



Democratic Services

Location: Phase II

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**To: COUNCILLOR MARTIN GODDARD
CABINET MEMBER FOR FINANCE &
TRANSFORMATION**

c.c. All Members of the Residents Services Select Committee

c.c. Sam Robins, Place Directorate

c.c. Nicola Wyatt, Place Directorate

c.c. Karrie Whelan, Corporate Director of Place

c.c. All Ward Councillors

Date: 11 March 2025

Non-Key Decision request

Form D

NEW ALLOCATION OF S106 CONTRIBUTIONS 2024/25: Regeneration and Economic Development Team Core Budget

Dear Cabinet Members,

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic Services confirm that this is not a key decision, as such, the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 notice period does not apply.

You should take a decision **on or after Wednesday 19 March 2025** in order to meet Constitutional requirements about publication of decisions that are to be made. You may wish to discuss the report with the Corporate Director before it is made. Please indicate your decision on the duplicate memo supplied and return it to me when you have made your decision. I will then arrange for the formal notice of decision to be published.

Anisha Teji
Democratic Services

Title of Report: NEW ALLOCATION OF S106 CONTRIBUTIONS 2024/25: Regeneration and Economic Development Team Core Budget

Decision made:

Reasons for your decision: (e.g. as stated in report)

Alternatives considered and rejected: (e.g. as stated in report)

Signed Date.....

Cabinet Member for Finance & Transformation

NEW ALLOCATION OF S106 CONTRIBUTIONS 2024/25: Regeneration and Economic Development Team Core Budget

Cabinet Member & Portfolio	Cllr Martin Goddard Cabinet Member for Finance & Transformation
Responsible Officer	Karrie Whelan Corporate Director of Place
Report Author & Directorate	Sam Robins/Nicola Wyatt Place Directorate
Papers with report	Appendix A - details of s106 Construction training contributions to be allocated

HEADLINES

Summary	To seek approval to allocate funds from the s106 construction training contributions held by the Council towards the Regeneration and Economic Development Team Core Budget towards staff time spent delivering S106 employment and training outcomes in 2024/25 and 2025/26.
Putting our Residents First Delivering on the Council Strategy 2022-2026	This report supports our ambition for residents / the Council of: Have opportunities to earn an income that supports their families This report supports our commitments to residents of: A Thriving Economy
Financial Cost	This report seeks to allocate £114,000 from identified s106 contributions held by the Council.
Select Committee	Resident Services
Ward(s)	All

RECOMMENDATIONS

That the Cabinet Member for Finance and Transformation agrees the allocation and spend of s106 construction training contributions as follows:

That a total of £114,000 (£57,000 per annum for two years 24/25 & 25/26) is allocated towards the Regeneration and Economic Development Team Core Budget to support the coordination of construction training work placements in the Borough.

Reasons for recommendation(s)

In accordance with the Council Constitution, the allocation of Section 106 (S106) and Section 278 (S278) funds is required to be formally approved by the Cabinet Member for Finance & Transformation on a case-by-case basis. This report requests the approval for the S106 funds held at the case references detailed in this report to be committed as outlined in this report.

Alternative options considered / risk management

The Cabinet Member may agree to fund the scheme and / or suggest alternative projects to which funds could be allocated within the terms of the relevant legal agreements. If the S106 funds are not allocated to an appropriate scheme, the unspent funds may need to be refunded.

Two posts within the Regeneration and Economic Development team that deliver S106 employment and skills outputs are currently supported in part by S106 funding.

If S106 funding is not agreed for 2024/25 and 2025/26 there will be an overspend of £114,000 on this cost centre over the two years.

Democratic compliance / previous authority

The Cabinet Member for Finance & Transformation has the delegated authority to allocate funds from planning obligation monies.

Both the Cabinet Member for Community & Environment and the Cabinet Member for Children, Families & Education have been consulted and endorse the proposal.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

Background

Planning obligations, or S106 agreements, are an established mechanism for mitigating planning effects arising from development proposals. The agreements are usually negotiated within the context of planning applications, between Local Planning Authorities and persons with an interest in the piece of land (owners, leaseholders or developers). They are intended to make development acceptable, which would otherwise be unacceptable in planning terms.

Any S106 monies generated from planning agreements must be spent on their intended purpose and that the associated development contributes to the sustainability of the area by addressing the impacts of the development proposals. As a result, expenditure of S106 funds must relate to a specific development and must be in accordance with the corresponding legal agreement. If a contribution is not used for the intended purpose or not spent within the period allocated in the S106 agreement, the monies may need to be returned.

Developer obligations taken towards construction training and workplace co-ordinator

The contributions outlined in Appendix A have been taken in relation to planning applications which were expected to generate significant employment opportunities during the construction phase of the development. Planning permission was therefore approved subject to the developer providing a financial contribution towards the cost of providing construction training courses and the provision of a workplace coordinator to coordinate "on site" training and employment opportunities arising from construction schemes in the borough. The level of contribution was calculated in proportion to the size of the development and the build costs of the scheme, in accordance with the Council's Supplementary Planning Document on Planning Obligations as amended 2014.

Proposed S106 allocation

Officers are requesting that the s106 construction training contributions listed in Appendix A are allocated and spent towards officer time to support the Council's Construction Work Placement Scheme (currently provided by QualifyMe) as outlined below.

The proposed allocation of £57,000 per annum (for a two-year period) as a contribution towards officer time in providing support for this scheme, is proportionate to the time officers commit to work on construction training initiatives.

Current status – Hillingdon Construction Work Placement Scheme (Qualify Me)

Since 2013 the Council has utilised S106 funding relating to employment and skills to outsource the function to a company called QualifyMe – at a cost of circa £80,000 per year. QualifyMe deliver a construction training coordination service, delivering the skills outcomes on behalf of the Council that had been negotiated through S106.

This is heavily supported by the Regeneration and Economic Development team who provide a range of support in relation to obligations and opportunities arising from planning applications, including the management of the S106 construction training coordination contract and service delivered by Qualify Me. Officers also support the construction training provision by Build Training which work with adults over 24 years old, who have challenging life circumstances providing access to training, job opportunities and sustainable career development within the construction industry. There are numerous sites in Hillingdon where the Senior Economic Development Officer is working with partners to deliver construction training schemes that would be relevant and accessible to participants in the Build training scheme.

The changing nature and gradual expansion of construction training schemes in the Borough, has therefore seen the need for a continuing time commitment from officers within the Regeneration and Economic Development Team to facilitate these Programmes. Officers are therefore asking for a further allocation of approximately £57,000 per annum (for a two-year period) to facilitate officer time in providing support for these schemes. This figure is proportionate to the time officers commit to work on construction training initiatives.

The Regeneration and Economic Development Manager undertakes strategic engagement with developers and landowners to ensure that employment and skills outcomes are a priority with developments at an early stage. This includes reviewing proposals and consulting to maximise opportunities for residents, meeting key developers such as Colt Data Centres to represent the

Council and resident's interests and supporting the wider team to request and deliver S106 agreements.

The Senior Economic Development Officer is responsible for assessing proposed developments for potential employment and skills outcomes, such as apprenticeship opportunities, training weeks, voluntary time etc. They draft and negotiate S106 obligations with the legal team, then follow the process through to delivery agreeing all details of outputs to be delivered. Finally they are responsible for contract management of QualifyMe, who deliver the main body of the Council's S106 employment and skills outputs – this includes procurement, regular meetings and ensuring that QualifyMe deliver a high-quality service meeting KPIs.

Benefits

Some of the outputs and benefits achieved by QualifyMe and the Regeneration and Economic Development Team utilising S106 construction training contributions include:

- Since the appointment of Qualify Me Ltd the Council has been able to work with developers and their contractors to consistently maximise outputs in terms of training and employment. Qualify Me Ltd has now successfully introduced a shared apprenticeship scheme to enable trainees to move from site to site to complete their apprenticeships.
- Over the last four years the availability of a coordination service has also assisted the council to secure the involvement of other organisations namely West London Skills (Build Training) College and Job Centre plus to secure even greater outputs on construction sites.
- In addition to supporting apprenticeships and skills training, Qualify Me has also assisted in supporting more general employment opportunities for residents on construction sites in the Borough. Whilst many of the onsite jobs are often unskilled, there are numerous examples of residents securing permanent employment and skilled trades training following their initial site experience.
- Under this contract a number of apprenticeship weeks have been delivered; and training weeks of other training provided, and general employment weeks provided to residents on sites across the borough.
- Moving trainees from site to site is a constant challenge. Sometimes sites with obligations for a particular trainee discipline (e.g. carpentry or bricklaying) are not immediately available. Keeping trainees engaged during this period is sometimes a struggle and it has on occasion, been necessary for Qualify Me to directly cover trainee wage costs. This approach has enabled trainees to be placed on other construction sites that have no current obligations but are happy to support skills training.
- This approach has served to ensure that the trainees do not experience significant gaps in their training and reduces the potential for trainees to drop out which, for some, is a very genuine possibility.
- Financial assistance has also been given for the purchase of PPE kits and basic tools in cases of genuine hardship and paid for additional training for exceptional candidates to progress to construction site management roles. The benefits of this approach have been positive, and officers are keen to sustain this flexible approach and support by a more formal arrangement.
- The ability to call on the services of the Coordination service has also resulted in a much wider range of training and employment positions on sites being accessed by residents. Skills and employment agreements often include provision for site manager trainees and

site administrator posts. These posts enable residents to gain broader experience without the requirement to focus at least initially on a specific skill base.

- Over the past few years, the Council has also been successfully working with Build Training, in conjunction with Job Centre Plus to provide bespoke training and employment support for 'at risk' residents over 25 years old, who whilst keen to work on site, lack the relevant entry level requirements and face a range of barriers including homelessness and mental health challenges. It is pleasing to note that all learners on the pilot project have secured employment in a variety of construction related sectors.
- There are several major new construction projects due to start in the borough in the near future. Many of the schemes in the Hayes town centre area will serve to afford significant training and employment opportunities over several years. There are two major development sites in Clayton Road that have secured planning permission and further phases of Nestles Avenue yet to come. Additionally, the Council led regeneration schemes in Austin Road and Avondale Drives will also provide many opportunities for resident employment and training. The workload currently fulfilled by the Qualify Me contract and the Regeneration and Economic Development Team is therefore expected to increase as these sites go live.
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Financial Implications

The report seeks the allocation of £114k from the S106 contributions as detailed in the table below:-

S106 Funding Reference	Scheme	Amount	Time Limit to Spend
PPR/126/396B	Unit 3, Millington Road, Hayes	3,605	N/A
PPR/144/425C	Land Rear of 2-24 Horton Road, West Drayton	5,500	Dec-2025
PPR/153/439A	St Helens College, Eastbury Road, Northwood	3,600	N/A
PPR/154/449A	5 Station Road, West Drayton	45,658	N/A
PPR/155/445A	St Johns School, Potter Street Hill, Northwood	15,294	Dec-2026
PPR/156/446A	6 Roundwood Avenue, Stockley Park	2,880	N/A
PPR/159/555A	Northwood College, Maxwell Road, Northwood	3,150	Nov-2027
PPR/160/161B	Bourne Court Site, Bourne Court, Ruislip	4,800	Oct-2028
PPR/161/568A	The Crane PH, Watersplash Lane, Hayes	22,095	Jan-2029
PPR/162/575C	Gethceln House, Dawley Road, Hayes	7,418	Apr-2029
Total S106		£114,000	

The above S106 are required to be allocated to fund the continued support for officers within the Regeneration and Economic Development Team for a further two years (Financial Years 2024/25 & 2025/26) at £57,000 per annum.

All of the above S106 contributions, meet the conditions stipulated in the S106 agreements' and if approved, will reduce the call on Council resources.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities?

The purpose of the recommendation in this paper is intrinsically aligned with the Council vision to put residents first – as it is requesting funding to deliver beneficial employment and skills outcomes for local residents. This funding is necessary in order for the Council to directly deliver any S106 employment and skills schemes, and the benefits to residents and local communities of these schemes include more local job opportunities (across a variety of industries not just construction), career-related education opportunities in schools and colleges, and voluntary employee time provided across a variety of areas in local communities by the developers with whom the Council has S106 agreements.

Consultation & Engagement carried out (or required)

Not required

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance have reviewed this report and concur with the Financial Implications set out above, noting the recommendation to allocated Section 106 monies for a two-year period to contribute towards two posts within the Regeneration and Economic Development team to deliver S106 employment and skills outputs.

Furthermore, it is noted that a total of £114k is to be allocated, £57k per annum for 2024/25 and 2025/26, which will be funded from developer contributions in accordance with the planning obligation agreements.

Legal

Legal Services has considered the report in the light of the Section 106 agreements and officer Reports referred to in Appendix 1, and concludes that the recommendation presented to approve the allocation of £114,000 (*£57,000 per annum for two years 24/25 & 25/26*) *is allocated towards the Regeneration and Economic Development Team Core Budget to support the coordination of construction training work placements in the Borough* is consistent with the terms of the agreements.

Comments from other relevant service areas

The schemes have been developed in consultation with relevant service groups as appropriate.

BACKGROUND PAPERS

Planning Obligations Supplementary Planning Document Adopted July 2008 and amended July 2014

APPENDIX A

Details of the S106 Construction Training Contributions to be allocated towards the Regeneration & Economic Development Team core budget

S106 Reference	Development	Amount to be allocated	Comments
PPR/126/396B	Unit 3, Millington Road, Hayes 32157/APP/2016/1696	3,605.04	Funds received towards the cost of providing construction training courses delivered by recognised providers and/or the provision of a construction work place co-ordinator within the Authority's area. No time limit.
PPR/144/425C	Land rear of 2-24 Horton Road, West Drayton 71582/APP/2016/4582	5,500.00	Funds received towards providing construction training courses delivered by recognised providers and the provision of a construction workplace coordinator within the Authority's area. Funds to be spent within 7 years of receipt (Dec 2025).
PPR/153/439A	St Helens College, Eastbury Road, Northwood. (7402/APP/2018/3445)	3,600.00	Funds received towards the provision of a construction workplace co-ordinator. No time limit for spend.
PPR/154/449A	5 Station Road, West Drayton 65480/APP/2014/1018	45,658.51	Funds received towards providing construction training courses delivered by recognised providers and the provision of a construction workplace coordinator within the Authority's area. No time limit for spend.
PPR/155/445A	St Johns School, Potter Street Hill, Northwood 10795/APP/2018/149	15,293.58	Funds received towards providing construction training courses delivered by recognised providers and the provision of a construction workplace coordinator within the Authority's area. Funds to be spent within 7 years of receipt (December 2026).
PPR/156/446A	6 Roundwood Avenue, Stockley Park 37403/APP/2018/4475	2,880.00	Funds received towards providing construction training courses delivered by recognised providers and the provision of a construction workplace coordinator within the Authority's area. No time limit for spend.
PPR/159/555A	Northwood College, Maxwell Road, Northwood 2082/APP/2019/4091	3,150.00	Funds received as the construction training coordinator costs associated with the scheme. Funds to be spent within 7 years of receipt (November 2027).
PPR/160/161B	Bourne Court Site, Bourne Court, Ruislip 11891/APP/2018/3414	4,800.00	Funds received towards providing construction training courses delivered by recognised providers and the provision of a construction workplace coordinator within the Authority's area. Funds to be spent within 7 years of receipt (Oct 2028).
PPR/161/568A	The Crane PH, Watersplash Lane, Hayes 11026/APP/2018/3361	22,095.16	Funds received towards providing construction training courses delivered by recognised providers and the provision of a construction workplace coordinator within the Authority's area. Funds to be spent within 7 years of receipt (Jan 2029).
PPR/162/575C	Gethceln House, Dawley Road, Hayes 71737/APP/2019/1979	7,417.71	Funds received towards providing construction training courses delivered by recognised providers and the provision of a construction workplace coordinator within the Authority's area. Funds to be spent within 7 years of receipt (April 2029).
	TOTALS	114,000.00	