

Oldham

Local

Plan

Oldham's Infrastructure Funding Statement

April 2021 to March 2022



Oldham
Council

1 Infrastructure Funding Statement

Introduction

- 1.1** This report provides a summary of financial contributions the council has secured through section 106 agreements from new developments for off-site infrastructure works and affordable housing, in addition to highway works completed as part of new developments through section 278 agreements.
- 1.2** In summary, the report provides:
- an overview of s106 agreements;
 - the council's internal process relating to s106 contributions;
 - the s106 contributions paid to the council in the 2020/21 monitoring period;
 - s106 contributions estimated for future years; and
 - projects delivered in the borough via s106 agreements in the 2020/21 monitoring period.
- 1.3** The information included in the report will be updated annually and published on the council's website. This will ensure the most up to date information on the amount of developer contributions received from new developments and where these monies have been spent is readily available to members of the public and other interested parties.
- 1.4** The report does not include information on the infrastructure delivered on-site as part of new developments in the borough.
- 1.5** Please note that data on developer contributions should be treated with caution because it represents estimates at a given point in time and can be subject to change. However, the data reported within this document is the most robust available at the time of publication.

Section 106 obligations

- 1.6** Under section 106 (s106) of the Town and Country Planning Act 1990 a local planning authority (LPA) can seek planning obligations when it is considered that a development will have negative impacts that cannot be dealt with through conditions in the planning permission.
- 1.7** For example, new residential developments place additional pressure on existing social, physical and economic infrastructure in the surrounding area. Planning obligations aim to balance this extra pressure with improvements to the surrounding area to ensure that a development makes a positive contribution to the local area.
- 1.8** The obligations may be provided by the developers "in kind" – that is, where the developer builds, or provides directly, the matters necessary to fulfil the obligation. This might be to build a certain number of affordable homes on-site, for example. Alternatively, planning obligations can be met in the form of financial payments to the council to provide off-site infrastructure works or contributions towards providing affordable housing elsewhere in the borough. In some cases, it can be a combination of both on-site provision and off-site financial contributions.
- 1.9** The council cannot ask for contributions via section 106 planning obligations in certain circumstances. With regards to affordable housing, national planning guidance stipulates that planning obligations for affordable housing should only be sought for residential developments that are major developments.
- 1.10** For residential development, major development is defined in the National Planning Policy Framework as development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more.
- 1.11** Planning obligations should also not be sought from any development consisting only of the

construction of a residential annex or extension to an existing home.” Planning Practice Guidance 2019 Paragraph 023 '[Planning Obligations](#)'

The council's S106 process for off-site financial contributions

- 1.12** Where it is determined that on-site infrastructure and/or affordable housing required by policy is not appropriate, the council will request from developers a financial contribution to meet these needs outside of the development site through a s106 obligation.
- 1.13** The financial contribution requirement for off-site green infrastructure provision and maintenance is set via the Joint DPD policy 23, whilst policy 10 sets the tariff for affordable housing contributions. The Joint DPD can be accessed on the council's planning website ([here](#)).
- 1.14** Contributions toward required highway works as a result of new development is agreed on a case-by-case basis, evidenced by an assessment of the impact the development will have on the local highways and mitigation works required to minimise this impact.
- 1.15** Once the s106 has been signed, it is an obligation, but it will only be realised if the planning permission is implemented and reaches the trigger point for payment such as commencement or prior to occupation of a set number of homes. When the planning permission is granted, the s106 obligation is registered as a land charge which stays with the land, obligating any future owners until the terms are met.
- 1.16** The Head of Planning works with case officers, developers, and the council's legal department to instruct new s106 agreements.

2 S106 contributions summary

Total amount of money secured through S106 during 2021-22.

2.1 A total of £3,398,760.10 was negotiated from S106 agreements signed n 2021/22. There were 9 agreements signed in this period. The agreements are summarised below:

Ref No.	Planning Application	Location of Development	Date S106 Signed	S106 Description	Amount Due
449	345333	Land at rear of 19 – 23 Shaw Hall Bank Road, Greenfield	16/04/2021	The Planning Obligation requires the landowner to pay a commuted sum of £6,750 for the planting of 45 trees on public open space within the Borough of Oldham on or before the commencement of development. This sum has been paid by the landowner by bank transfer and has been allocated to B52004 B5000. NO Expiry	£6,750.00
450	345659	Phase R5 and Phase R6, Foxdenton Strategy Site, Broadway/Foxdenton Lane, Chadderton	06/02/2021	<p>"The Planning Obligation requires the landowner to:</p> <ol style="list-style-type: none"> 1. Pay £540,000 to the Council to fund the provision of primary school places within a 2 mile radius of the site in the following instalments:- <ul style="list-style-type: none"> £110,000 prior to Occupation of 50% of the Dwellings on Phase R5; £110,000 prior to Occupation of 75% of the Dwellings on Phase R5; £160,000 prior to Occupation of 50% of the Dwellings on Phase R6; and £160,000 prior to Occupation of 75% of the Dwellings on Phase R6. NO EXPIRY 2. Prior to the Commencement of Development to submit the Linear Park Scheme relating to the development of the site to the Council for approval PROVIDED ALWAYS that the provisions of the Deed shall not oblige the Owners to spend more than £156,000 on the construction of the Linear Park Scheme Phase 1 <p>To implement the Linear Park Scheme Phase 1 in accordance with the timescale and requirements set out in the Linear Park Scheme</p>	£540,000.00

Ref No.	Planning Application	Location of Development	Date S106 Signed	S106 Description	Amount Due
				On completion of the works to implement the Linear Park Scheme Phase 1 to transfer the freehold interest in the said land to the Management Company for £1 having first put in place the Commuted Sum Arrangement 18/10/2022 confirmatory Deed confirming Countryside Properties interest in the land"	
451	346010 & 348194	Site of the former Fytton Arms PH, The Green, Fitton Hill, Oldham	07/01/2021	Unilateral Undertaking - The Planning Obligation requires the landowner to pay a commuted sum prior to the commencement of development of £45,915.03 for the provision of or improvements to public open space at St Martin's play area, St Martin's Road, Fitton Hill. Interest payable if late payment. No expiry	£45,915.03
452	345308	Plot 1, Netherfield Close, Oldham OL8 4ET	25/08/2021	The Planning Obligation requires the landowner to pay a commuted sum of £6,309.29 on the commencement of development for the improvement of existing open space in the locality. NO Expiry.	£6,309.29
453	340954	Plot 3, Netherfield Close, Oldham OL8 4ET	25/08/2021	The Planning Obligation requires the landowner to pay a commuted sum of £6,309.29 on the commencement of development for the improvement of existing open space in the locality. No expiry	£6,309.29
454	339626	Plot 4, Netherfield Close, Oldham OL8 4ET	25/08/2021	"The Planning Obligation requires the landowner to pay a commuted sum of £6,309.29 on the commencement of development for the improvement of existing open space in the locality. No Expiry Initial notice received 13/07/2018 but predates this agreement. therefore trigger date is date of agreement	£6,309.29
456	346728	Land off Radcliffe Street (Site of Former Vernon Mill) Royton OL2 6RN	17/11/2021	The Planning Obligation requires the landowner to pay a commuted sum of £140,000 for the enhancement of Royton Park, Bleasdale Street, Royton prior to the occupation of the first dwelling on the site. 5 year expiry	£140,000.00
457	345630	Land to the east of Huddersfield Road, Diggle OL3 5NU	03/11/2022	The Planning Obligation requires the landowner to: 1. Pay a commuted sum of £378,747.20 towards the enhancement of the existing open space provision in Diggle at Ward Lane Play Area, Diggle Fields, Diggle Pond and Sunfield Avenue Play Area prior to the occupation of the 32nd dwelling. Five year	£378,747.20

Ref No.	Planning Application	Location of Development	Date S106 Signed	S106 Description	Amount Due
				<p>expiry and interest paid if late trigger.</p> <p>2. Pay a commuted sum of £55,000 towards the improvement of habitats for the Long Eared owl and both woodland and water habitats within the local area prior to the occupation of the 32nd dwelling. Five year expiry and interest paid if late to trigger.</p> <p>3. To submit to the Council for written approval prior to the commencement of development an affordable housing scheme for the provision of 10% affordable housing units on site, which shall be either transferred to a registered social landlord or sold as Discount Market Sale Units at 80% of open market value in perpetuity. The First Schedule contains further details about restrictions relating to the Discount Market Sale Units."</p>	
458	345898	Shaw Distribution Centre, Linney Lane, Shaw OL2 8HF	30/03/2022	<p>The Planning Obligation contains the following obligations of the landowner:</p> <ol style="list-style-type: none"> 1. Payment of a commuted sum of £2,200,000 for the expansion of Primary School and Secondary School education placements in Shaw Crompton and Royton and a contribution to the NHS Oldham Clinical Commissioning Group for improvements to medical facilities in Shaw and Crompton, payable as follows: 25% not later than occupation of the first dwelling, 25% not later than the first occupation of 90% of the dwellings on Phase 1, 25% not later than occupation of any dwelling in Phase 2 and 25% not later than the first occupation of 90% of the dwellings on Phase 2. 2. Payment of a commuted sum of £13,420 plus VAT towards the Transport for Greater Manchester SCOOT loop payable not later than the occupation of the first dwelling. 3. 20% of the dwellings will be discounted market units and subject to the conditions in Part 1 of the First Schedule. 4. To provide an area of on site open space to be managed by a management company as detailed in Part 3 of the First 	£2,200,000.00

Ref No.	Planning Application	Location of Development	Date S106 Signed	S106 Description	Amount Due
				Schedule. 5. To pay a further commuted sum equivalent to 50% of the amount by which the Profit on Costs exceeds 20% of the Total Development Sales Value, provided that the value of the further commuted sum when added to the value of the Discounted Market Units and the £2,200,000 commuted sum does not exceed the sum of £10,496,267, to be used by the Council towards the provision of affordable housing for rent within the Borough of Oldham.	
				Total	£3,398,760.10

2.2 Total amount of money received through s106 during 2021-22.

- £1,011,06.87

2.3 Total amount of s106 receipts collected before the reported year but which have not been allocated.

- £851,931.87 including interest accrued

2.4 Total amount of s106 expenditure for the reported year (including transferring it to another person to spend).

- £194,896.48 (expenditure limited due to covid), the schemes are listed in the table below:

Reference number	Site Description	Planning App No.	Type of Scheme	Amount Spent	Date Done
425	Land at St John's Street, Porter Street and Edward Street, Oldham	343071	Proposed Prohibition of Driving and Revocation of One Way Working on Porter street, Oldham	£ 2,200.00	07/09/2021
401	Hive House	3339344	Replacement safety surfacing at Incline Road Play Area	£ 6,134.32	07/09/2021
350	Land at Spencer street	59206	Maintenance of onsite POS	£ 7,000.00	07/09/2021
386	land at Brick Hall Farm, Failsworth Road, Woodhouses	336586	Reinstatement of footway out side property on Failsworth Road	£ 7,062.16	07/09/2021
372	Land at Foxdenton Lane, Chadderton	342835	onward transmission to Higheays England for M60 junction improvements	£ 172,500.00	07/09/2021
				Total: £ 194,896.48	

- 2.5** The amount of S106 spent on repaying money borrowed, including any interest, with details of the items of infrastructure the money was used to provide as nil.
- 2.6** The council do not currently charge for the monitoring of S106 fees, therefore the amount of s106 spent in respect of monitoring is nil.
- 2.7** A total amount of £ £641,719.84 of s106 receipts were allocated but not spent in the reported year for funding infrastructure. Further details of the items of infrastructure and the amount of money allocated to each item are included in the attached table entitled "Allocated but not spent 2021-22", which can be found here:

S106 reference	Development Name	Details of spend	Allocated to scheme	Allocated for Maintenance	
DB19	Under Lane, Grotton	Annual maintenance of POS		£900.70	
DB50	Owl Mill, Mellor Road, Lees	Annual maintenance of POS		£119.30	
DB65	Land at Chadderton Way	Annual maintenance/monitoring of subway CCTV		£423.62	
DB73	Land at Newport street	relining of school entrance markings	£1,686.96		
DB75	Birch Hall	Annual maintenance of POS		£1,143.22	
DB113	St Phillips Drive	Annual maintenance of POS		£2,541.92	
DB115	land at Harmony Street, Glodwick	Annual maintenance of POS		£443.09	
DB143	Former Cape Mill, Refuge Street	Annual maintenance of POS		£11,001.39	
DB144	Land off High Barn Road	Annual Maintenance of POS		£30,757.72	
DB183	Oldham Road/Hirons Lane	Sinking fund for Grotton Play area		£11,062.80	
DB196	Coverhill Road, Grotton	Sinking fund for Grotton Play area		£11,001.39	
DB197	Sandy Mill, Royton	Annual maintenance of POS		£1,695.16	
DB198	Acorn Mill, Mellor St	Annual maintenance of POS		£3,031.36	
DB200	The Victory, Union Street	Annual maintenance of POS		£1,693.67	
DB204	Former St Chads, Limeside	Annual maintenance of MUGA		£1,464.31	
DB212	Land at Booth Hill Lane	Annual maintenance of play scheme		£3,073.61	
DB215	Former Manor House, manor Road	Annual maintenance of POS		£8,544.15	

S106 reference	Development Name	Details of spend	Allocated to scheme	Allocated for Maintenance	
DB226	Byron Street/Cardigan Road	Annual maintenance of play area		£10,869.50	
DB238	Fields New Road, Gem Mill	Sinking Fund for Coalshaw Green MUGA		£19,119.74	
DB243	Land at Lancaster Street	Annual maintenance of playing fields		£344.21	
DB247	land at Devon st/Suffolk st	Annual maintenance of home zone		£398.73	
DB251	Byron St Club	Annual Maintenance of playing fields		£292.29	
DB277	Land at Lime Lane	Annual maintenance of POS		£3,647.13	
DB292	Lyon Mill, Crompton Way	Annual maintenance of POS		£3,698.64	
DB299	Land at St Mary;'s Way	Annual maintenance of POS		£97,104.31	
DB300	52-56 Old Road	annual maintenance of POS		£3,468.18	
DB301	Land at Byron Street	Sinking fund for play area		£27,592.65	
DB301	Land at Byron Street	Annual maintenance of POS		£7,759.43	
DB305	Land at Barry St/Huddersfield Rd	Implementation and maintenance of Prohibition of waiting order	£2,003.88		
DB319	Crompton Hall	Annual maintenance of woodland		£8,025.47	
DB325	Land at Borough Mill	Annual maintenance of POS and play area		£19,335.10	
DB325	Land at Borough Mill	Sinking fund for play area		£22,000.00	
DB333	Land adj Medina Mosque	Annual maintenance of play area		£7,067.60	
DB340	former Greenfield Bowling Club, Oak View Rd.	Annual maintenance of illuminated signs		£352.06	
DB345	Former Lumb Mill, Huddersfield Rd	Annual maintenance of woodland		£17,988.25	
DB369	land at Westwood Park	Annual maintenance of play park		£26,331.49	
DB369	land at Westwood Park	Annual maintenance of MUGA		£58,076.38	
DB395	Land at former Rose Mill, Rose Street, Chadderton	New Community changing facility at Granby Street playing fields	£204,340.22		
DB416	land at Hawk Mill	Annual maintenance of POS		£9,120.21	
DB425	land at St John Street, Porter Street	Prohibition of Driving order and revocation of one way	£2,200.00		
		TOTAL	£210,231.06	£431,488.78	£641,719.84

2.8 Summary of non-monetary contributions secured during the reported year including:

- The total number of affordable housing units: none

The number of school places and category of school: none

