

	London Borough of Hammersmith & Fulham CABINET 2 MARCH 2015
2014/15 SECTION 106 EXPENDITURE	
Report of the Cabinet Member for Finance – Councillor Max Schmid; and the Cabinet Member for Economic Development and Regeneration – Councillor Andrew Jones	
Open Report	
Classification - For Decision Key Decision: Yes	
Wards Affected: All	
Accountable Executive Director: Nigel Pallace, Acting Chief Executive	
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1. EXECUTIVE SUMMARY

- 1.1. This report seeks approval for the expenditure for 2014/15 from Section 106 funds. The report also covers section 106 money for policing.
- 1.2. In total authority is sought for £2.16M expenditure.

2. RECOMMENDATION

- 2.1. That officers be authorised to spend Section 106 monies as set out in section 5 and Appendix 1 to this report.

3. INTRODUCTION AND BACKGROUND

- 3.1 The Council enters into agreements with developers and land owners under Section 106 of the Town and Country Planning Act 1990 to enable

mitigation of impacts of development and to enable it to delivery of necessary social and physical infrastructure.

- 3.2 For a Council to enter into an agreement under S106 of the Town and Country Planning Act, the obligations need to comply with the tests set out in Regulation 122 of the Community Infrastructure Regulations 2010. All obligations must be:
- i. Necessary to make the development acceptable in planning terms;
 - ii. Relevant to the development being permitted; and
 - iii. Reasonably in all other respects.
- 3.3 Funds received pursuant to S106 agreements must be used for the purposes specified in those agreements or, where there is flexibility within the terms of the agreement, those purposes must comply with the tests set out above. The Council will have increased flexibility in future years in how it spends money it collects as Community Infrastructure Levy (CIL).
- 3.4 This report seeks authority for the 2014/15 spend of monies received for the purposes set out in this report, together with an explanation of the considerations that have been taken into account in reaching this recommendation.

4. BACKGROUND TO SPENDING PLAN

- 4.1 The spending plan for 2014/15 identifies those projects for which agreement has been given through budget planning, and authority is sought to draw down the monies to meet those commitments.

5. SPENDING PLAN PROJECTS

The numbers in brackets refer to the reference of the agreement.

- 5.1 Air Quality Monitoring Work – a combination of £18.5K from Westfield, £9.25K from Sovereign Court (173) £9.25K from 51 Townmead Road agreements (117) which include provision for environmental monitoring, will be used to provide monitoring stations and the costs of monitoring the impacts of development taking place across the borough to protect the environment for residents.
- 5.2 Phased Replacement of Street Lighting, South Fulham – £20K would be met from the Social and Physical Infrastructure Contribution from 51 Townmead Road (117). This scheme is the start of a larger project replacing lamps with low energy bulbs to mitigate any environmental impacts resulting developments in South Fulham.
- 5.3 Housing and Regeneration Division – up to £200,000 can be funded from the contribution in the Watson House agreement (8), which secures

monies that enable housing regeneration schemes to proceed in the Borough, and will be used for . project costs incurred in reviewing and progressing schemes for Affordable Housing in 2014/15 .

- 5.4 Parks Maintenance – £55K from the Social and Physical Infrastructure contribution in Chelsea Creek, Lots Road agreement (128) will provide funding to support the increased level of necessary maintenance of the parks in South Fulham, resulting from increased usage by the new resident population in
- 5.5 Adult Services –£65K from the Social and Physical Infrastructure contribution of the Chelsea Creek, Lots Road (128) agreement will directly relate to the additional costs incurred providing services for the increased population arising from the new development in South Fulham
- 5.6 Fulham Town Centre Manager – A contribution of £5K from the Social and Physical Infrastructure contribution in the Chelsea Creek, Lots Road agreement (128), equivalent to 13% of the cost of providing the service in the Town Centre, being the area of the Town Centre covered by the agreements in South Fulham.
- 5.7 CPZ reviews in South Fulham – £20K from the Social and Physical Infrastructure contribution of the Chelsea Creek, Lots Road (128) agreement to add to contributions already made, for annual review and monitoring in South Fulham that has resulted from the additional growth of population.
- 5.8 Cleaner Greener, Refuse Collection and Environmental Witness work – South Fulham – £205,000 from the Social and Physical Infrastructure contribution of the Chelsea Creek, Lots Road (128) Imperial Wharf (13) and 51 Townmead Road (117) agreements for the costs of setting up and implementing the strategies and services necessary to serve the new building works and population in South Fulham.
- 5.9 Schools Maintenance and Educational Strategy Officer –£75,000 from the Social and Physical Infrastructure Contributions from Chelsea Creek, Lots Road (128), Imperial Wharf (13) and 51 Townmead Road (117) agreements which include specific provisions for additional maintenance required for the new population resulting from development, to be accommodated within existing infrastructure.
- 5.10 The Cost to TTS of monitoring and managing S106 and CIL contributions. The total cost of £153K would be met from the interest accrued on Section 106 funds held, monitoring contributions and the CIL administration receipt.
- 5.11 Shepherds Bush SUDS Scheme - £700K from the White City Contributions in Woodlands (91) and Westfield agreements for a sustainable drainage project and enhanced access to Goldhawk Road. This scheme is part of the implementation of the White City Opportunity Area Framework.

- 5.12 Policing – Combined contributions of 40K from 51 Townmead (117), 150K Sovereign Court (173), 150K Woodlands (91), 33K North End Road (17), 33K Stuarts Garages (135), 33K 313 North End Road (136) £40K Westfield agreements towards enhanced policing for 2014/15, supporting the Council’s strategy to reduce crime resulting from the increased population in the Borough.
- 5.13 Parenting Network Contribution - £20K from the Woodlands (91) contribution to deliver the Neighbourhood Mums and Dads project in White City supporting the Council’s strategy to increase social cohesion in the Borough.
- 5.13 Urinals, Shepherds Bush Green – £15K from the Westfield contribution for the final element of the Shepherds Bush Green enhancement project , together with the cost of their annual maintenance.

6. EQUALITY IMPLICATIONS

- 6.1. The report seeks authority for funding of projects that are contained in other service area plans, which are each subject to their own Equality Impact Assessments.

7. LEGAL IMPLICATIONS

- 7.1. The allocation of the funds set out above must comply with the terms of the relevant planning obligations.
- 7.2. Implications verified/completed by: Alex Russell, Senior Solicitor X2771.

8. FINANCIAL AND RESOURCES IMPLICATIONS

- 8.1. When the 2014/15 budget was set by the Council it was anticipated that s106 sources totalling £1,125k would be identified to meet revenue expenditure in 2014/15, in place of general fund. The drawdown of s106 funding for 2014/15 requested in this paper enables that 2014/15 MTFS commitment to be met.
- 8.2. Every year the Planning Division incurs costs in managing S106 agreements; for 2014/15 this will be £153.9k and these are covered by the proposals in this paper. The Council has completed a £700k sustainable drainage project in Shepherd’s Bush, and the formal drawdown from s106 for this is now requested.
- 8.3. Implications verified/completed by: Mark Jones, Director for Finance TTS, x6700.

9. COMMENTS OF THE DIRECTOR FOR PLANNING

- 9.1. The contributions outlined in this report are all part of the Council’s annual budget for 2014/15 and accounted for.
- 9.2. All of the projects outlined meet the statutory tests set out in regulation 122 of the community infrastructure regulations, and would be used within the contractual and geographical constraints stated in the relevant agreements. Therefore the recommendations are considered acceptable
- 9.3. Implications verified/completed by: Juliemma McLoughlin, Director for Planning x3000

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

LIST OF APPENDICES:

Appendix 1 – Section 106 Spending Plan