


<p>London Borough of Hammersmith & Fulham</p> <p>CABINET</p> <p>10 OCTOBER 2016</p>	
<p>2016/17 SECTION 106 EXPENDITURE</p>	
<p>Report of the Cabinet Member for Finance – Councillor Max Schmid and Cabinet Member for Economic Development and Regeneration - Councillor Andrew Jones</p>	
<p>Open Report</p>	
<p>Classification : For decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: ALL</p>	
<p>Accountable Director: Juliemma McLoughlin, Director for Planning and Development</p>	
<p>Report Author: Peter Kemp, Planning Change Manager</p>	<p>Contact Details: Tel: 0208 753 6970 E-mail: peter.kemp@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1 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 delivery of necessary social and physical infrastructure.
- 1.2 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.
- 1.3 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, for purposes that 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).

1.4 This report seeks authority for the 2016/17 spend of monies received from S106 obligations 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. If additional projects come forward for funding, authority will be sought for that spend later in the year.

1.5 In total authority is sought for £4.7m expenditure.

2. RECOMMENDATIONS

2.1. That officers be authorised to spend £4.7m of Section 106 monies for the purpose of addressing the impact of development.

3. SPEND 2016/17

The following projects are funded from S106 monies to address needs generated by the developments taking place.

3.1 **Air Quality Monitoring Work** – £37,000 drawn from:

£22,803	-	Hurlingham Club
£12,830	-	184 Shepherds Bush Road
£1,367	-	Goldophin and Latymer School

3.2 **Library Services** – £404,623 drawn from:

£202,000	-	Chelsea Creek, Imperial Road
£202,623	-	26 Sullivan Road and Carnwarth Road

3.3 **Highways Improvements and Maintenance and CPZ Reviews-** £360,923 drawn from:

£100,000	-	Riverside Studios
£21,303	-	Imperial Wharf
£30,000	-	Fulham Reach
£80,000	-	Chelsea Creek
£129,620	-	26 Sullivan Road and Carnwarth Road

3.4 **Street Cleansing** - £191,768 drawn from:

£100,000	-	Street Cleansing
£91,768	-	51 Townmead Road

3.5 **Adult Social Care and Public Health** - £407,327 drawn from:

£50,000	-	51 Townmead
£45,000	-	405 King Street
£150,000	-	Chelsea Creek

£25,000	-	Ashlar Court
£15,000	-	282 – 292 Goldhawk Road
£100,000	-	Riverside Studios
£22,327	-	Parsons Green Club

3.6 Children’s Services - £ 576,523 drawn from:

£50,000	-	Imperial Wharf
£76,000	-	Woodlands
£100,000	-	51 Townmead
£50,000	-	28 Sullivan Road and Carnwarth Road
£125,000	-	Chelsea Creek, Imperial Road
£50,000	-	Chelsea Creek, Lots Road
£20,000	-	22 Bute Gardens
£50,000	-	Farm Lane Trading Estate
£20,000	-	258 – 264 Goldhawk Road
£35,523	-	Parsons Green Club

3.7 Parks and Open Spaces - £414,879 drawn from

£10,000	-	Goldhawk Industrial Estate
£10,000	-	271 – 281 King Street
£90,000	-	51 Townmead
£90,000	-	Chelsea Creek
£90,000	-	28 Sullivan Road and Carnwarth Road
£90,000	-	Chelsea Creek, Imperial Road
£34,879	-	153 Hammersmith Road

3.8 Waste Disposal - £206,947 drawn from:

£56,947	-	Chelsea Creek
£100,000	-	28 Sullivan Road and Carnwarth Road
£50,000	-	77 – 89 Glenthorne road

3.9 Parks Projects –

£260,685 towards works in Ravenscourt Park being

£80,000	-	Goldhawk Industrial estate
£20,000	-	Ravenscourt House
£140,000	-	271 – 281 King Street
£20,685	-	282 – 292 Goldhawk Road

£200,000 towards works on Brook Green, being

£200,000	-	184 Shepherds Bush Road
----------	---	-------------------------

3.10 Monitoring and Management Costs - The Cost to planning of monitoring and managing S106 and CIL contributions. Authority is sought to draw down £80,000 from S106 fund interest and the remainder being the administration costs from CIL.

3.11 **Policing** - The Council has committed to funding enhanced policing across the borough to support the Council's strategy of to reduce crime resulting from increased population in the borough. The total contribution to this for 2016/17 is £1,530,000. The funding will be drawn from

£40,000	-	51 Townmead
£33,000	-	Stewarts Garage
£200,000	-	Westfield
£240,000	-	West 12
£88,000	-	BBC White City
£210,000	-	Chelsea Creek
£200,000	-	26 Sullivan Road
£50,000	-	313 – 321 North End Road
£100,000	-	258 – 264 Goldhawk Road
£160,000	-	Sovereign Court
£150,000	-	Woodlands
£33,000	-	North End Road
£33,000	-	Stuarts Garages

4. EQUALITY IMPLICATIONS

4.1. 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.

5. LEGAL IMPLICATIONS

5.1 Section 106 agreements containing planning obligations are entered into between developers and the Council as the Local Planning Authority.

5.2 The use of such obligations is controlled by legislation, including regulation 122 of the Community Infrastructure Regulations 2010 which requires planning obligations to be:

(i) Necessary to make the development acceptable in planning terms;

(ii) Directly related to the development; and

(iii) Fairly and reasonably related in scale and kind to the development.

5.3 The Council has entered into a significant number of Section 106 agreements. Section 106 Funds can only lawfully be applied in accordance with the terms of each specific agreement, as approved by the Planning Applications Committee. Officers will need to ensure that the funding proposals as set out in this Report are permitted under the terms of each individual Section 106 agreement.

5.4 Implications verified/completed by: Adesuwa Omoregie, Planning Highways and Licensing Solicitor, Tel. 0208 753 2297

6. FINANCIAL AND RESOURCES IMPLICATIONS

- 6.1. The Council budget assumes provision for £2.6m of the Council's budget to be recovered from S106 funds to address some of the impacts of development taking place in the borough. This report seeks authority for this spend also for the funding for the enhanced policing projects in the borough and specific projects.
- 6.2. Implications verified/completed by: Mark Jones, Director for Finance and Resources Ext. 6700

7. COMMENTS OF THE DIRECTOR FOR PLANNING AND GROWTH

- 7.1. The contributions outlined in this report are all part of the Council's annual budget for 2016/17 and accounted for.
- 7.2. 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
- 7.3. Implications verified/completed by: Juliemma McLoughlin, Director for Planning and Growth 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		