

Item No. 6.	Classification: Open	Date: 15 June 2017	Meeting Name: Planning committee
Report title:		Release of £4,197,247 from section 106 agreements to deliver sport and recreation facilities	
Ward(s) or groups affected:		All	
From:		Chief Executive	

RECOMMENDATION

1. To authorise the release of £4,197,247 of section 106 funding from the legal agreements detailed below (at paragraph 19) to deliver sport and recreation facilities across Southwark in support of the council's agreed capital programme.

BACKGROUND INFORMATION

2. Planning obligations are used to mitigate against the negative impacts caused by a development and contribute towards providing infrastructure and facilities necessary to achieve sustainable communities. In order to achieve this, the council enters into a legal agreement with a developer whereby the developer agrees to provide planning contributions and/or enters into various planning obligations.
3. The section 106 planning obligations SPD (2007) set out a number of standard charges which historically we have used to calculate section 106 planning obligations. These charges covered a range of infrastructure including schools, open space, strategic transport improvements and sport and recreation. The funding generated is often pooled as individual obligations are often not sufficient to pay for large infrastructure items.
4. However, the introduction of the planning Act 2008 and the Community Infrastructure Regulations 2010 (as amended) has changed the way that developments contribute towards the funding of strategic infrastructure.
5. The council has, since April 2015, adopted a community infrastructure levy (CIL) system which largely replaces section 106. This the section 106 planning obligations and community infrastructure levy (CIL) SPD (2015).The intention of the CIL regulations is that section 106 planning obligations are used to secure site specific infrastructure needed to directly address the impact of the development.
6. Section 106 funds are used to mitigate the impact of development in an area. Often the council needs to plan projects in advance to meet the additional requirements of a development. The capital programme 2011-21 report, agreed by council assembly on 6 July 2011, supported the use of section 106 funds for projects already within the approved capital programme. The capital programme includes those projects considered to be high priority by the cabinet. There will still be instances where section 106 agreements specify specific local projects for which funds must be used, and community project banks will be reviewed when considering the application of section 106 funds, so that local priorities are not overlooked.

KEY ISSUES FOR CONSIDERATION

7. Massive improvements have been and continue to be made to our leisure facilities. Since 2010 Southwark has seen over £53m of investment funded through the council and other external sources. Also in our parks and on some of our estates, the council has invested in new multi-use games areas and developed other facilities such as outdoor gyms.
8. The investment between 2012 to present includes new facilities and the improvement to and refurbishment of existing public facilities. These include £19.9m for the Castle; £2.25m for improvements to Peckham Pulse including £5k for a hoist; a £1m investment in Camberwell Leisure Centre; £325k in Dulwich leisure centre; £263k in Pynners sports ground refurbishment; £1.77m in Seven Islands leisure centre and £400k in Homestall Road sports ground.
9. Also as part of Southwark's Fairer Future promise of committing to a lasting legacy from the London 2012 Olympic and Paralympic games, the Olympic legacy action plan focused on prioritising young people, volunteering, health and wellbeing. A number of facility improvements to help increase participation in physical activity and sport across the borough have been funded including (but not limited to):
 - BMX track in Burgess Park - £150k
 - Camberwell leisure centre sports hall - £490k
 - Herne Hill velodrome - £400k
 - Southwark Park sports complex - £370k.
10. Wider legacy benefits include Southwark being one of just three London boroughs to have seen a significant improvement over five years in the percentage of people participating in sport and physical activity. There has also been a significant increase (72%) in the use of 'Get Active London' to search for sport and physical activity opportunities in Southwark.
11. However in spite of the successes and investment:
 - 40% of young people in the last TellUs4 survey said they had been to a sports club or class in the last four weeks which compares to 52% nationally and 45% in Southwark's statistic 'near neighbour' local authority
 - 38% said they had taken part in organised sport or physical activity on the previous weekend (compared to 46% nationally and 44% near neighbour)
 - Child obesity is the worst in England with 28.3% of Southwark children in Year 6 being measured as obese.

Policy implications

12. Southwark with PRO ACTIVE Southwark partners developed the Get Active for Life - Southwark Physical Activity and Sport Strategy 2014 – 2017.
13. As stated above, Southwark is making considerable investment in its facilities for sport and physical activity. Twenty one sites have been or are being improved with an investment of over £53m. These include Elephant and Castle leisure centre, Peckham Pulse, Camberwell Baths, Seven Islands leisure centre, Surrey Docks water sports centre, Southwark Park, Herne Hill velodrome, Dulwich leisure centre, Mellish Fields, Homestall Road, Peckham Rye pitches, Burgess Park, Bells Gardens, Geraldine Mary Harmsworth Park.
14. Southwark borough residents are now able to use the swim and gym facilities for free

in six of the borough's leisure centres, operated by Everyone Active in partnership with Southwark council. Registration is open for Free Swim and Gym.

Community impact statement

15. Sport and physical activity is essential to the council's commitment to promote a fairer future for all, in particular by promoting healthy lifestyles. For children and young people physical activity is essential for their health, creates opportunities, encourages aspiration as an individual as well as working as part of a team.
16. The strategy and action plan set out 'Get Active for Life' will support more people become more active more often. It attempts to address the inequalities in health and well being encouraging specific groups to become more active especially for women and girls, disabled people, older adults and young people.

Equal opportunities

17. This project has been designed to be fully accessible to all, without prejudice or discrimination.

Consultation

18. The 'Get Active for Life!' strategy was developed with the PRO-ACTIVE Southwark partners. Various themed workshops were undertaken and an e-survey circulated to over 120 stakeholders and organisations. The lead agencies are committed to continuing the collaborative approach to the strategies implementation and delivery; monitoring and reviewing the achievements and outcomes.

Resource implications

19. The programme of projects is contained within the capital programme and as a result there are no additional resource implications arising from the report.
20. The developments listed below secured a total of £4,197,247 combined of Sports and Recreation contributions. All this funding is currently available and unallocated. The single largest amount of £3,519,507 is from planning permission 12/AP/2239 – One the Elephant development for the provision of the Castle Leisure Centre.

Planning Permission	Community Council	Ward	Account	Amount
09/AP/1089	Camberwell	South Camberwell	530	£121,746
09/AP/1917	Bermondsey and Rotherhithe	Grange	547	£182,330
10/AP/1860	Bermondsey and Rotherhithe	Grange	511	£17,512
10/AP/2623	Camberwell	Brunswick Park	517	£56,659
10/AP/2849	Borough, Bankside and Walworth	Chaucer	551	£15,609

11/AP/0868	Borough, Bankside and Walworth	Newington	666	£108,890
12/AP/1066	Borough, Bankside and Walworth	Cathedrals	654	£29,650
12/AP/3255	Bermondsey and Rotherhithe	Grange	656	£36,844
12/AP/2239	Borough, Bankside and Walworth	Cathedrals	664	£3,519,507
12/AP/1630	Camberwell	South Camberwell	670	£14,976
13/AP/0966	Borough, Bankside and Walworth	Cathedrals	690	£67,208
13/AP/1767	Peckham and Nunhead	Nunhead	708	£23,574
14/AP/0075	Dulwich	East Dulwich	750	£2,742
TOTAL				£4,197,247

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Planning

21. The above mentioned developments secured £4,197,247 combined, in contributions towards funding sport and recreational facilities in the borough.
22. The proposed allocation accords with the above mentioned agreements and would provide appropriate mitigation for the impacts of the specific and future developments.

Director of Law and Democracy

23. Members of the planning committee are being asked to authorise the release of an amount of £4,197,247.00 from a number of section 106 agreements in order to facilitate the delivery of sports and recreation facilities across the borough.
24. Developments of significant size will bring additional demands to the local infrastructure and in order to mitigate against such consequences, payments were until 2015 required by way of planning obligations. Monies collected as planning obligations are held in accordance with the terms of specific section 106 agreements and expenditure of such monies needs to be in accordance with the terms of the individual agreement and also in accordance with the tests laid down in Regulation 122(a), Community Infrastructure Regulations.
25. The planning agreements listed at paragraph 19 all contain payments which have been made to assist towards the improvement of sports development. These agreements all pre-date the adoption of the section 106 and CIL SPD in April 2015. In the future the collection and allocation of such funds will be dealt with differently as explained in paragraph 5 of the report. In the meantime, it is appropriate to ensure that the funds which are still held under the previous legislation are utilised appropriately and without undue delay. Otherwise in some cases there is a risk of

monies having to be refunded to developers for failure to utilise within the period for allocation specified in the particular agreement.

26. The decision to consider and approve the expenditure of section 106 monies is a matter reserved to members of the planning committee in accordance with the constitution.

Strategic Director of Finance and Governance (CAP 17/007)

27. This report seeks approval from the planning committee to release the sum of £4,197,247 from the various agreements listed at paragraph 20 to deliver sports and recreation facilities at various sites across the borough.
28. The director of planning confirms the section 106 receipts associated with the agreements listed in this report have not been allocated to other projects, and the proposed allocation accords with the terms of the agreements.
29. The strategic director of finance and governance notes the council has received the related section 106 funds and they are available for the purposes outlined in this report.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Copies of section 106 legal agreements	Planning Division 160 Tooley Street London SE1	Jack Ricketts 020 7525 5464

APPENDICES

No.	Title
Appendix 1	Get Active for Life! strategy

AUDIT TRAIL

Lead Officer	Simon Bevan, Director of Planning	
Report Author	Alistair Huggett, Planning Projects Manager	
Version	Final	
Dated	23 May 2017	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Strategic Director of Finance and Governance	Yes	Yes
Director of Law and Democracy	Yes	Yes
Director of Finance	Yes	Yes
Section 106 Manager	Yes	Yes
Cabinet Member	N/A	N/A
Date final report sent to Constitutional Team		2 June 2017