



Warwick District Council

Developer Contribution Monitoring Report

Quarter 1, 2020/2021 (April – June 2020)

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Executive Summary

This report sets out a summary of Developer Contribution Monitoring that has been undertaken during Quarter 1 of the financial year 2020/2021 (1st April to 30th June 2020). It embraces contributions that fall under both Section 106 Agreements and the Community Infrastructure Levy (CIL).

Covid-19 restrictions meant that larger sites were monitored remotely as at 30th June 2020, using building control data and by contacting developers directly. In addition, most smaller sites were monitored with site visits as part of the annual cycle of monitoring which would normally have happened in early April, but this year took place in early June.

During Q1 2020/21, three new S106 agreements have been signed, including Phase 3 of the Grove Farm / Oakley Grove development, which includes up to 150 dwellings as well as primary and secondary schools and sixth form.

Only one development met any S106 triggers during the quarter. This included financial contributions of just under £130,000 due to Warwick District Council (a sum collected on behalf of the NHS), and around £12,000 due to Warwickshire County Council.

No S106 income was collected by Warwick District Council during the quarter; Warwickshire County Council collected around £38,000.

CIL income during the quarter was in excess of £0.5 million, with a further £4.8 million outstanding from issued demand notices. No new CIL demand notices were issued in the quarter.

Changes to this report since 2019/20

There is a new central government requirement for local authorities in receipt of developer contributions to publish an Infrastructure Funding Statement (IFS). Starting with the 2019/20 financial year, the IFS will provide an annual summary of income, allocation and spend of sums received by way of CIL, S106 and S278 agreements. Warwick District Council and Warwickshire County Councils will each be publishing their own IFS, by the end of the calendar year.

The intention is to continue producing these quarterly reports alongside the annual IFS. The new reporting requirements have prompted a review of what information is included here and how it is presented. As such, there are some changes in format compared to previous quarterly reports. The most notable change is in CIL information. Previously, this was presented cumulatively for the financial year to date, before re-setting each new financial year. From now on, CIL will be presented discretely for each quarter. This brings it into line with the way S106 income is reported. Whole-year information can be found in the IFS, with a summary in the Authority Monitoring Report (AMR).

There is a degree of flexibility in what is included in these quarterly reports, and readers are encouraged to contact the Planning Policy team if they have strong views or suggestions regarding how data is presented.

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Covid-19 impact

The quarter covered in this report, April to June 2020, saw significant disruption to housebuilding in Warwick District as a result of Covid-19 lockdown restrictions. At the beginning of the quarter, construction had more or less ceased, followed by a gradual re-opening of sites towards the end of the quarter. By June, most of the larger sites were operational again in some form.

As S106 income is tied to 'trigger' points at which payments become due, the shutdown is reflected in the activity recorded in this report. The longer-term impact on S106 income is dependent on how quickly the market recovers. CIL payments that were already timetabled will have been less affected by the lockdown, although the Council was granted discretion to delay payments in certain circumstances. There will, though, have been some CIL-liable sites where commencement was delayed by shutdown.

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 Q1 2020/21 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/18/0190	Holly House, Queensway, Leamington Spa	28/05/2020	
	Affordable Housing		-
	Open Space - Offsite Parks G'dns All'ts		£29,050.00
W/19/1030	Oakley Grove Phase 3	01/06/2020	
	Affordable Housing		-
	Country Park		£592,897.40
	Education		TBC
	Environmental improvements		£114,519.00
	Env - Air Quality		£464,796.00
	Env - Biodiversity Contribution		£253,980.00
	Health - GP Surgery		£59,045.00
	Health - Hospital		£86,220.00
	Highways		£540,000.00
	Highways - Rights of Way		£3,021.30
	Highways - Sustainability Pack		£1,500.00
	Highways - Other Traffic Schemes		£5,490.00
	Libraries		£3,283.00
	Monitoring Fee - District Council		£9,513.60
	Open Space		-
	Open Space - Offsite Parks G'dns All'ts		£25,785.00
	Open Space - Play Area Offsite		£105,000.00
	Police		£32,639.00
	SUDS		-
W/20/0172	96-98 Warwick Street, Leamington Spa	30/04/2020	
	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 Q1 2020/21, 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/14/1076	Land between Myton Road and Europa Way, Warwick	
	Env - Biodiversity scheme submission (Bovis)	Commencement
	SUDS - Scheme submission (Bovis)	Commencement
	Highways - Sustainability Pack (Bovis)	Commencement
	Libraries (Bovis)	Commencement
	Health - GP Surgery (Bovis)	Commencement
	Affordable Housing Scheme Submission (Bovis)	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		£127,779.41
Health - GP Surgery		£127,779.41
Land between Myton Road and Europa Way, Warwick (Bovis)	W/14/1076	£127,779.41
Sums due to Warwickshire County Council		£12,498.81
Highways – Sustainability Pack		£9,675.00
Land between Myton Road and Europa Way, Warwick (Bovis)	W/14/1076	£9,675.00
Libraries		£2,823.81
Land between Myton Road and Europa Way, Warwick (Bovis)	W/14/1076	£2,823.81
Total falling due		£140,278.22

S106 sums received

The following table shows the sums received from developers during Q1 2020/21. 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		£0.00
Sums received by Warwickshire County Council		£38,408.76
Education		£38,408.76
Crackley Triangle	W/14/1340	£38,408.76
Total received		£38,408.76

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 June 2020

Larger sites were monitored remotely as at 30th June 2020, using building control data and by contacting developers directly. In addition, most smaller sites were monitored with site visits as part of the annual cycle of monitoring which would normally have happened in early April, but this year took place in early June. Where there is no data for the end of Q1 2020/21, the annual monitoring situation is given, marked "A/M".

Application Number	Location	Status
W/13/0464	Earl Rivers extra care village	Phase 1 and 2 complete Phase 3: 8 out of 69 dwellings complete (12%) (A/M)
W/13/1763	Land to the rear of Holly Walk, Baginton	Free school Planning permission expired 13/6/19
W/14/0023	Grove Farm Phase 1 (Harbury Gardens)	167 out of 220 dwellings complete (76%) Phase 1a complete Phase 1b 77 out of 130 complete (59%)
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	711 out of 785 dwellings complete (91%) Barratt/DWH 384 out of 435 dwellings complete (88%) Bovis/Bellway 327 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	51 out of 735 dwellings complete (7%) Land parcel D1 (Miller Homes) 27 out of 134 dwellings complete (20%) Land parcel D2 (Avant Homes) 24 out of 200 dwellings complete (12%) Land parcel D3/D4 (Bovis) under construction
W/14/1340	Crackley Triangle, Common Lane, Kenilworth	34 out of 93 dwellings complete (37%)

Application Number	Location	Status
W/15/0851	Grove Farm Phase 2	268 out of 510 dwellings complete (53%) Phase 2b (Taylor Wimpey) 105 out of 194 dwellings complete (54%) Phase 2c (Persimmon) 163 out of 208 dwellings complete (78%) Phase 2d (AC Lloyd) 108 dwellings, infrastructure works started
W/15/0905	Station Approach, Leamington Spa	172 out of 212 dwellings complete (81%)
W/16/0196	Land to the South of Offchurch Lane, Radford Semele	61 out of 150 dwellings complete (41%)
W/16/0239 W/18/1942	Whitley South (sub-regional site)	W/17/1729 research and development buildings – site prep underway W/18/1717 battery Industrialisation Centre – under construction (A/M)
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 Permission expired 4/7/19
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 started (A/M)
W/16/2156	7 Parade, Leamington Spa	Change of use office to 5 dwellings Not started (A/M)
W/17/0252	29 Chandos Street, Leamington Spa	6 dwellings Not started (A/M)
W/17/1470	Land at Leamington Shopping Park, Tachbrook Park Drive, Warwick	Retail development Old structures demolished (A/M)
W/17/1700	Covent Garden Multi-storey car park, Russell Street, Leamington Spa	New Council HQ offices, multi-storey car park and 44 dwellings Not started
W/17/1701	Riverside House, Milverton Hill, Leamington Spa	Up to 170 dwellings on existing Council HQ site Outline only
W/17/1724	Land at Meadow House / Kingswood Farm, Lapworth	15 out of 38 dwellings complete (39%)
W/17/2086	Land on the corner of Red Lane and Hob Lane, Burton Green	37 out of 90 dwellings complete (41%)
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 started

Application Number	Location	Status
W/17/2371	Land off Rugby Road and Coventry Road, Cubbington	120 dwellings Under construction A variation application (W/20/0502) with an additional 13 dwellings is approved subject to completion of S106 agreement
W/17/2387	Land south of Lloyd Close, Hampton Magna	147 dwellings Not started
W/18/0190	Holly House, Queensway	Complementary health suite and 19 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 started
W/18/0606	Land at The Triangle, Lower Heathcote Farm	150 dwellings Under construction
W/18/1435	Land South of Gallows Hill / Banbury Road	180 dwellings Outline only
W/18/1619	Land North of Gallows Hill	375 dwellings Under construction
W/18/1744	5 Russell Terrace, Leamington Spa	1 dwelling Not started (A/M)
W/18/1802	231 Cromwell Lane, Burton Green	House extension Under construction (A/M)
W/18/2270	2-8 Kenilworth Street, Leamington Spa	9 dwellings Not started (A/M)
W/19/0038	46 Parade, Leamington Spa	Change of use including 5 dwellings Planning permission expired 19/8/19
W/19/0203 W/19/0215	9 and 11 Dereham Court, Leamington Spa	House extension Under construction (A/M)
W/19/0355	8 Beauchamp Avenue, Leamington Spa	1 dwelling Not started (A/M)
W/19/0415	43 and 45 Leyes Lane, Kenilworth	House extension Not started (A/M)
W/19/0691	Land off Arras Boulevard, Hampton Magna	130 dwellings Under construction
W/19/0933	North of Birmingham Road, Hatton	150 dwellings Not started
W/19/0963	49-51 Parade, Leamington Spa	Change of use from office to 6 dwellings Not started (A/M)
W/19/1030	Grove Farm Phase 3	Primary School, Secondary School with 6 th Form, sports pitches and up to 150 dwellings Outline only
W/19/1226	7 and 8 Pears Close, Kenilworth	4 dwellings Not started (A/M)

Application Number	Location	Status
W/19/1535	62 Brandon Parade, Leamington Spa	Change of use from office to 13 dwellings Not started (A/M)
W/20/0005 W/20/0009	27 and 29 Brownlow Street, Leamington Spa	House extensions Not monitored
W/20/0172	96-98 Warwick Street, Leamington Spa	Change of use office to HMO Not monitored

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.

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 2020 to 30th June 2020 (Quarter 1).

CIL receipts	Number of Applications	Value
New CIL liable applications		
Liability Notices issued	4	£146,021.70
Exemption – self-build / annexe / extensions	4	£146,021.70
Exemption – Social Housing	-	-
Amount payable – excluding exemptions	-	-
Current financial activity		
Demand Notices issued – excluding exemptions	-	-
CIL outstanding from Demand Notices issued (as at 30 th June 2020)	4	£4,772,245.98
CIL income		£526,206.67

Liability notices are issued on all liable developments, whether or not exemptions apply to some or all of the liable amount. If a 'disqualifying event' occurs, i.e. a self-build dwelling is sold within three years of completion, the exempt amount would become payable.

Demand notices are issued on commencement of development. Demand notices cover the whole amount payable, but this is often due in instalments over a period of months or years.

Liability and demand notices are sometimes reissued in light of new information or where a deferral has been agreed. Published figures reflect the information that is current at the time of publication.

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 which 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.

CIL transferred to Town and Parish Councils							
Parish / Location	Application number	Adopted NP	Council tax dwellings	Max payable per year	Total CIL chargeable amount	Total Parish / Town portion	Transferred
Budbrooke		Yes	837	No cap			£12,500.00
Arras Boulevard	W/19/0691				£754,814.90	£188,703.73	£12,500.00
Burton Green		No	432	£43,200.00			£43,200.00
Red Lane / Hob Lane	W/17/2086				£1,065,285.00	£159,792.75	£43,200.00
Cubbington		No	1,691	£169,100.00			£7,500.00
Rugby Road / Coventry Road	W/17/2371				£1,513,677.75	£227,051.66	£7,500.00
Kenilworth		Yes	10,450	No cap			£62,624.00
Corner of Prince's Drive	W/18/1372				£17,854.20	£4,463.55	£1,964.00
Land East Warwick Rd Phase 1	W/19/0322				£192,640.00	£48,160.00	£48,160.00
Land East Warwick Rd Phase 2	W/19/0784				£1,350,160.00	£337,540.00	£12,500.00
Leamington Spa		No	23,284	£2,328,400.00			£7,500.00
73 Warwick Street	W/18/2387				£92,820.00	£13,923.00	£7,500.00
Radford Semele		No	992	£99,200.00			£2,100.00
The Lodge	W/18/0288				£14,000.00	£2,100.00	£2,100.00
							£135,424.00