a similar delay in the delivery of projects being funded through S106 contributions. CIL payments continue as scheduled.

Section 106

Infrastructure contributions can be made under Section 106 agreements where they are necessary to make the development acceptable, are directly related to the development, and are fairly and reasonably related in scale and kind to the development.

New S106 agreements signed

The following table shows agreements signed during Q4 2019/20 where those agreements have become active. Any agreements signed which have expired or not become active (for example if planning permission was not granted) are not included here.

Case reference	Location / obligation	Date signed	Amount agreed
W/19/0933	North of Birmingham Road, Hatton	14/02/2020	
	Affordable Housing		-
	Education		£303,715.00
	Env - Biodiversity Contribution		£193,543
	Env - Biodiversity scheme submission		-
	Health - GP Surgery		£59,045.00
	Health - Hospital		£86,219.94
	Highways		£540,000.00
	Highways - Rights of Way		£10,456.00
	Highways - Sustainability Pack		£11,250.00
	Libraries		£3,283.00
	Monitoring Fee - District Council		£30,000.00
	Monitoring Fee - County Coucil		£1,000.00
	Open Space Design Scheme		-
	Open Space - Offsite Parks G'dns All'ts		£57,810.00
	Police		£32,639.00
	Public Transport		£150,000.00
	Sports Facilities - Indoor		£133,530.00
	Sports Facilities - Outdoor		£10,683.00
	SUDS		-
W/19/1471	13-17 Kenilworth Street, Leamington Spa	21/01/2020	
	Highways - Traffic Regulation Order		£3,000.00

S106 triggers met

Development sites with S106 agreements are monitored quarterly. Most site monitoring has happened remotely, as a result of Covid-19 lockdown restrictions.

S106 agreements include trigger points at which obligations become due. The following table shows trigger points which have been met during Q4 2019/20, for both financial and non-financial obligations.

Where a developer has elected to pay or otherwise discharge an obligation early, the trigger is shown as being met during the quarter in which they elected to pay.

Case reference	Location / obligation	Trigger met
W/14/0661	Lower Heathcote Farm	
	Public Transport (Bellway)	Anniversary of previous payment
W/16/0801	Former North Leamington School, Cloister Way	
	Affordable Housing	90% occupation open market dwellings
W/17/2086	Red Lane / Hob Lane, Burton Green	
	Affordable Housing	50% occupation open market dwellings
W/17/2371	Rugby Road / Coventry Road, Cubbington	
	Affordable Housing – Scheme submission	Commencement
	Health - Hospital	Commencement
	Open Space – Design Scheme	Commencement
	Open Space – Land Transfer	Commencement
	SUDS – Scheme submission	Commencement
	Highways – Sustainability Pack	Commencement
	Env – Biodiversity offsetting	Commencement
W/18/0606	Lower Heathcote Triangle	
	Monitoring Fee – District Council	Within 20 days of commencement
	Affordable Housing – Scheme submission	Commencement
	Open Space – Design Scheme	Commencement
	Open Space – Land Transfer	Commencement
	Env – Biodiversity scheme submission	Commencement
	Env – Biodiversity contribution	Within 3 months of approval of reserved matters
	SUDS – Scheme submission	Commencement
	Employment - Local emp training strategy	Commencement
	Health - Hospital	Commencement
	Country Park	First occupation
	Highways – Sustainability Pack	Commencement
	Highways – Cycleways	Commencement
W/18/1619	North of Gallows Hill, Warwick	
	Affordable Housing – contract with registered provider	Within 6 months of commencement
W/19/0691	Arras Boulevard, Hampton Magna	
	Monitoring Fee – District Council	Within 28 days of commencement

Case reference	Location / obligation	Trigger met
	Affordable Housing – Scheme submission	Commencement
	Health - Hospital	Commencement
	Health – GP Surgery	Commencement
	Open Space - Play Area Design Scheme	Commencement
	Open Space Land Transfer	Commencement
	Employment - Local emp training strategy	Commencement
	Env - Biodiversity offsetting	Commencement
W/19/1471	13-17 Kenilworth Street, Leamington Spa	
	Highways – Traffic Regulation Order	Within 8 weeks of commencement

S106 sums falling due

Some of the triggers met from the previous table are financial. These are presented in the following table, grouped according to the contribution type.

Sums due to Warwick District Council include indexation where relevant. Sums due to Warwickshire County Council are usually presented without any indexation, as responsibility for calculating indexation on those sums lies with WCC.

S106 sums falling due		
Sums due to Warwick District Council		£1,294,000.07
Country Park		£866,701.75
Lower Heathcote Triangle	W/18/0606	£866,701.75
Health – GP Surgery		£51,173.00
Arras Boulevard, Hampton Magna	W/19/0691	£51,173.00
Health – Hospital		£330,821.31
Rugby Road / Coventry Road, Cubbington	W/17/2371	£69,682.64
Lower Heathcote Triangle	W/18/0606	£85,361.88
Arras Boulevard, Hampton Magna	W/19/0691	£175,776.79
Monitoring Fee – District Council		£45,304.01
Lower Heathcote Triangle	W/18/0606	£30,706.75
Arras Boulevard, Hampton Magna	W/19/0691	£14,597.26
Sums due to Warwickshire County Council		£553,389.44
Env - Biodiversity		£379,059.94
Rugby Road / Coventry Road, Cubbington	W/17/2371	£70,901.00
Lower Heathcote Triangle	W/18/0606	£156,228.94
Arras Boulevard, Hampton Magna	W/19/0691	£151,930.00
Highways – Cycleways		£139,999.50
Lower Heathcote Triangle	W/18/0606	£139,999.50
Highways – Traffic Regulation Order		£3,000.00
13-17 Kenilworth Street, Leamington Spa	W/19/1471	£3,000.00
Highways – Sustainability Pack		£9,000.00
Rugby Road / Coventry Road, Cubbington	W/17/2371	£9,000.00
Public Transport		£22,330.00
Lower Heathcote Farm (Bellway)	W/14/0661	£22,330.00
Total falling due		£1,847,389.51

S106 sums received

The following table shows the sums received from developers during Q4 2019/20. The trigger points for these sums will often have been reached during previous quarters. All sums are presented including indexation where relevant.

S106 sums received		
Sums received by Warwick District Council		£1,972,467.13
Country Park		£866,701.75
Lower Heathcote Triangle	W/18/0606	£866,701.75
Health – GP Surgery		£51,173.00
Arras Boulevard, Hampton Magna	W/19/0691	£51,173.00
Health – Hospital		£675,281.14
Lower Heathcote Farm (Bovis)	W/14/0661	£116,844.88
Lower Heathcote Farm (Bellway)	W/14/0661	£117,553.03
Bremridge Close, Barford	W/17/0440	£34,730.17
East of Warwick Road, Kenilworth	W/17/2150	£75,331.75
Rugby Road / Coventry Road, Cubbington	W/17/2371	£69,682.64
Lower Heathcote Triangle	W/18/0606	£85,361.88
Arras Boulevard, Hampton Magna	W/19/0691	£175,776.79
Monitoring Fee – District Council		£63,261.93
East of Warwick Road, Kenilworth	W/17/2150	£17,957.92
Lower Heathcote Triangle	W/18/0606	£30,706.75
Arras Boulevard, Hampton Magna	W/19/0691	£14,597.26
Open Space - Offsite Parks G'dns All'ts		£68,087.55
Bremridge Close, Barford	W/17/0440	£68,087.55
Police		£47,868.07
Lower Heathcote Farm (Bovis)	W/14/0661	£23,950.49
Lower Heathcote Farm (Bellway)	W/14/0661	£23,917.58
Sports Facilities - Indoor		£187,307.36
Lower Heathcote Farm (Bovis)	W/14/0661	£93,370.74
Lower Heathcote Farm (Bellway)	W/14/0661	£93,936.62
Sports Facilities - Outdoor		£12,786.33
Lower Heathcote Farm (Bovis)	W/14/0661	£6,373.85
Lower Heathcote Farm (Bellway)	W/14/0661	£6,412.48
Sums received by Warwickshire County Council		£1,264,752.59
Education		£730,599.81
Lower Heathcote Farm (Bellway)	W/14/0661	£730,599.81
Env - Biodiversity		£154,477.74
Myton Green, Europa Way (Avant)	W/14/1076	£154,477.74
Highways		£342,832.54
Lower Heathcote Farm (Bellway – 3 rd instalment)	W/14/0661	£171,416.27
Lower Heathcote Farm (Bellway – final instalment)	W/14/0661	£171,416.27
Highways - Sustainability Pack		£16,982.72
Myton Green, Europa Way (Avant)	W/14/1076	£16,982.72
Public Transport - School Transport		£19,859.78
Lower Heathcote Farm (Bellway)	W/14/0661	£19,859.78
Total received		£3,237,219.72

Sums received by Warwick District Council relating to hospital, GP surgery or police contributions are subsequently passed on to the relevant bodies, following the completion of legal agreements.

Summary of development status as at end March 2020

Information regarding the development status of S106 sites is given where available, but please be aware that for some sites the Covid-19 lockdown has made collection of data impossible. The status from the last monitoring in Q3 is given for context where more recent information is lacking.

Application Number	Location	Status
W/13/0464	Earl Rivers extra care village	Phase 1 and 2 complete Phase 3: Not monitored, but further completions unlikely this quarter. Q3 had 8 out of 69 dwellings complete (12%)
W/13/1763	Land to the rear of Holly Walk, Baginton	Free school Not monitored (not started Q3)
W/14/0023	Grove Farm Phase 1 (Harbury Gardens)	165 out of 220 dwellings complete (75%) Phase 1a complete Phase 1b 75 out of 130 complete (58%)
W/14/0300	The Asps	900 dwellings (outline) Reserved matters permission granted for sub-phase 1a (W/19/0229, 65 dwellings)
W/14/0433	Spring Lane, Radford Semele	65 dwellings Under construction
W/14/0661	Lower Heathcote Farm	710 out of 785 dwellings complete (90%) Barratt/DWH 384 out of 435 dwellings complete (88%) Bovis/Bellway 326 out of 350 dwellings complete (93%)
W/14/0681	Land South of Gallows Hill / West of Europa Way	450 dwellings Infrastructure work ongoing
W/14/1076	Land between Myton Road and Europa Way	48 out of 735 dwellings complete (7%) Land parcel D1 (Miller Homes) 26 out of 134 dwellings complete (19%) Land parcel D2 (Avant Homes) 22 out of 200 dwellings complete (11%) Land parcel D4 (part) (Bovis) groundworks underway
W/14/1340	Crackley Triangle, Common Lane, Kenilworth	16 out of 93 dwellings complete (17%)

Application Number	Location	Status
W/15/0851	Grove Farm Phase 2	260 out of 510 dwellings complete (51%) Phase 2b (Taylor Wimpey) 105 out of 194 dwellings complete (54%) Phase 2c (Persimmon) 155 out of 208 dwellings complete (75%) Phase 2d (AC Lloyd) 108 dwellings, infrastructure works started
W/15/0905	Station Approach, Leamington Spa	166 out of 212 dwellings complete (78%)
W/16/0196	Land to the South of Offchurch Lane, Radford Semele	60 out of 150 dwellings complete (40%)
W/16/0239	Whitley South (sub-regional site)	W/17/1729 research and development buildings – site prep underway W/18/1717 battery Industrialisation Centre – under construction
W/16/0279	Land off Seven Acre Close, Bishop's Tachbrook	50 dwellings Not started
W/16/0356	Tollgate House, Banbury Road, Bishop's Tachbrook	6 dwellings Outline only
W/16/0801	Former North Leamington School, Cloister Way, Leamington Spa	38 out of 44 dwellings complete (86%)
W/16/1139	Talisman Square, Kenilworth	Mixed development Not monitored (Not started Q3)
W/16/2156	7 Parade, Leamington Spa	Change of use office to 5 dwellings Not monitored (Not started Q3)
W/17/0252	29 Chandos Street, Leamington Spa	6 dwellings Not monitored (Not started Q3)
W/17/0440	Land off Bremridge Close, Barford	Complete
W/17/1470	Land at Leamington Shopping Park, Tachbrook Park Drive, Warwick	Retail development Not monitored
W/17/1724	Land at Meadow House / Kingswood Farm, Lapworth	10 out of 38 dwellings complete (26%)
W/17/2086	Land on the corner of Red Lane and Hob Lane, Burton Green	33 out of 90 dwellings complete (37%)
W/17/2150	Land on the East side of Warwick Road, Kenilworth	125 dwellings Under construction
W/17/2357	Land to the South of Westwood Heath Road, Burton Green	425 dwellings Not monitored (Not started Q3)
W/17/2371	Land off Rugby Road and Coventry Road, Cubbington	120 dwellings Under construction
W/17/2387	Land south of Lloyd Close, Hampton Magna	147 dwellings Outline only
W/18/0522	Gateway South (sub-regional site)	Mixed development Outline only
W/18/0554	Waverley Riding School, Cubbington	16 dwellings Not monitored (Not started Q3)

Application Number	Location	Status
W/18/0606	Land at The Triangle, Lower Heathcote Farm	147 dwellings, under construction. (NB a variation application is under consideration which would increase the number of dwellings to 150)
W/18/1619	Land North of Gallows Hill	375 dwellings Under construction
W/18/1744	5 Russell Terrace, Leamington Spa	1 dwelling Not monitored (Not started Q3)
W/18/1802	231 Cromwell Lane, Burton Green	House extension Not monitored (Under construction Q3)
W/18/2270	2-8 Kenilworth Street, Leamington Spa	9 dwellings Not monitored (Not started Q3)
W/19/0038	46 Parade, Leamington Spa	Change of use including 5 dwellings Not monitored (Not started Q3)
W/19/0203 W/19/0215	9 and 11 Dereham Court, Leamington Spa	House extension Not monitored (Not started Q3)
W/19/0355	8 Beauchamp Avenue, Leamington Spa	1 dwelling Not monitored (Not started Q3)
W/19/0415	43 and 45 Leyes Lane, Kenilworth	House extension Not monitored (Not started Q3)
W/19/0933	North of Birmingham Road, Hatton	150 dwellings Not started
W/19/0691	Land off Arras Boulevard, Hampton Magna	130 dwellings Under construction
W/19/0963	49-51 Parade, Leamington Spa	Change of use from office to 6 dwellings Not monitored (Not started Q3)
W/19/1226	7 and 8 Pears Close, Kenilworth	4 dwellings Not monitored (Not started Q3)
W/19/1471	13-17 Kenilworth Street, Leamington Spa	Additional student bedrooms Retrospective application
W/19/1535	62 Brandon Parade, Leamington Spa	Change of use from office to 13 dwellings Not monitored (Not started Q3)

Community Infrastructure Levy

The Community Infrastructure Levy (CIL) is a tariff charged on development, at a locally set rate, to fund infrastructure needs arising from new development. Warwick District Council (WDC) introduced its charging schedule on 18th December 2017. The Council is obliged to apply indexation to its charging schedule periodically, and the first update to the schedule has been introduced for applications permitted between 1st January 2020 and 31st December 2020. The CIL charging schedule was indexed with effect from January 2020. This does not affect any of the sums presented in this report as it does not include any Demand or Liability Notices at the revised rate.

CIL income can be spent on infrastructure such as transport schemes; flood defences; schools; health & social care facilities; parks & green spaces; and cultural & sports facilities. The schemes which were to be funded by CIL in Warwick District were defined in the [CIL Regulation 123 List 2019/20](#) which was agreed by WDC Executive Committee in March 2019. The most recent amendments to the Community Infrastructure Levy (CIL) Regulations (2010) came into force on 1st September 2019. These introduced an Infrastructure Funding Statement to replace the existing Reg. 123 list which outlines proposed infrastructure projects to be funded by WDC. This is intended to increase transparency and ensure it is clear how the levy is being spent, and also includes a report on S106 payments. The first annual infrastructure funding statement must be published by 31st December 2020.

CIL receipts

The table below covers the period from 1st April 2019 to 31st March 2020 (Quarters 1, 2, 3 & 4).

Description	Number of Applications Assessed	Amount Exemptions	Amount Liabe
Number of Planning Applications requested to complete and submit CIL Additional Information Requirement form	192		
Applications assessed and found to be less than 100 sqm – not CIL liable	103		
CIL liable proposals eligible for exemption i.e. self build – 14 commenced, 2 waiting for Commencement Notices (Form 6) Exempt amounts would become liable if a 'disqualifying' event occurs i.e. dwelling sold within 3 years of completion	16	£654,966.90	
Liability Notices issued – waiting for Commencement Notices (Form 6)	3		£81,026.00
CIL Liable proposals - exemption for Social Housing (inc. in Demand Notice figure)			
CIL liable proposal – Demand Notice issued Apr 2019 to March 2020	9		£5,788,334.65
CIL liable / exempt developments completed and paid in full	7		
Application CIL forms have been requested – ongoing monitoring / waiting for information	54		
Total CIL income 1st Apr 2019 – 31st March 2020			£1,870,341.90
CIL Income collected (from implementation) to 31st Mar 2019			£438,428.95
Total CIL outstanding from <u>ALL</u> liable amounts to 31st March 2020			£5,365,142.60

Previous reports included a 'totals' row showing the sum of the liability notices and demand notices, for 'amount exemptions' and 'amount liable' columns. This has been removed from the above table, as the cumulative total could be misleading; both liability & demand notices may have been issued for the same site during a financial year.

CIL contributions to Town and Parish Councils

A proportion of the CIL money collected is distributed to Town, Parish and Community Councils in which the development falls. This proportion must be spent to support the impact of developments on local communities and they must in turn report on their levy income and spending.

WDC are required to pass **15%** of CIL receipts to relevant Parish / Town Councils who do not have a Neighbourhood Plan (NP) in place arising from developments in their areas. Payments will be capped to £100 per Council Tax dwelling per year. For example, a Parish / Town Council with 500 dwellings cannot receive more than £50,000 of CIL receipts per year.

The levy contribution will increase to **25%** for Parish / Town Councils with an adopted NP; there is no cap on the amount paid if a NP is in place. This amount will not be subject to an annual limit; for this to apply, the NP must have been made before a relevant planning permission first permits development (as amended by the 2011 and 2014 Regulations).

The District Council must make payment in respect of CIL it receives from 1st April to 30th September in any financial year to the Parish / Town council by 28th October of that financial year, and pay the CIL received from 1st October to 31st March in any financial year by the 28th April the following financial year.

Planning App.	Project	Parish / Town Council	Total CIL Chargeable Amount	Total Parish / Town portion 15% (dependant on no. of dwellings cap) or 25%	Total no. council tax dwellings	Max. amount payable per year (if no NP)	Transferred Q1 2019/20	Transferred Q3 2019/20
W/17/2086	Red Lane / Hob Lane	Burton Green	£1,065,285.00	£159,792.75	415	£41,500.00	£41,500.00	£0
W/17/1724	Kingswood Farm	Rowington	£741,780.00	£111,267.00	445	£44,500.00	£7,500.00	£34,589.00
W/17/2273	Blackdown Old Milverton Lane	Milverton	£47,531.25	£7,129.69	250	£25,000.00		£7,129.69
W/18/1372	Corner Prince's Drive	Kenilworth	£17,854.00	£4,463.50	10,434	No cap		£2,500.00
W/18/0128	16-22 Clemens Street	Leamington	£29,680.00	£4,452.00	23,176	£2,317,600.00		£4,452.00

Note:

W/17/2086 Red Lane / Hob Lane and W/17/1724 Kingswood Farm will receive further CIL payments April 2020.

W/18/1372 £10,000.00 received by end September 2019, remaining £7,854.00 received November 2019; therefore, remaining £1,963.50 will be paid to Kenilworth TC April 2020.

Payments to Town / Parish Councils can only be made once the CIL liable contribution has actually been received by WDC from the developer.