

Wakefield Council
Community Infrastructure Levy
Draft Charging Schedule
Section 106 Analysis

1. Section 106 Funds Received April 2010 to April 2015

- 1.1. The Community Infrastructure Levy (CIL) regulations advise that when setting rates charging authorities should take into account other actual and expected sources of funding for infrastructure and the potential effects of the imposition of CIL on the viability of development across its area.
- 1.2. Under statutory requirements section 106 agreements have to be
 - a. Necessary to make the development acceptable in planning terms;
 - b. Directly related to the development; and
 - c. Fairly and reasonably related in scale and kind to the development.
- 1.3. National Planning Practice Guidance states that Local authorities should ensure that the combined total impact of developer contributions towards infrastructure by way of CIL and section 106 agreements should not threaten the viability of the sites and scale of development identified in the development plan.
- 1.4. National Planning Practice Guidance states that a charging authority should provide information about the amount of funding collected in recent years through section 106 agreements. To this end the following information is intended to supplement evidence that has already been provided in the Wakefield CIL Infrastructure Delivery Plan Evidence and the Economic Viability Evidence.

1.5. Table 1 below shows the section 106 monies received from all types of development from April 2010 to April 2015 excluding affordable housing. This has been broken down into category of contribution.

Type of S106 Received	2010/11	2011/12	2012/13	2013/14	2014/15	Total	Average
POS	£181,413.86	£266,518.95	£311,726.34	£1,007,180.72	£152,245.84	£1,919,085.71	£383,817.14
Education	£104,788.00	£79,421.58	£1,007,477.68	£269,894.56	£1,049,346.63	£2,510,928.45	£502,185.69
Travel	£0.00	£100,107.50	£96,955.49	£0.00	£111,428.25	£308,491.24	£61,698.25
Drainage / Highway	£2,000.00	£197,454.13	£312,450.19	£301,020.29	£135,724.00	£948,648.61	£189,729.72
Bus shelter	£9,276.80	£0.00	£0.00	£0.00	£0.00	£9,276.80	£1,855.36
Footpaths	£60,000.00	£0.00	£0.00	£0.00	£0.00	£60,000.00	£12,000.00
Employment	£0.00	£0.00	£0.00	£70,000.00	£0.00	£70,000.00	£14,000.00
Road safety	£0.00	£0.00	£10,000.00	£0.00	£0.00	£10,000.00	£2,000.00
Total	£357,478.66	£643,502.16	£1,738,609.70	£1,648,095.57	£1,448,744.72	£5,836,430.81	£1,167,286.16

Table 1: Section 106 monies received from all types of development from April 2010 to April 2015 excluding affordable housing.

1.6. The table indicates that from 2012/13 the amount of s106 monies received has shown a marked increase, and has remained comparatively steady since this time.

2. Average residual section 106 Contributions per unit.

2.1. Paragraph 4.2 of the Wakefield CIL Viability Addendum December 2014 sets out that an average residual s106 figure of £1,000 per unit has been used in the viability appraisal to represent the continued use of non-pooled contributions that meet the statutory requirements as set out above. This has been based on the analysis of section 106 agreements. It should be noted that education is considered to be a pooled contribution which will be replaced by CIL once it is implemented, as per the regulation 123 list. As such it has not been included in this figure. Similarly, affordable housing has not been included in this calculation as this will continue to be covered by section 106 agreements, and the appraisal assumes 30%. Table 2

provides the details of the agreements that have been used in table 4.2 and 4.3 of the Wakefield CIL Viability Addendum, to support the assumption of £1,000 per unit average residual section 106 contribution. The residual calculation assumes that CIL will replace the contributions identified on the regulation 123 list, including Education, Green Infrastructure, Sustainable Transport, Public Realm Improvements, Leisure, Sport and Cultural Projects

Application Reference	No. Units	Address	Total s106 Contribution Excluding Affordable Housing	Education	Sustainable Transport / Highways	POS	Flood Mitigation	Other	Amount to be replaced by CIL	Total Residual s106	Residual s106 per unit
Small <1ha											
11/02601/FUL	32	Land off former Thornhill St, Bungalows (viability issues)	£152,692.40	£127,054.00	£2,246.40	£23,392.00	£0	£0	£127,054.00	£25,638.40	£801.20
12/01114/FUL	33	Land at Greenfield Road, Altofts	£48,623.00	£0	£0	£24,123	£24,500.00	£0	£0	£48,623.00	£1473.42
07/02156/FUL	33	land At Grove Lane, Hemsworth	£62,666.00	£38,572.00	£0	£24,094.00	£0	£0	£38,572.00	£24,094.00	£730.12
13/02258/OUT	40	Land at Stumpcross, Pontefract	£242,521	£178,987.00	£0	£29,294.00	£0	£34,240.00	£213,227.00	£29,294	£732.35
Medium 2.5ha											
10/02029/FUL	79	Land at Northfield Lane,	£263,855.00	£83,744	£0	£60,141.00	£120,000.00	£0	£83,744.00	£180,141.00	£2,280.27

Application Reference	No. Units	Address	Total s106 Contribution Excluding Affordable Housing	Education	Sustainable Transport / Highways	POS	Flood Mitigation	Other	Amount to be replaced by CIL	Total Residual s106	Residual s106 per unit
		South Kirby									
09/01976/FUL	91	Land at Victoria Way, Wakefield	£322,492.00	£190,971.00	£65,000.00	£66,521	£0	£0	190,971.00	£131,521.00	1445.29
10/00447/REM	187	Land off Park Drive, Lofthouse	£488,203.05	£488,203.05	£0	£0	£0	£0	£488,203.05	£0	0
13/03114/FUL	79	Land to rear of 311 Leeds Road, Newton Hill, Wakefield	£474,885.00	£320,647.00	£96,489.00	£57,749.00	£0	£0	£320,647.00	£154,238.00	£1952.38
Large >5ha											
11/02067/FUL	229	Land lying to the north west of Ruskin Av	£637,046.08	£486,108.00	£150,938.08	£0	£0	£0	£486,108.00	£150,938.08	£659.12
10/02367/FUL	252	Land at Durkar Lane, Crigglestone	£560,000.00	£483,924.00	£76,076.00	£0	£0	£0	£483,924.00	£76,076.00	£301.89
10/01907/OUT	129	Standbridge Lane, Crigglestone	£351,870.84	£207,396.00	£50,175.84	£94,299.00	£0	£0	£207,396.00	£144,474.84	£1119.96

Application Reference	No. Units	Address	Total s106 Contribution Excluding Affordable Housing	Education	Sustainable Transport / Highways	POS	Flood Mitigation	Other	Amount to be replaced by CIL	Total Residual s106	Residual s106 per unit
12/01590/FUL	124	land at Cutsyke Road, Castleford	£623,686.00	£381,006.00	£63,500.00	£90,644.00	£88,536.00	£0	£381,006.00	£242,680	£1,957.10
Strategic >10ha)											
11/02363/REM	285	Land at North side of Dewsbury Road, Land at Dewsbury Road	£873,032.00	£668,276.00	£136,419.00	£0	£0	£68,337.00	£736,613.00	£136,419.00	£478.66
13/02623/HYB*	500	City Fields, Wakefield	£2,365,104.00	£2,240,104.00	£0	£0	£0	£125,000	£2,240,104.00	£125,000.00	£250.00
12/01515/OUT	320	Cobblers Lane, Pontefract	£494,374.00	£311,094	£183,280.00	£0	£0	£0	£311,094.00	£183,280.00	£572.25
13/01144/OUT	917	Prince Of Wales Colliery	£7,986,830.00	£588,600.00	£1,798,010.00	£0	£0	£5,600,230.00	£6,188,830.00	£1,798,010.00	£1,960.75
										Total	£16,715.26
										Average	£1,044.70**

Table 2 Summary of residential signed section 106 agreements upon which the average residual section 106 contributions per unit has been based

*since these figures were calculated the draft regulation 123 list has been updated to reflect that primary education will be continue to be sought on site through a section 106 agreement for City Fields. In which case, the residual s106 per unit would be around £2,162.65. Whilst this is higher than that

allowed for in the model, the average s106 charge per unit in the signed s106 agreement equates to around £4,700. The average CIL charge per unit at the site would be £1,533 based on a £20 per square metre charge as shown in table 4 below. The combined average CIL per unit and the residual s106 (£2,162.65 + £1,533) would equate to around £3,700 per unit. This is less than the contribution of £4,700 in the signed s106 agreement, which must be assumed to be a viable level of contribution if agreed by the developer and the Council.

**Table 4.3 in the Wakefield CIL Viability Addendum (December 2014) refers to an average residual s106 (non-pooled s106) per unit of £1,055. This was as a result of the total number of units in the sample of *small* sites being calculated as 105, rather than the correct figure of 138. Allowing for this correction, the average residual section 106 figure is £1,044.70. This has been corrected in the revised version of the addendum that has been provided alongside this. The corrected figure is closer to the assumption £1,000 per unit that has been used in the viability appraisal.

3. Average CIL charge per unit

3.1. The following average CIL charges per unit have been calculated based on the revised assumptions in the Wakefield CIL Viability Addendum 2014.

Dwellings per ha	Sq m	ha	Actual residual of each archetype	Benchmark actual	Balance against benchmark	Max CIL psm
30	3285	1.00	£1,234,687	£1,050,175	£195,214	£85
30	8213	2.50	£3,127,332	£2,625,438	£531,005	£92
30	16425	5.00	£5,896,795	£5,250,875	£683,384	£59
30	32850	10.00	£12,170,483	£10,501,750	£1,765,519	£77
					Mean	£78
					Median	£81

Units	CIL	£ CIL per unit
30	126472.5	4215.75
75	316181.3	4215.75
150	632362.5	4215.75
300	1264725	4215.75
	Ave	4215.75

Table 3 Average CIL charge per unit in high value area 1

Dwellings per ha	Sq m	ha	Actual residual of each archetype	Benchmark actual	Balance against benchmark	Max CIL psm
30	3285	1.00	£934,764	£864,850	£73,969	£32
30	8213	2.50	£2,431,708	£2,162,125	£285,219	£50
30	16425	5.00	£4,585,671	£4,324,250	£276,584	£24
30	32850	10.00	£9,472,802	£8,648,500	£872,112	£38
					Mean	£36
					Median	£35

Units	CIL	£ CIL per unit
30	45990	1533
75	114975	1533
150	229950	1533
300	459900	1533
	Ave	1533

Table 4 Average CIL charge per unit in medium value area

3.2. Table 3.3 and 3.4 of the Wakefield CIL Viability Addendum December 2014 show the charge rates of £55 per square metre and £20 per square metre benchmarked as a percentage of construction costs and total development costs. The charge rate of £55 per sq m (Value Area 1) equates to approximately 4.7% of construction costs, and approximately 3% of total development costs. The charge rate of £20 per sq m (Value Area 2) equates to 1.70% of construction cost and around 1% of total development costs. In conclusion, these statistics suggest that CIL rates, at the levels indicated, along with any residual section 106 obligations that may be required are unlikely to undermine development in Wakefield in the majority of cases. However, this is sensitive to changes in key variables.