

East Herts Council –
Annual Infrastructure
Funding Statement
2020/21

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East Herts Council – Annual Infrastructure Funding Statement for 2020/21

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 second 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 2020/21. 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 the [Hertfordshire County Council](#) website.

Further detailed information on the new Section 106 Agreements signed and the contributions received in 2020/21, along with information on the allocation and expenditure of historic contributions in the financial year 2020/21 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 along with the required CVS files before 31/12/2021 in accordance with the legislation.

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 the proposed 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 planning pages of the [Councils website](#)

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. Section 106 Contributions and Obligations can include:

- Site-specific financial contributions – these are secured for specific purposes as per the individual agreement wording and Community Infrastructure Levy (CIL) guidance. E.g. education facilities, health services, transport / highways works, community facilities, and 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.

However, they must comply with the requirements of [Regulation 122](#) of the Community Infrastructure Levy Regulations 2010 and be:

- a) necessary to make the development acceptable in planning terms;
- b) directly related to the development; and
- c) fairly and reasonably related in scale and kind to the development.

Historic Section 106 Contributions received and allocated up to 31/03/2021:

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.

The Council is required by the Community Infrastructure Levy (Amendment) (England) (No 2) Regulations 2019) legislation to report on the historic collection and allocation of the total amounts of Section 106 contributions for the previous financial years to the financial year this report covers (2020/21). The Legislation also requires more details on the previous financial year to the year being reported on in this report i.e. 2019/20.

For the 2020/21 Infrastructure Funding Statement (this report), and in line with the requirements of the Legislation, the Council has provided an overview on Section 106 receipt and spend information for the last three financial years and for the report year (2020/21), along with more detailed information for the previous financial year (2019/20) in the following section:

- 2017/18 received - £744,390.54 spent – £122,190.90*
- 2018/19 received - £842,855.20 spent – £861,049.03*
- 2019/20 received - £1,911,961.44 spent - £683,662.58*
- 2020/21 received - £1,518,285.73 spent - £715,242.95

* Adjusted figures from those reported in the 2019/20 Infrastructure Funding Statement –spent figures reduced by £3,500.00 revenue contribution amendment as this was not actually used in that financial year. Overall contribution total remains the same as contributions are to be allocated in 2021/22 financial year once land ownership is confirmed and completed.

Total Section 106 contribution collection and allocation in the previous financial year (2019/20):

Historically up to the end of the financial year 2019/20 (from 01/04/1996 to 31/03/2020) a total of £10,584,280.25 was received in Section 106 contributions by East Herts Council. Of this £4,950,230.99* has been spent, with a further £3,730,100.31* identified for allocation, leaving £74,772.95 unallocated as of 31/03/2019.

*The overall spend figure and allocated figures have been amended from those reported in the 2019/20 Infrastructure Funding Statement to reallocate a Revenue Maintenance Contribution of £21,000 that was miss-classified as previously used for grounds maintenance and is now allocated for potential use in 2021/22. The total receipt and unallocated figures remain the same.

Overview of Section 106 in 2020/21

This section provides information on the Section 106 Agreements signed in the financial year 2020/21, with details on the total amount of financial contributions and the number of affordable housing units listed within each agreement.

Further detailed information is also given on the contributions triggered for payment in 2020/21, along with details on the allocation and spends of these and any historic contributions held up by the Council up to 31/03/2021.

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.

The Infrastructure Contribution and Spend Manager continues to work closely with developers, fellow Officers and local groups and organisations to ensure compliance with the agreements contributions collection triggers and identify projects for contribution funding and identified allocation use.

New Section 106 Agreements signed in 2020/21

Eight (8) new Section 106 Agreements were signed and sealed in 2020/21 – this figure includes any Supplemental Agreements, Deed of Variations and Unilateral Undertakings agreed during this period.

These agreements have a total of £2,409,171.39 in financial contributions payable to East Herts Council, either as the beneficiary of the contribution or as the collection authority.

These new Section 106 Agreements also contain provision for the developers to provide 423 affordable housing units on the various sites as part of the individual developments planning permission. Further information is provided later in this report on the breakdown of these figures for each of the individual developments.

The table below lists all the Section 106 Agreements to which East Herts Council was a signatory in the financial year 2020/21. Information is also provided on the total financial contribution amount payable to the Council within each agreement. Please note that the figures shown will be subject to indexation and are due when the individual contribution payment triggers are reached:

Planning-application	Location	Date of Section 106	Total funding for East Herts Council
3/19/2001/VAR	Swains Mill, Crane Mead, Ware	Second Deed of Variation dated 23/04/2020	Variation of original planning application (3/14/1408/FP)
3/19/1826/FUL	Former Bengo Nursery, Sacombe Road, Hertford - (HERT4)	Unilateral Undertaking dated 17/07/2020	£123,430.00
3/19/1024/FUL	West of Thieves Lane, Hertford - (HERT3)	S106 dated 31/07/2020	£522,471.00

Planning-application	Location	Date of Section 106	Total funding for East Herts Council
3/19/2614/FUL	Bircherley Green Shopping Centre, Hertford	S106 dated 06/11/2020	No financial contributions due unless triggered
3/19/2227/VAR	Southside of Froghall Lane, Walkern, Stevenage	Deed of Variation dated 24/11/2020	Variation of original planning application (3/14/2200/OP)
3/19/0118/OUT	Land East Of Gresley Way, Stevenage - (EOS1)	S106 dated 18/12/2020	£1,510,946.39
3/20/0245/FUL	Manor Links, Bishop's Stortford - (BISH9)	S106 dated 12/02/2021	£238,873.00
3/19/2626/FUL	Western Neighbourhood Local Centre Bishop's Stortford	S106 dated 22/03/2021	£13,451.00
Total Financial contributions listed within the agreements			£2,409,171.39

The figures quoted for the future contributions listed in the table 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 to search.

Affordable Housing

Five (5) of the eight new Section 106 Agreements signed in 2020/21 included a provision to provide affordable housing on site as part of the development planning consent, giving a total of 423 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
3/19/1826/FUL	North of Hertford - Former Bengo Nursery - (HERT4 - BENGEO)	21
3/19/1024/FUL	South of Welwyn Road / West of Thieves Lane, Hertford. (HERT3 - THIEVES LANE)	102
3/19/0118/OUT	Land East Of Stevenage, Gresley Way, Stevenage - (EOS1 - GRESLEY WAY)	247
3/20/0245/FUL	Manor Links, Bishop's Stortford - (BISH9 - MANOR LINKS)	24
3/19/2626/FUL	Western Neighbourhood Local Centre Bishop's Stortford North, Bishops Stortford	29
Total units of Affordable Housing listed within the above agreements:		423

Monitoring fees:

The Community Infrastructure Levy (Amendment) (England) (No 2) Regulations 2019 now allows 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 from applicable developments within the District are now able to include a provision for charging monitoring fees, which are payable to East Herts Council. These are individually negotiated on a site by site basis and not all agreements signed in 2020/21 included this provision.

Four (4) of the eight new Section 106 Agreements signed in 2020/21 included a provision to charge a Monitoring Fee Contribution.

The table below lists the individual developments with a Monitoring Fee Contribution included in the Section 106 Agreement and the amount:

Planning application ref:	Location of development:	Monitoring Fee Contribution payable:
3/19/1826/FUL	North of Hertford - Former Bengo Nursery - (HERT4 - BENGEO)	£2,400.00
3/19/1024/FUL	South of Welwyn Road / West of Thieves Lane, Hertford. (HERT3 - THIEVES LANE)	£3,600.00
3/19/0118/OUT	Land East Of Stevenage, Gresley Way, Stevenage - (EOS1 - GRESLEY WAY)	£2,400.00
3/19/2626/FUL	Western Neighbourhood Local Centre Bishop's Stortford North, Bishops Stortford	£300.00
Total amount of Monitoring Fee Contributions listed within the above agreements:		£8,700.00

Further information on [Affordable Housing obligations](#) and the requirements for Section 106 financial contributions can be found on the Council's [Planning Policy web pages](#).

The individual Supplementary Planning Documents (SPD's) on the Planning Policy web pages provide more detail on the thresholds for contributions and the financial calculations of the individual contribution requirements.

Total Section 106 income and expenditure up to 31/3/2021:

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 and the amounts spent and allocated from contributions received between 01/04/1996 to 31/03/2021:

Section 106 Contributions from 01/04/1996 to 31/03/2020:	Amount:
Received contributions - total to 31/03/2021	£12,102,565.98
Spent contributions - total to 31/03/2021	£5,435,619.26
Unspent Section 106 Contributions:	Amount allocated:
Allocated to Revenue for maintenance - total to 31/03/2021	£859,374.48
Allocated for Affordable Housing (payment in lieu) - total to 31/03/2021	£2,264,866.90
Allocated to named uses - total to 31/03/2021	£2,316,976.51
Allocated to NHS - total to 31/03/2021	£660,195.50
UNALLOCATED - total to 31/03/2021	£565,533.33

The unallocated balance of £565,533.33 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 as per the

contribution specification within the individual Section 106 agreements, and to be allocated towards a project they have to be used in accordance with the individual contribution contractual wording.

For example of the £565,533.33 unallocated balance there is a total of £428,207.24 available for Outdoors Sports provision or facilities. However these contributions can only be used towards a project that conforms to the specified contribution use e.g. outdoor sports provision or projects in the locality of the development. Therefore any group or organisation looking for funding will need to comply with the individual agreement contribution wording and use the funding within the locality of the original development.

The East Herts Council website provides further information on how local groups and organisations 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 2020/21:

Payment was triggered from thirteen (13) individual Section 106 Agreements in 2020/21, resulting in receipt of £1,518,285.73 in financial contributions. (This figure includes the indexation added on to the original contribution 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:
3/14/1408/FP	Swains Mill, Crane Mead, Ware, SG12 9PT	£38,357.08
3/13/1000/FP	Land north of Hare Street, off The Causeway, Buntingford	£81,337.06

Planning Application Ref:	Location of development:	Section 106 Contributions received:
3/14/0528/RP	AREA 1 - Land South of Hare Street	£122,744.26
3/18/0031/FUL	Brook Grove - Land at Junction of Rye Street & Farnham Road, Bishop's Stortford	£38,357.08
3/15/0561/FUL	20 Amwell Road, Ware, SG12 9HP	£81,337.06
3/18/2253/OUT	Land at Bishop's Stortford South off Whittington Way, Bishop's Stortford	£122,744.26
3/17/2588/OUT	Goods Yard (Blocks A1 - A5) Bishop's Stortford CM23 3BL	£90,117.57
3/14/0528/OP	Meadow Vale - Area 2 - Land South of Hare Street, Buntingford	£25,887.87
3/18/1234/FUL	Retirement Complex - Land at Coneybury Farm, Royston Road, Buntingford.	£5,700.00
3/19/1826/FUL	HERT4 - North of Hertford - Former Bengoe Nursery, Sacombe Road, Hertford	£110,812.84
3/17/0223/FUL & 3/20/0573/VAR	Walden Court, Parsonage Lane, Bishops Stortford	£64,976.73
3/19/1024/FUL	HERT3 - Land West of Thieves Lane, Hertford	£570,590.17
3/14/2200/OP	Midsummer Vale - Land South of Froghall Lane, Walkern	£2,422.14
Total financial contributions received in 2020/21		£1,518,285.73

The financial contributions identified within each of the new Section 106 Agreements signed in the financial year 2020/21 (listed above) have been broken down into individual use categories.

The use category breakdown and total amount for each of these is listed below:

Section 106 Contribution use:	Amount received 2020/21
Affordable housing - financial contribution in lieu of on-site affordable housing	£570,590.17
Amenity greenspace contributions (inc. allotments contributions)	£13,595.87
Children & young people contributions (including maintenance contributions)	£132,548.10
Community facilities contributions (inc. village halls)	£77,754.49
Employment - financial contributions towards employment provision and strategies	£0.00
Health services contributions - collected by East Herts Council on behalf of the NHS CCG*	£158,294.64
Monitoring contributions	£9,336.99
Open space contributions (inc. Towpath improvement contributions)	£38,357.08
Outdoor sports contributions (including maintenance contributions)	£500,241.48
Parks & gardens contributions (including maintenance contributions)	£8,457.50
Recycling contributions for the provision of waste and recycling receptacles	£9,109.41
Transport - including contributions towards community transport	£0.00
TOTAL	£1,518,285.73

* 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 2020/21:

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.

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 – see section on applying for funding for further information.

In the financial year 2020/21 a total of £715,242.95 was allocated to individual projects or identified uses from twenty-seven (27) individual received contributions.

The table below gives further information on these 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:
Provision. of community facilities - 3/96/1012/OP & 3/99/0353/FO	2000/01	£200,000.00	£75,080.00	£0.00	Allocated from capital to Hartham Leisure Centre capital project

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
Community safety contribution - 3/08/1528/FP	2011/12	£5,000.00	£5,000.00	£0.00	Allocated to Hartham new play area crowd funding project
Sports facilities contribution - 3/11/0824/FP	2011/12	£9,651.00	£7,651.00	£0.00	Allocated to Hartham Leisure Centre capital project
Affordable housing contribution - 3/07/2005/FP	2012/13	£490,028.22	£32,500.00	£348,028.22	Allocated to affordable housing works
Affordable housing contribution - 3/10/0396/FP	2012/13	£574,000.00	£946.55	£0.00	Allocated to affordable housing works
Parks & public gardens maintenance contribution - 3/88/1349/OP	2012/13	£40,000.00	£4,000.00	£4,000.00	Revenue contribution for open space & grounds maintenance
Open space maintenance contribution - 3/11/0384/FP	2013/14	£31,946.61	£3,195.00	£12,776.61	Revenue contribution for open space & grounds maintenance
Affordable housing contribution - 3/10/0735/FO	2014/15	£20,512.80	£2,112.00	£18,400.80	Allocated to affordable housing works
Baldock St enhancement contribution - 03/10/0386/FP	2014/15	£43,681.30	£4,373.18	£1,872.00	Allocated to historic building works

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
Off-site improvements maintenance contribution - 3/10/1198/FP	2014/15	£53,772.00	£5,370.00	£21,550.00	Revenue contribution for open space & grounds maintenance
Play facilities contribution- '3/04/1892FP	2015/16	£40,022.36	£40,022.36	£0.00	Allocated to Stanstead Abbotts PC.
Outdoor sports facilities contribution- 3/10/1147FP	2015/16	£120,990.00	£120,990.00	£0.00	Allocated to Hartham Leisure Centre capital project
Sports facilities contribution- 3/13/0940/FP	2015/16	£1,191.62	£1,191.62	£0.00	Allocated to Hartham Leisure Centre capital project
Outdoor sports facilities contribution - 3/14/0509/FP	2015/16	£40,065.19	£40,065.19	£0.00	Allocated to Hartham Leisure Centre capital project
Outdoor sports facilities contribution - 3/14/0509/FP	2017/18	£41,922.22	£41,922.22	£0.00	Allocated to Hartham Leisure Centre capital project
Open space contribution - 3/15/1118/FUL	2017/18	£50,272.73	£47,538.73	£2,734.00	Allocated to Hartham new play area project
Open space contribution - 3/14/0978/FP	2017/18	£134,723.39	£69,621.91	£14,385.48	Allocated to Trinity Play Area, B.S.
Outdoor sports contribution- 3/19/0408/FUL	2019/20	£19,863.39	£19,863.39	£0.00	Allocated to Grange Paddocks Leisure Centre capital project

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
Hopper Bus contribution- 3/14/0528/OP	2019/20	£110,211.00	£110,211.00	£0.00	Allocated to BCAT Trust for Hopper Bus service in Buntingford
Business & employment strategy financial contribution - 3/13/0804/OP	2019/20	£47,307.98	£16,000.00	£31,306.98	Allocated for Business & Employment Strategy development work
Recycling & refuse contribution - 3/18/0031/FUL	2020/21	£2,118.35	£2,188.35	£0.00	Transferred to recycling & refuse budget
Recycling & refuse contribution - 3/15/0561/FUL	2020/21	£749.65	£749.65	£0.00	Transferred to recycling & refuse budget
Monitoring contribution - 3/18/2253/OUT	2020/21	£5,700.00	£5,700.00	£0.00	Transferred to planning monitoring budget
Offsite Sports Facilities contribution- 3/17/2588/OUT	2020/21	£49,142.40	£49,142.40	£0.00	Allocated to Grange Paddocks Leisure Centre capital project
Monitoring contribution - 3/19/1826/FUL	2020/21	£2,422.14	£2,422.14	£0.00	Transferred to planning monitoring budget
Monitoring contribution - 3/19/1024/FUL	2020/21	£1,214.85	£1,214.85	£0.00	Transferred to planning monitoring budget

Contribution obligation:	Year Received:	Section 106 Receipt:	Amount allocated:	Balance left:	Allocation details / projects funded:
Recycling & refuse contribution - 3/19/1024/FUL	2020/21	£6,171.41	£6,171.41	£0.00	Transferred to recycling & refuse budget
Total amount allocated in 2020/2021					£715,242.95

Applying for 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>

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 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.