

# 2016/17 Planning Obligations Annual Monitoring Report

## 1. Introduction and Background

- 1.1 Section 106 Agreements, also known as Planning Obligations or developer contributions, are typically undertakings by developers or agreements between a Local Planning Authority and a developer in the context of granting planning permission. Their function is to make development acceptable, which would otherwise be unacceptable in planning terms. This typically involves commitment to provide something in-kind on site in a particular form (e.g. affordable housing) or money for the authority to undertake necessary works to mitigate the impact of the development.
- 1.2 This report deals with the financial contributions secured, received and spent from Section 106 Agreements during the 2016/17 financial year.
- 1.3 The introduction of Newham's Community Infrastructure Levy (CIL) provides for an alternative mechanism for development to make a contribution to infrastructure in the borough. Newham's CIL became effective on 1 January 2014. CIL places restrictions on the type of infrastructure that can be secured through Section 106 Agreements.
- 1.4 There will be a transition between the planning permissions which are accompanied by significant infrastructure laden Section 106 Agreements (LBN have numerous long-term, multi-phased schemes) and the planning permissions which will primarily make contributions to infrastructure through CIL, with scaled back Section 106 Agreements.

## 2. Current Section 106 Systems and Processes

### 2.1 Negotiation

- 2.1.1. In consultation with the Investment Team, Planning Officers negotiate the heads of terms of Section 106 Agreements with developers, as part of the planning application process. This negotiation is based on the development plan, including the London Plan and Newham's Core Strategy. The London Plan's two main priorities for planning obligations are Affordable Housing and Transport; Planning Officers will seek to secure this mitigation or community benefit first. The Council's priorities remain the delivery of affordable housing and jobs for Newham residents.
- 2.1.2. At a local level, the Core Strategy supports infrastructure delivery that accords with the Core Strategy's objectives including the provision of commensurate levels of family housing, community facilities, education, intelligent infrastructure, open space, local transport and public realm improvements and strategic transport.
- 2.1.3. Since the introduction of Newham's CIL, the types of planning obligations that can be secured has significantly diminished, to focus on site specific mitigation and non-infrastructure provisions. These include the delivery of affordable housing

(including payments in lieu of onsite provision or affordable housing review mechanisms) and employment skills and training for local residents (including the commitment to the use of local labour and suppliers and also proportionate funding towards Workplace). The CIL should be the primary mechanism for most other types of infrastructure.

2.1.4. All planning applications with Section 106 Agreements attached are approved at one of the borough's Development Committees, where the heads of terms of the planning obligations are outlined to and agreed by Members.

## 2.2 Signing of the Agreement and Implementation

2.2.1. Once a Section 106 Agreement is signed and planning permission is granted, developers have generally three years within which they can choose to implement their planning permission. If the planning permission is not implemented, the Section 106 Agreement lapses; therefore it is not guaranteed that the Council will receive all financial contributions secured by signed Section 106 Agreements.

2.2.2. If the planning permission is implemented, the Section 106 contributions are due at various stages of the development of the site, which is determined during negotiation and stipulated in the Section 106 Agreement.

## 2.3 Collection of monies

2.3.1. To help ensure monies are collected in a timely manner all Section 106 Agreements now include a Notification of Implementation form which the developer is required to submit to the Council, this helps the Council know when triggers have been reached.

2.3.2. Compensatory measures are in place, should a developer fail to notify the Council, late payment interest accrues to compensate for any loss of income to the Council.

## 2.4 Non-financial obligations

2.4.1. Development should in the first instance be managed by conditions attached to a planning permission. However, there are some instances where non-financial matters must be dealt with through a Section 106 Agreement.

2.4.2. There are a range of 'typical' obligations, including the provision and maintenance of on-site affordable housing, the use of local labour and services or providing that future residents do not benefit from parking permits.

## 2.5 Expenditure of monies

2.5.1. The Investment Team have implemented a Proforma system to provide a clear audit trail for the expenditure of Section 106 monies comprising of proforma:

- Proforma A is sent to the service areas when the monies are received asking for details of spend including key milestones, resources, risks, project outcomes and benefits; a project manager should be identified

- Proforma B is to be completed by the project manager when spend is completed and provides information on outcomes and lessons learnt.

2.5.2. The approval to expend Section 106 monies is subject to two governance procedures which work in tandem, the delegated approval of Regeneration and Planning for the allocation of monies and also the project management of capital investment by way of Verto, the Council's project management tool.

## 2.6 Planning Obligations and the Community Infrastructure Levy

2.6.1. The Community Infrastructure Levy (CIL) Regulations were introduced on 6 April 2010. Newham's CIL Charging Schedule became effective on 1<sup>st</sup> January 2014.

2.6.2. Newham's Regulation 123 List identifies the types of infrastructure that the levy may fund in full or part including, *inter alia*, infrastructure within or enabling access to Strategic Sites, community infrastructure, open space, sports and leisure facilities and local transport infrastructure. The actual list of infrastructure which could be funded via CIL is available at: [www.newham.gov.uk/CIL](http://www.newham.gov.uk/CIL) and is the list that was approved by the full Council alongside the CIL Charging Schedule.

2.6.3. There should be no perceived or actual "double dipping" where a developer is required to pay for the same infrastructure twice (i.e. infrastructure which is on the Regulation 123 list cannot also be captured in a Section 106 Agreement).

2.6.4. CIL cannot be used to provide Affordable Housing and other site specific mitigation measures, for example Car Free developments. Therefore, Section 106 Agreements will still be necessary. The introduction of the CIL Regulations has also scaled back the use of Section 106 Agreements and has provided 3 statutory tests which must be passed in order for a planning obligation to be a reason to grant planning permission, in accordance with paragraph **Error! Reference source not found.**

2.6.5. Newham's CIL rates have remained unchanged since adoption, Newham's CIL Charging Schedule can be found on the Council's website ([www.newham.gov.uk/CIL](http://www.newham.gov.uk/CIL)).

2.6.6. The borough's Local Development Scheme (LDS) has established a timescale for a review of the Newham CIL Charging Schedule. The LDS indicates a timescale for the CIL Charging Schedule Review alongside the Local Plan Review, which is ongoing in 2017/18.

## 2.7 How information is reported

- 2.7.1. The reader of this report should be mindful of the restrictions now imposed on what can be secured via Section 106 Agreements in recognition of the adoption of the Newham CIL Charging Schedule and the CIL Regulations (detailed in Appendix 2 of this report).
- 2.7.2. The receipt and expenditure of monies in this financial year includes payments for infrastructure secured from planning permissions granted prior to the CIL regime being effective.

### 3. **Secured Section 106 Financial Contributions**

- 3.1 There were 23 Section 106 Agreements completed between April 2016 and March 2017, of which 8 are Deed of Variations to already approved schemes.
- 3.2 Only where a Deed of Variation amends the amount of monies payable will this be reported to avoid double counting. In general most Deeds of Variation result from the issuing of Section 73 planning approval which changes planning condition(s) and results in a 'new' permission being issued generally along with the mitigation already agreed in the original planning permission.
- 3.3 A total of **£23,734,201** in financial contributions were secured from six Section 106 Agreements. Further details are provided in Table A: Secured by Purpose which outlines the total monies secured by types of site specific mitigation.

**Table A: Secured by Purpose**

Affordable Housing (off-site provision)	£1,300,000
Highways, (site mitigation works), Parking (CPZ and RPZ contributions) and Environmental Improvements	£968,000
Economic Regeneration/ Workplace (support for local labour , employment, and skills programmes for local residents and businesses)	£16,188,112
Sustainable Transport (pedestrian/cycling/bus and public transport improvements)	£2,437,000
Environmental Health	£440,000
Education (improvements to educational services and provisions and /or for providing additional school capacity	£1,593,000
Sports and Leisure (open space and parks improvements, recreation, sport equipment, etc.)	£500,000
Community Facilities	£308,089
<b>TOTAL SECURED</b>	<b>£23,734,201</b>

- 3.4 Table B: Secured by Agreement provides the financial contributions secured from each development.

**Table B: Secured by Agreement**

<b>Site Address</b>	<b>Planning Reference</b>	<b>Total Secured</b>
Gallions Quarter, Atlantis Avenue E16	14/00664/OUT	£1,846,000
East Ham Police Station, 4 High Street South E6 6ES	14/01523/FUL	£5,000
Silvertown Quays Bounded By Royal Victoria Dock, Connaught Bridge And Mill Road North Woolwich Road E16 1UR	14/01605/OUT	£13,258,000
West Ham United FC Development Site Green Street E13 9AZ	14/02893/FUL	£308,089
125 High Street South E6 6EJ	15/01256/FUL	£800,000
London Transport Bus Garage Redclyffe Road East Ham E6 1DS	15/01730/FUL	£5,000
Waverley Lodge Litchfield Avenue Stratford E15 4LW	15/02925/FUL	£0
Springboard House 2A Cloughton Road And Nos. 744, 746 And 748 Barking Road E13 9PN	16/00337/FUL	£0
78 High Street North East Ham E6 2HT	16/00441/FUL	£0
60 Leytonstone Road Stratford E15 1SQ	16/00807/FUL	£500,000
Western Gateway WE5B Canning Town London E16 1BN	16/00819/FUL	£7,000
423 Barking Road Plaistow E13 8AL	16/01411/FUL	£2,000
Royal Victoria Dock Western Gateway Canning Town E16 1XL	16/01671/FUL	£0
Land Adjacent To Jenkins Lane, East Ham	16/02575/FUL	£200,000
London City Airport*	13/01228/FUL	£6,803,112
<b>TOTAL SECURED</b>		<b>£23,734,201</b>

\* reports only on planning financial obligations payable to LBN

### 3.5 Non-financial Section 106 Obligations

3.6 In this reporting year Section 106 Deeds have secured obligations towards:

- Local Labour provisions (8),
- Travel Plan (2),
- Car Club (3)
- Affordable Housing Review Mechanism (4) and
- Restriction on Parking Permits (10)

- 3.7 During the assessment of a planning application where an applicant demonstrates that they are not able to provide a sufficient level of Affordable Housing in their scheme (in line with planning policy) as a Local Planning Authority LBN take a pragmatic approach to enabling development and seek to secure Affordable Housing Review Mechanisms (AHRM).
- 3.8 Through the use of AHRMs this ensures that should viability improve during the development cycle that this uplift will contribute to the shortfall in Affordable Housing for a particular scheme. This approach is in accordance with the Council's Core Strategy.
- 3.9 AHRMs are recorded as non-financial obligations in this report as the funding is contingent upon financial viability and the certainty in delivery is not clear; like all Section 106 monies this should not be relied upon as a guaranteed funding source.
- 3.10 **Summary of Financial and Non-financial Obligations this Reporting Year**
- 3.11 An overview of the Deeds signed this year and what they secured in principle is provided within Table C: Overview of Planning Obligations for 2016/17.

**Table C: Overview of Planning Obligations for 2016/17**

<b>Site Address</b>	<b>Planning Reference</b>	<b>Total Secured £</b>	<b>Local Labour, Goods and Services</b>	<b>Travel Plan</b>	<b>Car Club</b>	<b>Affordable Housing Review Mechanism</b>	<b>Other mitigation</b>
Gallions Quarter, Atlantis Avenue E16	14/00664/OUT	£1,846,000	v	v	v		
East Ham Police Station, 4 High Street South E6 6ES	14/01523/FUL	£5,000	v				v
Silvertown Quays Bounded By Royal Victoria Dock, Connaught Bridge And Mill Road North Woolwich Road E16 1UR	14/01605/OUT	£13,258,000	v			v	v
West Ham United FC Development Site Green Street E13 9AZ	14/02893/FUL	£308,089	v		v	v	v

125 High Street South E6 6EJ	15/01256/FUL	£800,000					
London Transport Bus Garage Redclyffe Road East Ham E6 1DS	15/01730/FUL	£5,000	v	v		v	v
Waverley Lodge Litchfield Avenue Stratford E15 4LW	15/02925/FUL	£0					v
Springboard House 2A Cloughton Road And Nos. 744, 746 And 748 Barking Road E13 9PN	16/00337/FUL	£0	v				v
78 High Street North East Ham E6 2HT	16/00441/FUL	£0					v
60 Leytonstone Road Stratford E15 1SQ	16/00807/FUL	£500,000					v
Western Gateway WE5B Canning Town London E16 1BN	16/00819/FUL	£7,000	v			v	v
423 Barking Road Plaistow E13 8AL	16/01411/FUL	£2,000					v
Royal Victoria Dock Western Gateway Canning Town E16 1XL	16/01671/FUL	£0					
Land Adjacent To Jenkins Lane, East Ham	16/02575/FUL	£200,000					
London City Airport	13/01228/FUL	£6,803,112	v				

#### 4. Received Section 106 Financial Contributions

- 4.1 Financial contributions paid to the Council as the Local Planning Authority include monies for the borough to spend on specific infrastructure, some to pass on to third parties (such as Transport for London) and some which can be allocated to other strategic infrastructure requirements.
- 4.2 All of the monies received by the Council through this part of the planning process are outlined in the Tables D and E.

- 4.3. The Council received a total of **£17,065,938.72** of Section 106 monies in this reporting period. This is broken down into the various beneficiary Service Areas as outlined in Table D: Received by Purpose.

**Table D: Received by Purpose**

Affordable Housing (off-site provision)	£13,349,618.92
Highways (including Parking/ Traffic and Transportation/Reduced Parking Fees)	£98,998.98
Education	£516,806.99
Workplace	£546,198.28
Environmental Monitoring	£32,050.00
Standard Charge	£1,550,178.90
Community Infrastructure	£972,086.65
<b>TOTAL RECEIVED</b>	<b>£17,065,938.72</b>

- 4.3 The 'Standard Charge' referred to in Table D is as a result of planning permissions granted by the London Thames Gateway Development Corporation (LTGDC). The LTGDC had a tariff based mechanism to pool contributions from developments for strategic infrastructure. Each of the LTGDC Section 106 Agreements has a slightly different way that the Standard Charge can be spent and an allocation process for these monies is to be established.
- 4.4 Typically site specific mitigation should be spent in the vicinity of the development site. To demonstrate which developments have made financial contributions this year refer to Table E: Received by Section 106 Agreement.

**Table E: Received by Section 106 Agreement**

<b>Planning Reference</b>	<b>Site Address</b>	<b>Total Received</b>
13/01461/FUL	Caxton Works- Gosswell, (Royal Gateway) E16	£4,519,568.95
(10/00369/FUL) 13/02356/VAR	The Pumping Station (Site WE8) Tidal Basin Road E16 1AD	£1,015,558.00
13/00927/FUL	75 Berwick Road	£49,322.00
07/01510/VAR	London City Airport	£356,973.26
14/03021/FUL	Land At Corner Of Shirley Street And St Luke's Square E16 1HU	£759,527.00
14/01128/VAR	Hoola, Vacant Land At 26 To 34 Tidal Basin Road E16 1AD	£5,500,000.00
12/01576/FUL	Atlantis Avenue Beckton E16	£208,682.00
11/60919/FUMODA	68-70 High Street (Stratford	£50,760.00



	Quay) E15	
10/90519/FUMODA	2-12 High Street E15	£251,413.96
12/01881/OUT	Ivax Quays Albert Basin Royal Docks E16	£763,404.65
08/02263/LTGDC and Supplemental Deed dated 10.02.2017	Rathbone Market	£1,550,178.90
10/90641/EXTODA	SC split Zone 2and 7 LCR Lend Lease	£2,003,500.00
15/00577/VAR	Royal Wharf	£14,800.00
14/02893/FUL	West Ham United Football Club Green Street E13 9AZ	£17,250.00
15/01730/FUL	London Transport Bus Garage Redclyffe Road E6 1DS	£5,000.00
<b>TOTAL RECEIVED</b>		<b>£17,065,938.72</b>

## 5. Spent Section 106 Financial Contributions

- 5.1 A total of **£8,346,947** of Section 106 monies was spent by beneficiary Service Areas and relevant external stakeholders. Table F: Spent by Agreement details the projects which have been delivered – funded in part or whole by Section 106 monies.
- 5.2 Section 106 monies continue to contribute to vital infrastructure necessary as Newham grows.

**Table F: Spent by Agreement**

<b>Section 106 Reference and Development Site</b>	<b>Project</b>	<b>Amount Spent</b>
<b>Affordable Housing</b>		<b>£2,576,735.77</b>
13/00322/FUL/LLDC Legacy Tower 88 Great Eastern Road E15	Housing Property Acquisitions	£2,337,666.00
10/02291/FUL 2 - 12 High Street E15 2PW		£239,069.77
<b>Environmental Improvements and Public Realm</b>		<b>£75,000</b>
04/0344 Royal Victoria Dock WE5	Britannia Village community improvements	£7,000.00

07/01510/VAR London City Airport	Community Café St John's Green	£68,000.00
<b>Highways and Parking</b>		<b>£622,453.24</b>
05/0700 14-26 High Street E15	RMC Signing works and Wayfinding	£30,000.00
07/01047/FUL 89 Greengate St E13	Highways improvements to the junction of Prince Regent Lane and A13	£50,000.00
11/00088/FUL Travelodge, Royals Business Park	Carried out design work and investigations.	£10,000.00
12/01385/FUL Katherine Road Improvements	Planted 9 trees including the costs tree pits, design, Traffic Management.	£20,000.00
12/01385/FUL 232- 236 Green Street, Forest Gate E7	Weight Restriction. Highways improvements - Green Street and Boleyn Road	£9,000.00
08/01042/OUT Barrier Park East	North Woolwich Road Study	£19,500.00
08/01790/FUL Chargeable Lane ( Margaret Convents), Plaistow, E13	Traffic Safety	£952.15
96/0267 Butchers Road	Residential Parking Zones – introduction and implementation	£8,451.00
96/0966 Manor Road & Teasel Way		£69,376.40
98/1585 Telephone House - 4-20 Woodgrange		£15,171.50
03/1568 Hallsville Rd & Brunel St		£9,366.00
04/0254 113-115 Freemasons RD E16)		£15,580.21
/04/1142 Burford Wharf E15		£174,935.90
06/00127/FUL John St E16 New Rd - Lord Gage Site		£39,141.88
07/00813 Black Lion E13		£20,000.00

06/02133/FUL 112-122 Woodgrange Rd E7		£40,000.00
07/01047/FUL 89 Green gate Street		£30,000.00
05/0212 10 Vicarage Lane E15		£30,106.70
05/1167 Roundabout Gallions		£30,000.00
12/01753/FUL 210 Plaistow Road, London, E13 0AL		£871.50
<b>Open Space and Leisure</b>		<b>£493,524.69</b>
00/0967 Royal Victoria Dock Road	Redevelopment of Watersports Centre	£335,000.00
94/0735 Cuckholds Haven Nature Reserve	Japanese Knotweed control programme at Cuckold's Haven NR	£1,400.00
06/02043/OUT Chandos Road E15	Environmental Improvements	£1,164.00
08/01790/FUL Chargeable Lane (Margaret Convents), Plaistow, E13	Star Park	£24,519.26
06/02092/FUL 206 Butchers Road	Play area enhancements at Kier Hardie Recreation Ground	£100,000.00
13/01461/FUL Former Goswell Bakeries , Caxton Works E16		£10,301.43
10/00369/FUL Site WE8 The pumping Station E16 1AD		£21,140.00
<b>Education</b>		<b>£239,896</b>
10/00369/FUL Site WE8 The Pumping Station Site, E16	Drew Primary School	£37,923.00
12/01576/FUL Land at Atlantis Avenue E16		£201,973.00
<b>Workplace - Economic Regeneration</b>		<b>£1,297,127.45</b>

Stratford City Development	Construction Training and Recruitment	£1,023,420.00
05/00118/OUT DOV Little Ilford	Local Skills Training Contribution.	£10,160.00
08/01790/FUL Chargeable Lane	Skills Training	£13,559.00
12/01892/FUL Plaistow Hospital Site,	Skills Training	£69,638.00
11/90618/FUMODA (Zone 1) Plot S25 Montfichet Road	Construction Training of workers and Funds for Recruitment services	£100,000.00
12/01318/FUL 57 Broadway (Empire House), E15	Provision of or support for employment and skills programmes	£15,400.00
13/00530/FUL Shaftesbury House 107 Tarling Road, E16	Provision business development programmes for local businesses	£14,300.00
10/01576/FUL Land West Of Royal Victoria Dock, (Siemens) E16	Local Employment and Training Strategy	£27,256.00
11/00088/FUL Royals Business Park, Dockside E16	Skills Training Contribution	£23,394.45
<b>Transport for London</b>		<b>£3,042,210.40</b>
Stratford City Development	London Buses – Sponsored Route Agreement	£3,042,210.40
<b>TOTAL SPENT</b>		<b>£8,346,947.55</b>

5.3 Table G: Spent by Purpose provides an overview of the types of infrastructure and mitigation provided by developer funding in the borough.

**Table G: Spent by Purpose**

Affordable Housing (off-site)	£2,576,735.77
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Public Realm/Regeneration	£75,000.00
Highways (including Parking/Public Realm/Traffic and Transportation/Reduced Parking Fees)	£622,453.24
Open Space and Leisure	£493,524.69
Education	£239,896.00
Economic Regeneration/Workplace	£1,297,127.45
Transport for London	£3,042,210.40
<b>TOTAL SPENT</b>	<b>£8,346,947.55</b>

## 6. Summary

- 6.1 Newham continues to secure commensurate mitigation and community benefits through the planning process, although the introduction of CIL has scaled this back. Development commenced and ongoing in the borough is under pre-CIL (large Section 106) planning permissions with CIL planning permissions also being implemented too.
- 6.2 Mitigation has been secured, received and expended for community benefits by LBN and other stakeholders; a summary of which is in Table H: Overview of Section 106 monies 2016/17.

**Table H: Overview of Section 106 monies 2016/17**

<b>Status:</b>	<b>Section 106 Monies:</b>
Secured	£23,734,201.00
Received	£17,065,938.72
Spent	£8,346,947.55

- 6.3 Non-financial obligations continue to ensure that development is acceptable to both existing and new residents in the borough.

# **2016/17 Community Infrastructure Levy (CIL) Report**

## **1. Introduction and Background**

- 1.1 The London Borough of Newham (LBN) is a Community Infrastructure Levy (CIL) charging authority and collecting authority in accordance with the Planning Act 2008 (as amended) and the Community Infrastructure Levy (CIL) Regulations 2010 (as amended) ('CIL Regulations'). This enables a charge to be levied on new development in order to fund infrastructure that is needed to support development across the borough.
- 1.2 LBN's CIL Charging schedule was adopted by full Council on 30 September 2013 and came into effect on 1 January 2014.
- 1.3 Pursuant to Regulation 62 of the CIL Regulations a charging authority is required to report on the CIL receipts and expenditure for a reported year, which for the avoidance of doubt is the LBN financial year from April 2016 to March 2017.
- 1.4 The types of infrastructure that may be funded by Newham's CIL are outlined in Newham's Infrastructure List or 'Regulation 123 List' which is published on the LBN's website, an extract of which is appended to this report (Appendix 1).
- 1.5 The LBN has an adopted instalment policy for the payment of CIL which can be found on the LBN's website.
- 1.6 The LBN has made no provision for a policy for accepting infrastructure payments in lieu of financial contributions which is a reporting requirement of the CIL Regulations.

## **2. CIL receipts and expenditure**

- 2.1 This report reflects the monies received and expended in the 2016/17 financial year.
- 2.2 Regulation 62(4) provides that the report by the charging authority on CIL must include:
  - (a) the total CIL receipts for the reported year;
  - (b) the total CIL expenditure for the reported year;
  - (c) summary details of CIL expenditure during the reported year including:-
    - (i) the items of infrastructure to which CIL (including land payments) has been applied,
    - (ii) the amount of CIL expenditure on each item,
    - (iii) the amount of CIL applied to repay money borrowed, including any interest, with details of the infrastructure items which that money was used to provide (wholly or in part),
    - (iv) the amount of CIL applied to administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation

2.3 The Table A below provides the details required by Regulation 62(4):

<b>Regulation requirements</b>	<b>2016/17 (£)</b>
(a) total CIL receipts	2,262,331.22
(b) total CIL expenditure	2,000,619.00
(c) summary details of CIL expenditure;	
(i) the items of infrastructure to which CIL (including land payments) has been applied	see par 2.4 of this report.
(ii) the amount of CIL expenditure on each item	see par 2.4 of this report.
(iii) the amount of CIL applied to repay money borrowed, including any interest, with details of the infrastructure items which that money was used to provide (wholly or in part)	NIL
(iv) the amount of CIL applied to administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation	113,116.56 5%
(d) the total amount of CIL receipts for the reported year retained at the end of the reported year.	148,595.66

Table A: Overview of CIL 2016/17

2.4 The total LBN CIL receipts in the reported year amounted to £2,262,331.22. The CIL Regulations allow for 5% of the total receipts, in this case equalling £113,116.56 to be applied to administrative expenses which facilitate the collection of CIL receipts in 2016/17.

2.5 In March 2017, an officer key decision by the Director of Regeneration and Planning authorised the allocation of £2,000,619.00 of CIL receipts which was applied towards the following:

<b>Infrastructure Project</b>	<b>Expenditure</b>
Leisure and Sports (Operation of <i>community public sports and leisure</i> facilities throughout the borough)	£200,736
Leisure and Sports (Facilitating London Youth Rowing on Royal Victoria Dock)	£87,000
Leisure and Sports (Community use of sports/leisure facilities within LBN Schools)	£154,000
Physical Regeneration (projects such as the Leaway and associated bridge connections; Royal Docks Infrastructure works)	£171,811
Education Programme Team (Provision / Operation of <i>community infrastructure</i> throughout the borough)	£337,072
Active Newham (Operation / maintenance of <i>community public sports and leisure</i> facilities throughout the borough)	£1,050,000

<b>TOTAL EXPENDITURE</b>	<b>£2,000,619.00</b>
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Table B: CIL Expenditure 2016/17

- 2.6 Table provides an overview of the CIL Expenditure in the reported year 2016/17. The monies have been allocated towards improvement and maintenance of a range of schools, investment in leisure centres to enhance the health and wellbeing of Newham's residents and staff costs to facilitate the provision of infrastructure. Further details of the officer key decision can be found on the LBN's website.
- 2.7 In addition to the allocations as detailed above, the balance of £148,595.66 in net CIL receipts has been carried forward to the current financial year 2017/18.
- 2.8 The LBN does not have a policy to enable infrastructure payments, therefore this cannot be reported on.
- 2.9 The requirement set out by Regulation 59A and 59C that the charging authority must allocate at least 15 per cent of CIL (Neighbourhood CIL) on priorities agreed in consultation with the local community relates primarily to charging authorities that have a parish, town or community council. The LBN does not have a parish, town or community council or any adopted neighbourhood plans. Instead, the charging authority's approach is that the entire borough is considered as one single neighbourhood area for the purpose of Neighbourhood CIL. This means that all decisions on CIL expenditure will be made on a borough-wide basis.

### **3. Summary of CIL**

- 3.1 Payment of LBN's CIL is due in line with the adopted instalment policy but is dependent upon development commencing in the borough. This report establishes that the LBN CIL is a source, but not a reliable one, to be applied towards the provision, improvement, replacement, operation or maintenance of a range of infrastructure across the borough which will help support the growth and development in the area.
- 3.2 The total CIL receipts for the financial year 2016/17 are £2,262,331.22. The balance of £148,595.66 has been carried forward to the current financial year 2017/18 which will be allocated based on the LBN's discretion and the approach to allocate funding on an annual basis.



## Appendix 2A

Extract of Newham's Regulation 123 List

**Table 1: London Borough of Newham – Regulation 123 list**

<b>Infrastructure projects or types that will or may be wholly or partly funded by CIL</b>
Provision, improvement, replacement, operation or maintenance of infrastructure within or enabling access to Strategic Sites identified in Newham's Core Strategy ( <i>with the exception of the infrastructure specified in the section 106 table below</i> ), and to meet the strategic objectives of the Council.
Provision, improvement, replacement, operation or maintenance of community infrastructure (as defined by Core Strategy Policy INF8) outside Strategic Sites identified in Newham's Core Strategy.
Provision, improvement, replacement, operation or maintenance of public open space outside Strategic Sites identified in Newham's Core Strategy
Provision, improvement, replacement, operation or maintenance of public sports and leisure outside Strategic Sites identified in Newham's Core Strategy.
Provision, improvement, replacement, operation or maintenance of local transport infrastructure outside Strategic Sites identified in Newham's Core Strategy.

**Table 2: Indicative list of infrastructure which may be secured through a section 106 agreement for Core Strategy Strategic Sites**

<b>Infrastructure the Council will seek to be secured by section 106 agreement include:</b>
Core Strategy Site S10 Abbey Mills - bridge connection over Manor Road to West Ham station
Core Strategy Site S11 Parcellforce – bridge connection over Manor Road to West Ham station
Core Strategy Site S15 Canning Town East - bridge connection over A13 to Barking Road
Core Strategy Site S18 Limmo - bridge connection from Limmo site to Canning Town station and access to station
Core Strategy Site S22 Minoco Wharf – provision of education facilities to serve developments within the site and hinterland
Core Strategy Site S19 Royal Albert Basin - provision of education facilities to serve developments within the site and hinterland

