



Annual Infrastructure Funding Statement

Financial Year 2019/20



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East Herts Council – Annual Infrastructure Funding Statement 2019/20

Introduction

As part of recent changes to legislation Community Infrastructure Levy (Amendment) (England) (No 2) Regulations 2019) East Herts Council is now required to produce an Annual Infrastructure Funding Statement.

This report is the first Annual Infrastructure Funding Statement produced by East Herts Council and provides a summary of the income and expenditure of the financial contributions the Council has secured through Section 106 Agreements for the financial year 2019/20. It does not include information on contributions listed within Section 106 Agreements payable directly to Hertfordshire County Council or on infrastructure that is delivered under Section 78 agreements, or directly by developers. Hertfordshire County Council is producing their own Annual infrastructure Funding Statement to provide this information which will be available on their website - <https://www.hertfordshire.gov.uk/home.aspx>

Further detailed information on the new Section 106 Agreements signed and the contributions received in 2019/20, along with information on the allocation and expenditure of historic contributions in the financial year 2019/20 can be found later in this report.

Please note that the information provided in this report is the most robust available at the time of publication, and will be updated annually and published on the Council's website in accordance with legislation.

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Section 106 Agreements

Under Section 106 of the Town and Country Planning Act 1990, East Herts Council can seek obligations, both on-site and off-site, to mitigate the impacts of development and ensure that the Council's planning policy requirements are fulfilled.

These obligations can be financial and non-financial, and are set out in legal agreements between the developer and the Council. They support the funding and development of new infrastructure and services to benefit the community and to mitigate the impacts of development.

East Herts Council has set out its infrastructure needs in its Infrastructure Delivery Plan (IDP) and in its District Plan. Further information on these and Section 106 can be found on the Council's website www.eastherts.gov.uk

Section 106 contributions and obligations can vary on a site by site basis depending on a range of factors such as the viability of the development and site-specific considerations, but can include:

- Site-specific financial contributions – these are secured for use for specific purposes as per the individual agreement wording and Community Infrastructure Levy (CIL) guidance. E.g. education facilities, health services, transport / highways works, funding for community facilities, as well as for leisure, arts, sports and open spaces provision.
- Provision of on-site affordable housing (or financial contribution in lieu of on-site provision if applicable).
- Non-financial obligations such as employment strategies and travel plans.
- Monitoring fees.

Monitoring fees:

The Community Infrastructure Levy (Amendment) (England) (No 2) Regulations 2019 now allow Local Authorities to charge a monitoring fee through Section 106 planning obligations. These fees are to cover the costs of monitoring and reporting on the delivery of Section 106 obligations, but they must be proportionate and reasonable and reflect the actual cost of monitoring.

All new Section 106 Agreements will now include a provision for monitoring fees, negotiated on a site by site basis and payable to East Herts Council and this will be reported on in the 2020/21 Annual Infrastructure Funding Statement.

Historic Section 106 Contributions received and allocated prior to 2019/20:

East Herts Council has collected information on all Section 106 Agreements to which it was a party, and has monitored the receipt and allocation of Section 106 financial contributions from the financial year 1996/97 to the present date.

Historically up to the end of the financial year 2018/19 (From 01/04/1996 to 31/03/2019) a total of £8,672,318.81 was received in Section 106 contributions by East Herts Council.

Of this £4,036,713.73 has been spent, with a further £3,709,100.31 identified for allocation, leaving £866,151.52 unallocated as of 31/03/2019.

Details on the Section 106 contributions received and spent in the last three financial years are shown below:

- 2017/18 received - £744,390.54 spent - £125,690.90
- 2018/19 received - £842,855.20 spent - £864,549.03
- 2019/20 received - £1,911,961.44 spent - £684,062.58

New Section 106 Agreements, financial contribution collection and expenditure in 2019/20

This section provides information on the Section 106 Agreements signed in the financial year 2019/20, with details on the financial contributions and the number of affordable housing units listed within each agreement.

Information is also given on the contributions triggered for payment along with details on the allocation and spend of any historic contributions held up to 31/03/2020.

Since July 2019 the collection and allocation of Section 106 contributions payable to East Herts Council has been monitored by the infrastructure Contributions & Spend Manager.

New Section 106 Agreements signed in 2019/20:

Fourteen (14) new Section 106 Agreements were signed and sealed in 2019/20 – this figure includes Supplemental Agreements, Deed of Variations and Unilateral Undertakings agreed during this period.

These agreements have a total of £4,329,010.46 in financial contributions payable to East Herts Council, either as the beneficiary of the contribution or as the collection authority.

The new Section 106 Agreements also contain provision for the developer to provide 560 affordable housing units on site as part of the development planning permission. Further information is provided later in this report on the breakdown of these figures for the individual developments.

The table below lists all the Section 106 Agreements to which East Herts Council was a signatory in the financial year 2019/20:

planning-application	Location	Date of Section 106	Total funding for East Herts Council
3/15/1691/OUT	Land @ Green End, Braughing	10/04/2019	£0.00 – no financial contributions for East Herts Council
3/17/1222/VAR (replaces 3/14/1369/FP)	Carriage Court - Land at 3-9 North Road, Hertford	10/04/2019	£43,428.91
3/17/1537/FUL	Land & buildings Gascoyne Way, Hertford	05/06/2019	No financial contributions for East Herts Council
3/18/0031/FUL	Land at Junction of Rye Street & Farnham Road, Bishop's Stortford	16/07/2019	£88,950.00
3/18/1234/FUL	Land at Coneybury Farm, Royston Road, Buntingford	18/09/2019	£568,437.00
3/18/2457/FUL	Land east of Aspenden Road, Buntingford	24/10/2019	£125,296.00
3/19/0408/FUL	Land Stortford Road, Standon	28/10/2019	£27,910.00
3/18/1898/VAR	Stortford Fields - Land at Bishops Stortford North	19/12/2019	£0.00 - variation of trigger points
3/18/2253/OUT	BISH5 - Land off Whittington Way, Bishop's Stortford	19/12/2019	£2,080,837.00
3/18/2465/OUT	HERT2 - Land East Of Marshgate Drive Hertford	19/12/2019	£892,154.51

planning-application	Location	Date of Section 106	Total funding for East Herts Council
3/15/1011/FUL	Land at Walnut Close, Much Hadham	15/01/2020	No financial contributions for East Herts Council
3/18/1523/FUL	SAWB3 - Chalks Farm, South of West Road, Sawbridgeworth	16/01/2020	£165,253.00
3/19/0308/FUL (replaces 3/17/0645/FUL)	306-310 Ware Road, Hertford	23/01/2020	£49,064.04
3/18/1760/FUL	SAWB2 - Land north of West Road, Sawbridgeworth	27/03/2020	£287,680.00
Total financial contributions listed within the agreements payable to East Herts Council			£4,329,010.46

The figures quoted for the future contributions listed above are subject to change due to the addition of indexation when the payment is triggered.

Each Section 106 Agreement provides details on the trigger points for payment and indexation of the individual contributions listed within it, along with details on the timescale within which the contribution must be allocated – usually ten years from date of receipt of the contribution.

Information on the individual Section 106 Agreement entered into with the developer can be found on the planning portal by using the planning application reference for the development – <https://publicaccess.eastherts.gov.uk/online-applications/>

Affordable Housing units within new Section 106 Agreements signed in 2019/20:

Nine (9) of the fourteen new Section 106 Agreements signed in 2019/20 included a provision to provide affordable housing on site as part of the development planning consent, giving a total of 560 units.

The table below lists the individual developments with affordable housing included in the Section 106 Agreement:

Planning application ref:	Location of development:	Affordable housing units:
3/15/1691/OUT	Land @ Green End, Braughing	3
3/18/0031/FUL	Land at Junction of Rye Street & Farnham Road, Bishop's Stortford	12
3/18/2457/FUL	Land east of Aspenden Road, Buntingford	26
3/19/0408/FUL	Land Stortford Road Standon	9
3/18/2253/OUT	BISH5 - Land off Whittington Way, Bishop's Stortford	299
3/18/2465/OUT	HERT2 - Land East Of Marshgate Drive Hertford	56
3/18/1523/FUL	SAWB3 - Land Chalks Farm, South of West Road, Sawbridgeworth	80
3/19/0308/FUL (replaces 3/17/0645/FUL)	306-310 Ware Road, Hertford	19
3/18/1760/FUL	SAWB2 - Land north of West Road, Sawbridgeworth	56
Total units of Affordable Housing listed with the above agreements:		560

Total Section 106 income and expenditure up to 31/3/2020:

As previously explained East Herts Council has collected information and monitored the receipt and allocation of Section 106 contributions from the financial year 1996/97 to the present date.

The table below highlights the total amounts collected, spent and allocated from contributions received between 01/04/1996 to 31/03/2020:

Section 106 Contributions from 01/04/1996 to 31/03/2020:	Amount allocated:
Received contributions - total to 31/03/2020	£10,584,280.25
Spent contributions - total to 31/03/2020	£4,738,276.31
Unspent Section 106 Contributions:	Amount:
Allocated to Revenue for maintenance - total to 31/03/2020	£773,746.91
Allocated for Affordable Housing (payment in lieu) - total to 31/03/2020	£1,729,835.28
Allocated to named uses - total to 31/03/2020	£1,965,747.94
Allocated to NHS - total to 31/03/2020	£501,900.86
UNALLOCATED - total to 31/03/2020	£874,772.95

The unallocated balance of £874,772.95 is made up of contributions listed as unallocated because they do not have a specific project named in the contribution wording. These unallocated contributions are available for use only within the

contractual wording of the individual Section 106 agreements, and to be allocated towards a project they have to be used in accordance with the individual contribution wording. For example the 'outdoor sports facilities contribution for providing outdoor sports facilities in Buntingford' is listed as unallocated as no specific sport or use is named, but it can only be used for outdoor sports in within the area identified. The East Herts Council website provides further information on how organisations and groups can apply for Section 106 funding - <https://www.eastherts.gov.uk/planning-building/Section-106-agreements-funding-projects>

Section 106 contributions triggered in the financial year 2019/20:

Payment was triggered from sixteen (16) individual Section 106 Agreements in 2019/20, resulting in receipt of £1,911,761.44 in financial contributions. (This figure includes some historically outstanding contributions which had additional late payment fees added on to the contribution and indexation amount).

The following table provides information on the developments from which these contributions were received and the total amount of contributions paid:

Planning Application Ref:	Location of development:	Section 106 Contributions received:
3/13/0804/OP	Stortford Fields - ASR 1-4 Bishops Stortford North, Bishop's Stortford	£47,306.98
3/13/0813/OP	Lovats Chase - Land at Park Farm Industrial Estate, Buntingford	£16,815.28
3/13/0886/OP	St Michaels Hurst ASR5 -Farnham Rd/Hazel End Rd, Bishop's Stortford	£399,894.14

Planning Application Ref:	Location of development:	Section 106 Contributions received:
3/14/0528/OP	MEADOW VALE - Area 2 - Land South of Hare Street	£238,381.62
3/14/1627/OP	Land east of Cambridge Road, Puckeridge	£50,945.16
3/14/1766/FP & 3/15/2502/VAR	Herts Regional College, Ware	£49,667.02
3/14/2023/FP	Tanners Way, Hunsdon	£20,498.98
3/15/0260/FUL	Well House & Dixon Yard, Acorn St, Hunsdon	£26,041.66
3/15/0300/OUT	Former Sainsbury Depot Buntingford	£743,412.85
3/16/1164/FUL	Land south of Martlets, Hunsdon Rd, Widford	£18,523.86
3/16/1218/FUL	The Cheshnuts, Puckeridge	£70,484.07
3/16/1391/FUL	LOVATS CHASE - Land North of Park Farm, Ermine Street	£6,188.79
3/17/1055/OUT	Western part of Café Field, Old Standon Hill, Puckeridge	£101,925.51
3/17/1222/VAR (replaces 3/14/1369/FP)	Carriage Court - 3-9 North Road, Hertford	£43,428.91
3/17/2588/OUT	Goods Yard (Blocks A1 - A5) Bishop's Stortford CM23 3BL	£50,392.00
3/19/0408/FUL	Land Stortford Road Standon	£28,054.61
Total financial contributions received in 2019/20		£1,911,961.44

Breakdown of these received contributions is listed below:

Section 106 Contribution use:	Amount received 2019/20
Affordable housing - financial contribution in lieu of on-site affordable housing	£122,187.71
Amenity greenspace (inc. allotments & burial spaces contributions)	£57,022.78
Children & young people contributions	£39,022.87
Community facilities inc. village halls	£73,327.50
Employment - financial contributions towards employment provision and strategies	£77,249.84
Health services contributions - collected by East Herts Council on behalf of NHS*	£353,964.52
Open space contributions	£20,668.57
Outdoor sports contributions	£796,922.51
Parks & gardens contributions	£147,553.96
Recycling contributions for the provision of waste and recycling receptacles	£33,645.66
Transport - including contributions towards cycle routes, parking provision and travel plans	£187,295.52
Monitoring fee	£3,100.00
TOTAL	£1,911,761.44

* General Medical Services is collected for NHS East and North Hertfordshire Clinical Commissioning Group, Community Healthcare Is collected for Herts Community Trust (HCT) and Mental Health is collected for Herts Partnership Foundation Trust (HPFT)

Section 106 expenditure in 2019/20:

East Herts Council is the body accountable for the spending and allocation of received Section 106 financial contributions and therefore must ensure that:

- The Section 106 funding is spent on facilities / projects that can be demonstrated to be required because of the new development or need in the locality of the development.
- The process is transparent and fair to all and follows a consistent procedure.
- Projects supported are necessary, viable, will deliver the required social and community benefits, and will be well managed and sustainable.

In the financial year 2019/20 a total of £684,062.58 was allocated to individual projects or uses from thirty-eight (38) individual received contributions.

The table below gives further information on the individual funding allocations, the contribution source and the balance, if any, of the contribution total after the allocation:

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
Contribution to British Waterways - 3/04/2309/FP	2004/05	£10,000.00	£10,000.00	£0.00	Transferred to Canal & Rivers Trust
Replacement Seats contribution - 3/05/1758/LB	2006/07	£15,000.00	£15,000.00	£0.00	Allocated to HUDS for improvements to street furniture in Hertford
Accessibility contribution - 3/09/1892/FP	2012/13	£8,788.32	£8,788.32	£0.00	Ware Arts Centre access improvements

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
Open Space – 3/11/0872/RP	2012/13	£167,200.00	£3,500.00	£142,700.00	Revenue contribution for open space & grounds maintenance
Affordable Housing (in lieu) from 3/07/2005/FP	2012/13	£490,028.22	£32,500.00	£380,528.22	Allocated for Affordable Housing
Affordable Housing (in lieu) from 3/10/0396/FP	2012/13	£574,000.00	£124,283.45	£946.55	Allocated for Affordable Housing
Children & young people - 3/11/1927/FP	2012/13	£2,295.00	£1,516.22	£0.00	Hunsdon Play Area & MUGA Project
Parks & Public Gardens - 3/88/1349/OP	2012/13	£40,000.00	£4,000.00	£8,000.00	Revenue contribution for open space & grounds maintenance
Children & young people - 3/12/1094/FP	2013/14	£1,076.00	£1,076.00	£0.00	New moveable goals at Grange Paddocks Leisure Centre
Open space maintenance - 3/11/0384/FP	2013/14	£31,946.61	£3,195.00	£15,971.61	Revenue contribution for open space & grounds maintenance
Baldock St enhancement - 03/10/0386/FP	2014/15	£43,681.30	£9,900.00	£6,245.18	Historic building works

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
improvements maintenance - 3/10/1198/FP	2014/15	£53,772.00	£5,370.00	£26,920.00	Revenue contribution for open space & grounds maintenance
Outdoor sports facilities - 3/13/2223/FP	2014/15	£71,252.15	£60,000.00	£11,252.15	Ware Town Council - MUGA project
Children & young people - 3/10/1147/FN	2015/16	£8,935.00	£8,935.00	£0.00	Hartham Play Area - crowd funded project
Outdoor sports facilities - 3/13/0527/FP	2015/16	£36,837.53	£36,837.53	£0.00	Parsonage Lane play equipment
Play facilities contribution - 3/14/0590/FP	2015/16	£3,873.03	£3,873.03	£0.00	Hartham Play Area - crowd funded project
Community facilities - 3/11/0554/FP	2016/17	£30,578.13	£8,233.04	£2,360.29	High Wych Village Hall & new EHC flytip cameras
Outdoor sports facilities - 3/11/0554/FP	2016/17	£57,220.95	£24,945.00	£32,275.95	High Wych recreation ground - theatre hut access improvements
Play facilities contribution - 3/14/0590/FP	2017/18	£4,052.55	£4,052.55	£0.00	Hartham Play Area - crowd funded project
Outdoor sports facilities - 3/14/1583/FP	2017/18	£31,497.99	£31,497.99	£0.00	Bishops Stortford Rugby Football Club - Improvements

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
Rhodes Art Centre - 3/13/0804	2017/18	£80,174.41	£80,174.41	£0.00	Transferred to Rhodes Art Centre
Town Centre Improvements Ware - 3/10/0386/FP	2017/18	£80,000.00	£7,117.30	£30,822.65	Buryfields open space - new street lighting
Open space contribution - 3/14/0978/FP	2017/18	£134,723.39	£50,716.00	£84,007.39	Transferred to Capital to fund Castle Park Project
Underpass contribution - 3/16/0115/FUL	2018/19	£26,264.63	£26,264.63	£0.00	Transferred to HCC for improvements to Hale Road / Gascoyne Way underpass
Community facilities - 3/11/0554/	2018/19	£33,016.96	£33,016.96	£0.00	High Wych Memorial Hall improvements
Rhodes Museum - 3/13/0886/OP	2018 /19	£9,465.21	£9,465.21	£0.00	Transferred to Rhodes Arts Centre
Recycling & refuse - 3/16/1218/FUL	2019/20	£1,044.00	£1,044.00	£0.00	Transferred to recycling budget
Recycling & refuse - 3/16/1218/FUL	2019/20	£1,044.00	£1,044.00	£0.00	Transferred to recycling budget
Parish hall contribution - 3/15/0260/FUL	2019/20	£3,392.67	£3,392.67	£0.00	Hunsdon Parish Hall heating & lighting projects

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
Play space contribution - 3/15/0260/FUL	2019/20	£19,174.43	£19,174.43	£0.00	Hunsdon Play Area & MUGA Project
Recycling & refuse - 3/13/0886/OP	2019/20	£25,705.67	£25,705.67	£0.00	Transferred to recycling budget
Community facilities - 3/19/0408/FUL	2019/20	£5,258.10	£5,258.10	£0.00	Kitchen improvements Standon Village Hall
Hunsdon Village Hall - 3/14/2023/FP	2019/20	£3,872.93	£1,708.03	£2,164.90	Hunsdon Parish Hall heating & lighting projects
Children & young people - 3/14/2023/FP	2019/20	£2,127.85	£2,127.85	£0.00	Hunsdon Play Area & MUGA Project
Sports & recreation - 3/14/2023/FP	2019/20	£14,498.20	£14,498.20	£0.00	Hunsdon Play Area & MUGA Project
Recycling & refuse - 3/17/1055/OUT	2019/20	£3,548.91	£3,548.91	£0.00	Transferred to recycling budget
Recycling & refuse - 3/16/1164/FUL	2019/20	£1,367.08	£1,367.08	£0.00	Transferred to recycling budget
Recycling & refuse - 3/17/1222/VAR	2019/20	£936.00	£936.00	£0.00	Transferred to recycling budget
Total amount allocated in 2019/20				£684,062.58	

Allocation of identified Section 106 contribution funding to Capital and Revenue budgets to fund specific Council projects, affordable housing or recycling and refuse provision is undertaken at the end of the financial year.

Individual project funding is available for organisations and groups to bid for throughout the year.

Further information on Section 106 Funding

The East Herts Council website provides further information on how organisations and groups can apply for Section 106 funding - <https://www.eastherts.gov.uk/planning-building/Section-106-agreements-funding-projects>

Applying for Section 106 funding

By completing and submitting the online **Expressions of Interest form**, anyone looking for funding for their project can let the Council know who they are, what they have planned and how much funding they need. The Council can then use this information to check to see if any of the Section 106 funding is available that may be of use for the project. If no funding is currently available, the planned project will be added to the list of potential projects for new Section 106 Agreements from future local developments.

If there are Section 106 funds available and applicable, the organisation or group applying for funding will be contacted by the Infrastructure Contributions & Spend Manager and asked to complete a full application form for audit purposes. The completed application form will be checked against the identified Section 106 Agreement contribution wording to confirm the appropriate use of the funding. Officers and Councillors will then evaluate the completed funding application before it is agreed and signed off, and the funds transferred to the organisation /group.