

CABINET

Agenda Item: 6

Ward: Wells St Cuthberts

Portfolio: Economic Development

Report Author(s): Allan Bennett - S106

Monitoring Officer

Meeting Date: 3 May 2016

SUBJECT: Bid for Section 106 Contributions

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Report Sign off	Seen by:	Name	Date
	Legal	Lesley Dolan	10/05/16
	Finance	Duncan Moss / Paul Deal	10/05/16
	Procurement	NA	
	Corporate Manager	Tracy Aarons	09/05/16
	Portfolio Holder	Cllr John Parham (Cllr Tom Killen as substitute)	
	Ward Member(s)	Cllrs Harvey Siggs & John Osman	10/05/16 (HS)
Summary:	The report addresses a bid by the Wells Recreation Ground Trust (WRGT) for use of the £122,550.27 Section 106 contribution arising from the former Nutricia site development in Wells.		
Recommendation:	The Section 106 Monitoring Board recommends that Cabinet approve the bid from The Wells Recreation Ground Trust for use of the £122,550.27 Nutricia Site Section 106 Contribution.		
Direct and/or indirect impact on service delivery to our customers and communities:	If approved the play facilities in the centre of Wells would be improved.		
Legal Implications:	If the bid is approved, Mendip District Council (MDC) will enter into a legal agreement with The Wells Recreation Ground Trust (WRGT) in order to monitor the project and ensure any unspent S106 money is returned to MDC.		
Financial Implications:	There is no direct implication on Council's funds as the bid is for use of monies received and held by the Council as a Section 106 contribution.		
Value for Money:	WRGT have demonstrated that value for money would be achieved in the procurement and delivery of their project.		
Equalities Implications:	The approval of this bid is not considered to disadvantage any of the protected characteristics. This bid will fund improved facilities for residents in the area.		
Risk Assessment and Adverse Impact on	If the recommendation is not taken forward there is a risk that the Section 106 contribution will not be used and will have to be returned to the payee.		

Corporate Actions:	
Scrutiny Recommendation (if any)	The report has not been before Scrutiny

INTRODUCTION & BACKGROUND

1. In order to mitigate the impacts of the redevelopment of the former Nutricia Site in Wells (planning ref 2012/1000), a Section 106 agreement has been completed. One of the obligations under the agreement was for the developer to pay an Off-Site Recreation Space Contribution to the Planning Authority of £122,550.27 (increased by indexation).
2. The specified use of the Recreation Contribution is “either for the purchasing and landscaping of a new casual play space in Wells for general public use or for the upgrading of existing play facilities in Wells”. If any part of the contribution has not been expended for either of these identified purposes by 10th anniversary of the date of payment it must be returned by the Council together with any interest earned upon it to the party which originally made payment of the contribution. Payment was received on 16/02/2015 resulting in a return date of 16/02/2025.
3. The Wells Recreation Ground Trust has submitted a bid for use of this Recreation Contribution in order to upgrade the facilities at the Wells Recreation Ground. This is the only Bid received for the contribution. WRGT have also secured £29,345.85 from Mendip’s Play Development Budget, subject to securing the S106 Contribution.
4. Currently Mendip District Council is the sole trustee of the WRGT and District Councillors make up the WRGT committee. The project would be managed by Mendip District Council on behalf of the Trust.

BID ASSESSMENT

Ward Member and Parish Consultation

5. The Ward Councillors of the Nutricia Development site and Wells City Council have been consulted on the proposed use of the S106 Recreation Contribution and are in support of the Bid.

Bid Assessment

6. The Council’s internal protocol for releasing Section 106 contributions requires the proposed spend to be legally in accordance with the specified use of the obligation. The Planning Team Manager has assessed the proposal and considers it to be in accordance with the specified purpose of the obligation.

S106 Monitoring Board Recommendation

7. The Section 106 Monitoring Board recommends that Cabinet approve the bid from the Wells Recreation Ground Trust for use of the £122,550.27 Nutricia Site Section 106 Contribution.

OPTIONS CONSIDERED

8. This is the only bid received for the use of the Nutricia site contribution.

RECOMMENDATIONS

9. The Section 106 Monitoring Board recommends that Cabinet approve the Bid from The Wells Recreation Ground Trust for use of the £122,550.27 Nutricia Site Section 106 Contribution.

REASONS FOR RECOMMENDATIONS

10. The Council's criterion for determining bids is whether the spend proposal is legally in accordance with the specified purpose of the planning obligation.

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List of background Papers:

Wells Recreation Ground Trust Bid submission

Wells City Council Minutes 24/03/2016