



# GUIDANCE NOTES

## Planning Obligations (Section 106) Funding

This document can be made available in large print, audio, Braille or in other languages on request. Please telephone **01984 635 318** or email **[asummers@westsomerset.gov.uk](mailto:asummers@westsomerset.gov.uk)** to discuss your requirements.

*Please read these guidelines carefully before completing the expression of interest form or either of the application forms. There are two application forms. One application form is for applications seeking up to and including £10,000 and the other application form is for those projects requesting over £10,000. You are encouraged to contact Angela Summers at the West Somerset Council first to discuss your project before submitting an expression of interest form.*

### **What is Section 106 (S106) Funding**

Under S106 of the Town and Country Planning Act 1990, as amended, contributions can be sought from developers towards the costs of providing community and social infrastructure, the need for which has arisen as a result of a new development taking place.

It is important to note that S106 monies may **only** be spent on facilities where the new development has, contributed to the need for the facilities. This means that normally for local level facilities these will be based in the same community in which the contributing development is located.

S106 funding is normally available for capital projects only. Revenue funding towards ongoing running costs and repairs is not available. S106 funding cannot be given retrospectively for projects.

The level of funding contributions is negotiated with developers during the planning application process. West Somerset Council normally receives the actual payment of these S106 monies either when the development work commences or at a previously agreed phase of the development. For further information about the availability of S106 funding in your community please contact Angela Summers at West Somerset Council on 01984 635318 or email [asummers@westsomerset.gov.uk](mailto:asummers@westsomerset.gov.uk).

### **Who can apply?**

The scheme is open to all community-based organisations that operate on a not-for-profit basis in West Somerset. Parish and Town Councils are also eligible to apply. Where facilities have been provided these must be open to the general public with no membership restrictions, and have a wide public and community benefit.

Organisations must have a constitution or a set of rules and a bank account.

The organisation must demonstrate that they have consulted its users/local community, including the local Parish/Town Council that they have a viable business plan, and must have relevant policies in place such as a child protection and equal opportunities. If the local community has a parish or community plan reference should be made to this together with an indication of how the application fits with the priorities of this document.

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### What types of project might be eligible?

This will be dependent primarily upon what the S106 monies were secured for and evidence of local community needs but some examples of the types of projects, which might be eligible, include:

- Community Centres – For improving facilities which are the main community centre in a village/town and which provide for multi use by the wider community. This can include village halls and family centres. The funding can support works such as new build, extensions, energy efficiency measures, provision of disabled facilities and provision of facilities that will enable diversification of hall use. Minor repairs and redecoration and movable equipment items are excluded from the scheme. It must be demonstrated that the need for these proposals has been fully researched and forms part of the facility's business plan.
- Multi purpose sports and leisure centres which serve the general public. The works proposed can be new build, extensions and provision of disabled facilities. These works will only be considered for grant if the need for the project has been fully researched and forms part of the centre's business plan. Repairs and maintenance are excluded from the scheme.
- Play facilities – this can include play areas, teenage zones, skateboard facilities and similar, both new build and improvements. The need for the facility should also normally have been identified with the West Somerset Council's Play Strategy in order to be eligible. This strategy has identified gaps in provision across the district towards where grant aid needs to be focused. In addition we would expect to see evidence that young people have been consulted and where possible have participated in the design of the proposed play facility.
- Open Spaces – Grants are available to Parish Councils only, for the purchase of land for formal/informal public open space, recreation and allotments. Grants are also available for improvement to existing open spaces that improve access, education and user facilities. Please note that planting enhancements will only be considered as part of larger schemes. Maintenance and repairs to existing provision are excluded from the scheme.
- Local distinctiveness – trails and activities which enhance the local surroundings and encourage people to be involved in their local area, may be considered.

### Summary of Steps in the Application Process

#### STAGE ONE

Step 1: Complete and submit an 'Expression of Interest' (EoI) form. It is advisable to contact our Housing & Community Project Lead, Angela Summers (E: [asummers@westsomerset.gov.uk](mailto:asummers@westsomerset.gov.uk), T: 01984 635 318), to discuss your project proposal, before doing this.

Step 2: You will receive a notification of receipt of your 'EoI' form from WSC via email.

Step 3: Your EoI will be assessed and circulated to the Planning Obligations Group (POG) to establish whether the project may be eligible for funding.

Step 4: Within ten working days a decision will be made on the EoI and if successful, you will be requested to complete and submit a full application with the relevant supporting papers in advance of the relevant deadline.

#### STAGE TWO

Step 5: Prior to submitting your full application, you will be expected to meet with your Parish/Town Council and discuss your project proposal with them. Ideally it would

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be helpful if you could demonstrate their support for your project by providing a 'letter of support' as their views will be an important consideration. During this period you will also need to demonstrate a need for your project by consulting with the local community and/or providing information about relevant research/documents.

- Step 6: Complete and submit the relevant application form, as well as supporting paperwork. There is one application form for projects up to and including £10,000 and another for projects over £10,000.
- Step 7: You will receive a notification of receipt of your application form from WSC via email.
- Step 8: Your application will be discussed at the next POG meeting. If POG are supportive, then a recommendation will be made to Cabinet to approve the application. If the amount requested is more than £25,000, then the application will be considered by Full Council, if approved by Cabinet.
- Step 9: You will be notified by email of Cabinet's/Full Council's decision. If Cabinet/Full Council approves the application, you will be able to commence work on your project, once a formal offer of grant with conditions has been offered by WSC and accepted in writing by your organisation.
- Step 10: Submit copies of the invoices for the project to WSC for payment. Please note WSC will not pay invoices directly and cannot pay the VAT costs for projects, unless the applicant is not registered for VAT. Payments to your organisation will normally be paid by bank transfer and may be phased dependent on the type of project and conditions attached to any approval.
- Step 11: A WSC officer will contact you to arrange a site visit by to view the completed project and agree media coverage, if relevant.
- Step 12: You will receive payment for the project costs, once step 11 has been completed.

### What needs to be included with an expression of interest?

No additional information is required when submitting an expression of interest form.

### What needs to be included with an application?

#### *Have you included:*

1. Audited statement of profit & loss accounts, balance sheet for last 2 years (if you are a new organisation, you might still be considered, please get in touch to discuss)
2. Details of the management of the organisation, club constitution/set of rules
3. Three written quotes for the cost of the work (for project over £10,000) or two quotes for those applying for up to and including £10,000
4. Architects plans (where applicable)
5. A copy of Planning Consents and Building Regulations approval (where applicable)
6. A business plan/running cost projections - The detail given in your business plan is dependent on the level of funding requested. For projects requesting less than £10,000 we require no more than 2 pages, for projects requesting between £10,000 and £25,000 we require 4 - 6 pages and for projects requesting more than £25,000 we require a full business plan
7. A copy of a letter of support from the local town/parish council and other supporters
8. Proof of ownership or leasehold (where applicable). Potentially larger projects (over £25,000) would need a minimum of 15 year lease and smaller projects would be considered on a case by case basis.

### How the applications are assessed?

West Somerset Council is the accountable body for the spending of the Planning Obligation (Section 106) monies and the Council needs to ensure, that:

- The funding is spent on projects that can be demonstrated to be required because of the impact of the new development taking place.
- The process is transparent and fair to all.
- Projects supported are necessary, viable (both during their development and in the long term), and will deliver social and community benefits.

West Somerset Council therefore carries out assessment of proposed projects. Completed application forms are assessed against the following:

- Policies and Strategies – how far the proposal supports the Council objectives, where appropriate.
- Evidence of Need – how far the application has demonstrated that there is local support for a proposal through, for example, surveys and questionnaires, involvement of local groups in developing and designing facilities. Letter of support from the local Parish/Town Council and other local users/organisations. It should also be shown how the need for the proposed facility relates to the relevant new development generating the Planning Obligation (S106) funding.
- Usage – higher priority will be given to multi use facilities.
- Funding – higher priority will be given to those applications, which
  - submit evidence of a complete funding package;
  - can provide evidence that they have attracted, funding from other sources;
  - have submitted a comprehensive business plan (where appropriate);
  - have clearly demonstrated that provision has been made for the longer term funding needs of the project;
  - provide evidence of need for gap funding to allow a project to proceed; and
  - provide value for money – applicants will need to provide evidence of why their approach to the project provides better value than alternative possible approaches.
- Management and Track Record – looking at how your group is set up and managed, budget is realistic, evidence of fundraising/match funding, evidence of a track record of sound financial management, whether it operates a formalised equal opportunities policy, training policy, risk assessment procedures and insurance policy.

### How is the decision made?

A report on the application is given to the Planning Obligation Group and then Cabinet, plus Full Council for applications over £25,000. Once a decision has been made you will receive an email advising you of the result and, if successful, giving details of any conditions which will apply. This will also set out the targets and results, which your project will be expected to achieve.

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### **How can you be sure there will not be a conflict of interest from Planning Obligations Group or Council Members?**

All those involved in the decision process must declare whether they have an interest in any project and comply with the Conflicts of Interest Policy (or Declaration of Interest Policy).

### **How much funding is available?**

The amount of funding awarded **will depend on the amount of Planning Obligation (S106) monies available** for any particular community that was secured for the nature of the project proposed. Projects can be supported with 100% of the project costs if sufficient monies are available<sup>1</sup>. However, applicants are positively encouraged to seek match funding from other grant bodies and community sources (such as local fundraising), where possible so that the monies can support as many local projects as possible.

### **How should applications be made?**

All applications must be made on the Eol form and emailed/sent to:-

Gail Sloman, Housing & Community Project Support Officer

Email: [gksloman@westsomerset.gov.uk](mailto:gksloman@westsomerset.gov.uk)

***The receipt of all applications is acknowledged via email, so if you do not hear from us within 2 weeks of submission please contact us to check that your application has been safely received.***

### **Claiming grant payments**

A maximum of 50 per cent of funds will be paid in advance for larger capital projects. The remaining allocated funds would normally be paid after work has been completed and the expenditure has been incurred, at which time copies of accounts/receipts must be submitted to demonstrate how much has been spent on the project<sup>2</sup>. (Grants can be paid in up to four instalments for larger projects). The work may be inspected and you will need to show how you have complied with any other conditions set. You may also be required to submit a project report to show how you have met the project's original aims and targets before the final grant payment is made.

### **Grants Monitoring**

We monitor grants to see that the money has been spent in the way it was intended. We also hope that by monitoring individual grants and investments, we can:

- Learn from the experience;
- Record and share our learning and progress made;
- Identify strengths and weaknesses and plan for the future; and
- Explain to interested parties what has been achieved and how successful it has been.

We will monitor your project mainly through quarterly progress reports submitted by you to West Somerset Council. It is important that you keep in regular contact with the Council to ensure that we are aware of your project's progress. Each project will be subject to at least one monitoring visit through its lifetime.

<sup>1</sup> WSC cannot pay VAT (unless the applicant is not registered for VAT). Please quote all figures on the application form excluding VAT.

<sup>2</sup> All figures quoted must be excluding VAT, as WSC cannot pay VAT.

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### **Publicity Requirements**

It will be a condition of any grant that West Somerset Council shall have the right to be acknowledged as having provided the support. Our Lead Member shall also have the right to be involved in publicity activities relating to funded projects.

WSC branding and corporate images or logos shall be included in the following ways:

- Within literature of publicity material; and
- Signage bearing WSC branding and/or corporate images or logos shall be erected or affixed to buildings and other facilities

### **Right of Appeal**

If your application is turned down and you wish to challenge the decision you may do so, but only if your complaint is to do with the fairness of the process and not the merits of the project.