

REPORT ON SECTION 106 CONTRIBUTIONS

Report of the Area Highway Development Control Manager

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise members of the current status of S106 (planning obligation) contributions held by Hertfordshire County Council for use on highways and transportation measures in the Borough and to seek members' comments on the proposed use of the funds in the financial year April 2011 – March 2012.

2. SECTION 106 PROCEDURES

- 2.1 Members are reminded of the following factors to consider when reviewing the list of S106 funds:
- The S106 protocol (reported to the JMP in the summer of 2009) is used to assess the priority of the proposed use. Copies can be downloaded from the HCC website at <http://www.hertsdirect.org/docs/pdf/h/htsect106fund.pdf>
 - Strategic schemes must be considered as priority 1 (e.g. those in approved transport plans or strategies). Schemes that contribute to targets in the HCC Local Transport Plan are considered as priority 2. If there are no priority 1 or 2 proposals then small scale local schemes will be considered as priority 3.
 - In order to attract funding the proposed use needs to meet the terms of the legal agreement relating to the site in question and the government's rules on the use of planning obligations.
 - Any comments provided by members at the January, April, July and October Panel meetings will be reported to a regular officer steering group meeting comprising of County and Borough officers to review all requests against the S106 protocol and current work priorities. The steering group meets quarterly and feedback from the steering group is reported back to members at the next available JMP on an updated table.
 - An annual S106 selection meeting takes place in March to select S106 spending for the forthcoming financial year (this selection is based on suggestions made during the past year). It is chaired by the Area Highways Development Control Manager.
- 2.2 The County Council has recently scrutinising its management of the S 106 process. Representations were sought from each Local Planning Authority. The response to the Borough Council will be made as part of the final report which will be available early in the New Year.

3. CURRENT S106 CONTRIBUTIONS

- 3.1 Appendix A to this report shows the financial position and proposed uses for S106 monies held by Hertfordshire County Council. To improve efficiency and the reporting process within the County Council the traffic light table is now produced automatically by a central database that records HCC responses to planning application consultations and S106 agreements and contributions. The information in the table is the same as the previous reports although the format has changed slightly, S106 is listed in town order and a column of finance originally received has been added (some finance received amounts are zero due to the age of the agreements).
- 3.2 The columns in the *Traffic Light* report table and their meanings are as follows from left to right:
- Received – amount received from the developer. This will be protected from the effects of inflation by being index-linked. In some cases we do not have a record of the exact amount. This is shown as a zero in the table.
 - Available – the value of the fund at the start of the current financial year (1 April).
 - Use – summary of the use defined in the S 106 agreement for the amount
 - Refund date – date at which the agreement requires that the money be payable to the developer. Quite often these are related to stages in the building construction/ occupation. HCC relies on the Borough Council to notify them when these points are reached.
 - CS99s issued – records the allocation of money to specific projects. These are not actual spends until the final reconciliation at the end of the financial year but are upper limits on the money available.
 - Possible schemes
- 3.3 Members will note that the phrase 'strategic schemes' has been inserted in the possible schemes column of the table against contributions with longer time frames. One of the functions of the officer steering group is to keep these under review as their refund dates approach and make the decision to switch to lower priority alternatives in order to ensure spend.
- 3.4 S106 finance held which has passed its refund date is not available to use until HCC gain the developer's permission as we are bound by the legal agreement. HCC is in the process of contacting all developers of expired s106 to request use of this finance.

3.5 A number of new contributions have been received in the last quarter. In Watford these are:

- 108 Sheepcot Lane - £3,427 received for sustainable transport with no refund date.
- 96a Queens Road, Watford -£750 received for Sustainable Transport – no refund date.

4. PROPOSED USES IN 2011/12

4.1 The table at Appendix B lists the uses and sources of funds agreed in principle at the special programme-setting meeting of the Watford Officer Steering Group on Friday 11 March.

4.2 Some of the requests for funds identified in the list are repeat requests from the current financial year where it had not been possible to spend the money. These are identified by the letter R in the right-hand column.

4.3 Members' attention is drawn to the 2 notes at the end of the table which set out significant factors that may yet impinge on the use of funding in the Borough.

5. RECOMMENDATIONS

5.1 That the Panel notes the actions and proposed use of S106 funds and makes any comments for the District Manager to relay to the Area Highway Development Control Manager and Officer Steering Group

6. CONTACT OFFICER

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