

## RELEASE OF S106 CONTRIBUTIONS

REPORT OF: DEPUTY CHIEF EXECUTIVE  
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Wards Affected: All  
Key Decision: No  
Report to: Cabinet Grants Panel  
19 February 2024

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### Purpose of Report

1. The purpose of this report is to
  - (i) request the release of S106 contributions for consideration by the Cabinet Grants Panel in respect of the Assessment Reports summarised below and detailed in Appendix A; and
  - (ii) to request variations to S106 contributions/and/or special conditions for community led projects previously awarded and currently in delivery as summarised below and detailed in Appendix B.

| Organisation                          | Purpose for which award is sought   | Total Project Cost | Award Suggested |
|---------------------------------------|---|--------------------|-----------------|
| Worth Parish Council                  | New Multi-Use Games Area at Copthorne Recreation Ground   | £164,300           | £164,300        |
| 1 <sup>st</sup> Copthorne Scout Group | Outdoor space improvements and renewable energy adaptations at the Copthorne Scout & Guide Centre | £115,018           | £115,018        |
| TOTAL                                 |   | £279,318           | £279,318        |

| Organisation                       | Purpose for which awards sought             | Changes to S106 award/ changes to Special Conditions  |
|------------------------------------|---|---|
| Ansty Village Centre Trust (AVCT)  | New village hall and sports pavilion        | Project substantially complete. However, there is a need to extend special condition regarding project completion from December 2023 to 31 September 2024 |
| Haywards Heath Rugby Football Club | Rebuilding the clubhouse at Whitemans Green | Increase the amount of S106 allocated toward rebuilding the clubhouse by a further £66,661.47, making a total award of £377,889.59                        |

|                                    |   |   |
|------------------------------------|---|---|
| Mid Sussex District Scouts         | Building a new community hall on Council owned land at Barn Cottage Recreation Ground | Increase the amount of S106 allocated toward constructing a new community hall by a further £163,420.50, making a total award of £263,420.50, There is a need to extend special conditions to provide evidence the project can be fully funded from 28 June 2024 to 19 February 2025. |
| Crawley Down Gatwick Football Club | Installing new dugouts, floodlighting and ball stop fencing at the Haven Sportsfield. | Extend special conditions to provide evidence the project can be fully funded from 31 December 2023 to 30 September 2024; and completion of the project from 31 December 2024 to 30 June 2025   |
| Clarion Futures                    | Creation of a community space in Stone Quarry, East Grinstead                         | Extend the special conditions to complete the project from 31 August 2024 to 19 February 2025.  |
| St Francis Social and Sports Club  | Swimming pool changing rooms  | Extend the special condition to complete the project from 31 March 2024 to 30 June 2024.  |

## Recommendations

2. **Members of the Cabinet Grants Panel are asked to approve:**
  - (i) **the recommendations to release S106 contributions to Worth Parish Council and 1st Copthorne Scout Group as detailed in Appendix A.**
  - (ii) **the recommendations regarding amendments to existing release of S106 awards for Ansty Village Centre Trust; Haywards Heath Rugby Football Club Mid Sussex District Scouts, Crawley Down Gatwick Football Club, St Francis Social and Sports Club and Clarion Futures as detailed in Appendix B**

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## Background

3. Planning obligations are made under Section 106 (S106) of the Town & Country Planning Act 1990. They are used to ensure that development proposals are acceptable in planning terms<sup>1</sup> and deliver necessary improvements to, or contributions towards, supporting infrastructure.
4. The Council secures the provision of new facilities or financial S106 contributions toward specific categories of expenditure and identified sites/venues or geographical locations.

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<sup>1</sup> National Planning Policy Framework, paragraph 55

- The Council accepts and considers applications from community organisations requesting the Release of S106 to fund capital projects which meet the criteria for which it was paid to the Council.

### Release of S106 Monies

- The Council has received two requests for the Release of S106 funds for consideration by the Panel, which are summarised above and detailed in Appendix A.
- Worth Parish Council request for S106 monies for a Multi-Use Games Area (MUGA) – Worth PC owns and manages Copthorne Recreation Ground and has requested that S106 monies be used to provide better sports and recreational facilities for young people by way of delivery of a MUGA.
- The 1<sup>st</sup> Copthorne Scout Group has requested monies to improve their facilities.
- Both requests represent acceptable use of S106 monies and are therefore recommended for approval.

### Changes to S106 award/ changes to Special Conditions

#### Haywards Heath Rugby Football Club (HHRFC)

- HHRFC has been awarded two tranches of S106 funding toward the cost of rebuilding the clubhouse at Whitemans Green. Lease terms have been agreed with the Council and the club has Planning permission to go ahead with construction of the new facility (ref: DM/23/1174).
- Up-to-date income and expenditure estimates for the project which include the demolition of the old clubhouse, parking and access were supplied by the applicant in January 2024, as shown below:

|                              |                |
|------------------------------|----------------|
|                              | £              |
| Capital Cost as per Contract | 2,390,000      |
| Estimated Irrecoverable VAT  | 60,000         |
| TOTAL payable                | 2,450,000      |
| Less paid                    | 172,000        |
| Monies held on account       | 980,000        |
| Pledged/Awarded              | 1,020,000      |
| <b>Current Shortfall</b>     | <b>278,000</b> |

- The club has grant applications and requests for donations in the pipeline and is continuing to hold regular fund-raising events so they are optimistic the funding gap will be filled shortly. They have already commenced on site and are aiming for practical completion by October 2024.
- The Council has recently secured Formal Sport and Community Building contributions from a development in Cuckfield which are allocated to this site. There are also underspends from a project which was delivered under budget and S106 receipts which were previously allocated to a project which has not progressed. Therefore, it is recommended in Appendix B that the Cabinet Grants Panel authorise the Release of an additional **£66,661.47** S106 contributions to Haywards Heath Rugby Football Club to support them to meet their fundraising target, which is made up of:

- £17,902.16 (DM/21/3755 Court Meadow School) Formal Sport
- £10,267.27 (DM/21/3755 Court Meadow School) Community Buildings
- £3,252.27 (12/03750/OUT Land at Ardingly Road) Community Buildings
- £35,239.77 (P35/317 Former St Francis Hospital) Community Building – please note these funds were paid toward the ‘provision of community facilities in the Haywards Heath Local Plan area’, which includes Cuckfield and Ansty.

### **Mid Sussex District Scouts – Barn Cottage Community Centre and Scout Hall**

14. On 28 June 2021, the scouts were **awarded £100,000** toward the cost of a new community hall on council owned land at Barn Cottage recreation ground. The new hall was intended to offer scout group meetings, community activities and hires on weekends, and a daytime base for the Willow Tree Nursery and Pre-School, to be relocated from the sports pavilion owned by the Council.
15. The hall was designed to work in parallel with a Sussex Clubs for Young People (SCYP) proposal to extend and refurbish the existing pavilion to provide a community café, daytime activities and services on the proviso the nursery could be relocated. In June 2021, SCYP was awarded **£171,160** toward this project and drew down £8,162.40 but unfortunately went into liquidation in June 2023 so this project will not proceed.
16. As a consequence, the scouts have revisited their plans and redesigned the internal layout of the building to make it more flexible and suitable for general community use. They have also made some changes to the building design to try and reduce the overall capital cost. The revised plans have been submitted for Planning approval (ref: DM/23/3006) and they have also obtained an up-to-date cost plan for the building works which is estimated at £750,300 including professional fees, design, and inflationary contingencies.
17. This is significantly more than the original estimate of £517,000 but the project could be delivered in two phases - shell and core initially and then fit out to prepare it for occupation. The scouts are fortunate to have a number of volunteers with trade skills who could provide, free or at cost, the services and materials needed to assist with the second phase. The scouts’ architect is currently producing technical construction plans to enable them to go out to tender in the Spring to get a fixed price for the first phase.
18. The scouts have secured £220,000 from the sale of a previous site which is held as capital to build a new facility. They are continuing to fundraise and have been in contact with Mid Sussex Voluntary Action and Funding People to request support in writing bids. They have also submitted a revised proposal to the Council and requested that the S106 funds previously allocated to the SCYP project be reassigned to enable delivery of the construction phase of the new Barn Cottage Community Centre and Scout Hall. However, even with the additional S106 contribution of **£163.420**, there is a significant short fall of £250,000.
19. This new facility will provide a base for the 5<sup>th</sup> Haywards Heath Scout Group (70 children) who will run sessions four nights per week from 6-10pm. The 5<sup>th</sup> previously occupied a hall in Bentswood Crescent but it was demolished, and the site returned to the Council, so they are currently sharing space with the 1<sup>st</sup> Haywards Heath Scout Group in Franklands Village. Both scout groups have waiting lists and have the capacity to double their numbers when the new hall is built. The Scout HQ currently based at the Redwood Centre is unaffected by these proposals and will continue to provide sessions for children living in the West of Haywards Heath.

20. The new multipurpose building will also accommodate the Bentswood Hub Junior Youth Group (59 children) who currently meet at the Centenary Hall but are keen to move back to Bentswood, and the Senior Youth Group (12 children) who meet at 38 America Lane but the limited space restricts numbers. These groups are delivered by qualified youth workers and cater for children with special needs and those from troubled families.
21. In addition, during weekdays and at weekends, the hall will be made available for hire for a range of social activities such as exercise and dance classes, drama and music groups, support services for children and families, meetings, community larder storage and a café.
22. The scouts will engage with local community partners to deliver a full programme of activities in the new building. They intend to work with local agencies and stakeholders already working in Bentswood to participate in a community building users forum to assist with the ongoing management of the centre.
23. It is recommended that the Cabinet Grants Panel authorise the Release of the unspent S106 receipts which were previously allocated to SCYP to provide an additional **£163,420.50** to Mid Sussex District Scouts, which is detailed in Appendix B and is made up of:
  - £3,072.00 (13/01164/FUL Land at The Mayflower Public House, America Lane) Community Buildings
  - £26,436.92 (08/02532/OUT Land on the north side of Lyoth Lane) Community Buildings
  - £4,819.00 (14/00398/OUT 17-21 Boltro Road) Community Buildings
  - £85,744.33 (12/04316/FUL Land to the east of Gravelye Lane and north of Lyoth Lane) Community Buildings
  - £2,704.19 (11/01254/OUT Land at Butlers Green Road) Community Buildings
  - £3,601.51 (14/01335/FUL The Oaks, 36 Paddockhall Road) Community Buildings
  - £12,346.00 (DM/16/0328 Former Magistrates Court, Bolnore Road) Community Buildings
  - £24,696.55 (12/00535/OUT Land South Side of Rocky Lane) Community Buildings
24. The scouts previously signed a Development and Lease Agreement and Grant Agreement with the Council on the condition they could secure project funding by 28 June 2024 and deliver the project by 31 December 2025. If this revised proposal is approved, it will be necessary to reissue the legal agreements to reflect the new arrangements which no longer involve the nursery. As a result, the panel are also asked to extend the conditions such that the scouts must provide evidence that the project can be fully funded by 19 February 2025 and completed by 19 February 2026.
25. More broadly there are a number of interactions with different scout groups across the District, alongside Mid Sussex District Scouts. Officers continue to meet with various representatives in relation to a range of projects and buildings. Work is underway to bring a holistic view of the support to, and interaction with, scouts groups across Mid Sussex.

## **The Ansty Village Centre Trust, St Francis Social and Sports Club, Clarion Futures and Crawley Down Gatwick Football Club**

26. The organisations listed above require extensions to their terms to enable them a longer time frame to complete their projects. For the reasons set out in Appendix B these are deemed reasonable and are therefore recommended for approval.

### **Financial Implications**

27. S106 contribution awards are funded through the allocation of financial receipts paid to the Council as a result of residential development toward infrastructure improvements to enhance formal sports, community buildings and other facilities.

### **Legal Implications**

28. All projects recommended for funding are considered to represent appropriate expenditure of S106 funds. In accordance with the Council's Constitution, the Cabinet Grants Panel is authorised to deal with the release of Section 106 monies over £50k.
29. Release of S106 funding to voluntary organisations are conditional and subject to compliance with the Subsidy Control Act 2022.

### **Risk Management Implications**

30. The main risks to the successful implementation of the decisions arising from this report would be the inability of the funded organisations to deliver those projects for which the release of s106 has been agreed, so offers are time limited and conditioned accordingly.
31. A Contract is signed at the application stage by organisations seeking funding that details the terms and conditions under which the release of S106 contributions is given. In respect of the release of S106 contributions, the Council may also impose additional safeguards prior to payment and all conditions must be met before the funds will be released. Payments are made on receipt of evidence of project expenditure.
32. With these measures in place the risks are reasonably mitigated against.

### **Equality and Customer Service Implications**

33. As part of the assessment process, all organisations applying for funding from the Council must submit an Equal Opportunities Policy. They must comply with the conditions of funding and have the requisite policies and procedures in place.

### **Sustainability Implications**

34. The provision of the funding supports the Council's community leadership role in the delivery of local and UN Sustainable Development Goals. The Council's approved Sustainable Economy Strategy includes Objective 4: to improve economic and social well-being of our residents and one of the actions identified to deliver this objective was to develop a network of Community Hubs. The successful delivery of the Barn Cottage Scouts Hall will help deliver this objective.

### **Appendices**

Appendix A – Release of S106 contributions.

Appendix B – Release of S106 contributions to community organisations update

## **Background Papers**

Applications and associated documentation for the Release of S106 Contributions are held by the Council.