



## ALLOCATION OF DEVELOPER CONTRIBUTIONS

### 1.0 INTRODUCTION

- 1.1 New Forest District Council, through its planning development control powers, collects contributions (through a Section 106 agreement) to mitigate the impacts of new developments on existing communities in the areas where it is responsible for town planning.
- 1.2 The Council currently has some £6.5m in unspent developers' contributions, with around £800k already committed to specific projects. The aim of the new process is to spend all currently held contributions within the next 3/4 years.
- 1.3 The purpose of this report is to recommend open space project proposals on which the unspent developers' contributions can be allocated and used.
- 1.4 While the Council's process for the allocation of developer contribution money is eventually intended to include both open space and transport, for this first year of the new process, only open space projects are dealt with in this report. This is because the transportation team have a long established process for the allocation of transport/highways contributions. In future years, as Section 106 contributions are replaced by the Community Infrastructure Levy, it is intended to apply processes similar to those set out in this report to the spending of all developers' contributions.

### 2.0 BACKGROUND

- 2.1 Developers' contributions are currently achieved by asking developers to enter into Section 106 legal agreements where they will provide contributions to improve certain types of infrastructure e.g:
  - Provision of new or upgraded open space,
  - Improvements to existing open space
  - Provision or improvement of transportation infrastructure
  - Provision of affordable housing (in lieu of an on-site provision)
  - Drainage/Flood defence
  - Car Parking
- 2.2 The contributions are collected when specific trigger dates are reached (e.g. on commencement of development or occupation of first dwelling). This money is then 'pooled' into the various pots for the Parish in question for spending against their fixed purpose. As the agreement is a legally binding document, the money cannot be used for another use outside of that for which it was collected. Some contributions will also have fixed timescales for spending, after which any unspent money may be required to be refunded to the developer.
- 2.3 As at 30/10/12, the Council held £6.5m in developers' contributions. This money is split into the various infrastructure 'pots' as explained above, and linked to where the mitigation requirements of the development are needed. Of this total amount, over £3.5m has no time limit by which it must be spent. The balance of nearly £3m has a

time limit specifying when it must be spent by, with nearly £130k of this having less than 18 months until it reaches its repayment date. Of the contributions held £800k has been formally committed to projects.

- 2.4 In addition to this, the Council is holding some Open Space Maintenance Contributions totalling nearly £350k. Maintenance contributions cannot be used to fund capital schemes, but are transferred to the maintaining authority (usually the Parish or Town Council) at the point of legal transfer of the land from developer to the Council, when the developer has satisfactorily completed the implementation of the open space to the required standard.
- 2.5 The purpose of collecting the contributions is to mitigate the impact on infrastructure of the new development in the locality of the development and, therefore, make it acceptable in planning terms. The monies currently held by the Council are from developments that have already taken place and it is therefore important the money is spent efficiently and effectively to minimise the impact of these developments on the purpose for which it was collected.
- 2.6 In 2011 the District Council's Community Overview and Scrutiny Panel established a Task and Finish Working Group to examine the use of developers' contributions within the District Council. In March 2012, the Panel approved the final guidance note on the use of the developers' contributions and recommended the guidance to be implemented in 2012, and reflected in the 2013/14 budget, subject to Council approval. The guidance note is attached at Appendix 2 to this report and was formally approved by the Council's Cabinet on 2 May 2012.
- 2.7 Prior to the adoption of the guidance note by Cabinet, there was extensive consultation with the Town and Parish Councils within the District.
- 2.8 This report is part of the third step in the process of implementing the guidance note, "programme development". The previous two steps have already been carried out and are covered in section 3.0 below.

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### **3.0 CONSULTATION**

- 3.1 It is important that those who are affected by the proposed guidance have a chance to comment on the process. A considerable amount of consultation has taken place with the local town and parish councils in developing the new process and in ascertaining their priority projects for the provision of open space.
- 3.2 A long list of potential projects has evolved over many years and was reviewed following the Open Space and Recreation Study in 2007 (a background paper to the Core Strategy) on which town and parish councils were consulted. In 2010, following this study, Open Space profiles were created for each parish. These identified the current provision and highlighted any open space deficiencies within the parish, together with potential projects. The Council's Environmental Design/Leisure Services teams have continued to work with the town and parish councils over the past few years to establish priorities and bring forward projects, but a clearer and better system for managing this was needed.
- 3.3 At the formal start of the process for 2013/2014, on 6<sup>th</sup> August 2012 an individual email was sent to all town and parish councils detailing what money the District Council currently holds for use in their area, details of current extant permissions (to

give an indication of likely additional monies that could come through), and the long list of open space projects (as a starting point to help draw up their priority projects). An offer was made by Officers to meet with any Town/Parish who wished to discuss the process in more detail.

- 3.4 In total, the District Council holds open space money for 12 Towns/Parishes, all of which were consulted as part of this process.
- 3.5 Three area based meetings were held on 30<sup>th</sup> and 31<sup>st</sup> October 2012 to which all District Councillors were invited. The purpose of the meetings was to discuss a way forward to provide the required open space within the town/parish to meet the Core Strategy standard and deliver each one's priorities.

#### **4.0 PROPOSED WAY FORWARD**

- 4.1 At the meetings it was agreed that the proposals would be put into 3 categories for work in 2013/14 namely:

- A) Fully developed projects for inclusion in 13/14 programme;
- B) Category B contained two types of projects:
  - i) Projects that need to be developed further to determine costs/scope.
  - ii) Projects where insufficient funding currently exists, but should be ready if additional funding is made available;
- C) Parishes with no priority projects identified, or where a priority project has been identified but no clear implementation strategy is in place.

- # 4.2 The list of projects in Appendix 1 sets out the projects recommended in the meetings and allocates specific developer contributions to them.
- 4.3 Following approval of the project list, Officers will work closely with the town and parish councils to develop and implement the agreed schemes.
- 4.4 Whilst this process relates to the financial year 2013/14, there are a number of projects which have already been formally agreed by a Portfolio Holder and one agreed in principle for commencement in 2012/13, which at the time of the adoption of the new process had not received formal approval. Also, in order to ensure that the projects listed in Project List A are delivered some feasibility work needs to commence this year and therefore fees incurred and a separate approval is therefore required for these fees. These proposals are the subject of a separate Portfolio Holder's decision.
- 4.5 As well as the proposed projects presented for approval as part of this new process, Appendix 1 table (ii) contains a list of those projects already approved and/or commenced and table (iii) contains the project where approval is subject to a separate Portfolio Holder decision.

#### **5.0 FINANCIAL IMPACT**

- 5.1 The developers' contributions dealt with in this report have been received for the purpose of progressing open space proposals and can only be used for that purpose. The developers' contributions that NFDC has received, and are recommended to be

allocated to the open space proposals discussed, are set out in table (i) of Appendix 1.

- 5.2 Many of the projects require further feasibility work and refinement of cost estimates. Following this additional feasibility work it may emerge that the sums allocated are not sufficient to fully fund the total cost of the proposals. In such circumstances, delegated power is requested for the Head of Planning and Transportation to be able to approve variations up to 10% of the approved budget, should sufficient funds be available. For any variations beyond this limit authorisation should be given to the Planning and Transportation Portfolio Holder to approve any change in budget.
- 5.3 Officers anticipate that the projects in project list A will be wholly or substantially completed during financial year 2013/14 and that the full cost, or very close to the full cost, of these schemes will therefore fall into that year. However, the Portfolio Holder has given approval for 10% of this total (£67,000) to be included in the budget for 2012/13, with £30,000 specifically for project NM62 and £10,000 for NM62.1. The remainder of this money will be used for feasibility/design work across the projects in the A list. There will also be some expenditure on the projects in lists B and C during 2013/14 on feasibility and project development work. £10,000 has been approved by the Portfolio Holder for expenditure in 2012/13 and a further £10,000 is anticipated for 2013/14 across the range of projects. Should any additional funding be identified (e.g. a grant from Sport England) significantly more expenditure may be made on the Project B list of projects.
- 5.4 It is important that a process for spending developer contributions is adopted to ensure that the money is spent efficiently for the purpose for which it was collected and to ensure that no monies go past the repayment date.
- 5.5 Officers in the Environmental Design team within the Planning service are responsible for implementing open space projects and where the parish chooses to use NFDC services it is recommended that their time continue to be chargeable to the individual projects worked on, and funded from the agreed contributions.

## **6.0 RISK ASSESSMENT CONSIDERATIONS**

### **Risks**

The scope to achieve funding through the Section 106 planning gain process will be very limited after April 2014 (or when CIL is introduced, whichever is sooner). The Council therefore needs a clear process for spending its current developer contribution monies before CIL is implemented.

### **Future savings/efficiencies**

Having a clear programme of spending developer contributions in place allows the Council to efficiently and effectively address the infrastructure required as a result of new development using existing monies. There will still be a strong need to seek outside funding to support the programme.

## **7.0 ENVIRONMENTAL IMPLICATIONS**

- 7.1 The identified proposals have environmental benefits of encouraging the use of public open space.

## **8.0 CRIME AND DISORDER IMPLICATIONS**

8.1 There are no crime and disorder implications associated with this report.

## **9.0 EQUALITY AND DIVERSITY IMPLICATIONS**

9.1 There are no equality and diversity implications associated with the other proposals set out in this report.

## **10.0 COMMENTS OF PORTFOLIO HOLDERS**

10.1 **Planning and Transportation Portfolio Holder:** It is clear that we need to be seen to manage the S106 monies we hold in an effective and timely manner, hence the proposals in this report. Our reviews have shown that there is no shortage of genuine amenity projects which our Towns and Parishes would like to see implemented. Given the limited life of the S106 funding process, it is now important that we are seen to deliver these projects for our communities.

10.2 **Health and Leisure Portfolio Holder:** The provision of appropriate public open space is a key purpose for which Section 106 funds have been accrued. It is welcome and encouraging that partnerships are being forged to bring projects to fruition, in order to meet the required needs of those communities where funding is available.

## **11.0 RECOMMENDATION**

11.1 It is recommended that Cabinet:

- a) Approve the list of projects at Appendix 1 of the report and include those projects within Project List A (contained in table (i) of Appendix 1) in the capital programme for 2013/14, totalling £670,000 and approve £10,000 for design and feasibility work relating to Project Lists B and C.
- b) Approve the recommendation at paragraph 5.5 to enable the Environmental Design Team's design and implementation fees to continue to be chargeable to the agreed contributions.
- c) Authorises the Head of Planning and Transportation, in conjunction with the Planning and Transportation Portfolio Holder, to make amendments to the allocated amounts within 10% above those currently identified.
- d) Authorises the Portfolio Holder for Planning and Transportation to approve any project within Project List B (of Appendix 1) should the scheme be developed during the course of the year and/or funding becomes available providing the cost of the allocations does not exceed that already listed. Authorisation is also given to the Portfolio Holder to make such amendments as they deem appropriate to the approved project lists and included within the 2013/14 budget. These items will be reported to Cabinet throughout the year via the financial monitoring reports.

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**Appendices**

Appendix 1 – Open Space Developer  
Contribution Allocations

Appendix 2 – Guidance Note – Use  
of Developer  
Contributions

**Background Papers**

- Summary Reports for West, East and Southern Meetings held on 30 and 31 October 2012
- Cabinet Report – Use of Developer Contributions – 2 May 2012

## Open Space Developer Contribution Allocations

This appendix contains three different tables.

Table (i) lists those projects recommended for approval as part of this cabinet report.

As explained in the main report, the project lists are split in to 3 category lists namely:

- a) Fully developed projects for inclusion in 13/14 programme;
- b) Category B contained two types of projects:
  - i) Projects that need to be developed further to determine costs/scope.
  - ii) Projects where insufficient funding currently exists but should be ready if a additional funding is made available;
- c) Parishes with no priority projects identified or, a priority project has been identified where no clear implementation strategy is in place.

Table (ii) lists those projects that have already received formal sign off by a Portfolio Holder and are currently being progressed in 2012/13.

Table (iii) lists those projects that have been agreed in principle for implementation in 2012/13 but have yet to receive formal Portfolio Holder sign off.

### Table (i) Proposed Projects for the use of Currently Held Developer Contributions

<b>Project List A (Deliverable in 2013/14)</b>				
<b>Location</b>	<b>Description of project</b>	<b>Estimated Cost</b>	<b>Amount Allocated</b>	<b>Planning Applications Matched</b>
<b><i>Western Area</i></b>				
<b><i>Fordingbridge</i></b>				
Whitsbury Road (FOR26)	<ul style="list-style-type: none"> <li>• Ensure accessibility of site throughout the year.</li> <li>• Mitigate recreational impacts on National Park by implementation of a board walk.</li> </ul>	£15,000	£15,000	83427 (£5,700) 87600 (£9,300)
Bishops Pond (FOR5)	<ul style="list-style-type: none"> <li>• Ensure that the site is open for use by the public.</li> <li>• Mitigate recreational impacts on National Park.</li> </ul>	£10,000	£10,000	8700 (£763.20) 81630 (£9,236.80)
<b><i>Eastern Area</i></b>				
<b><i>Fawley</i></b>				
Gang Warily (FAW32)	<ul style="list-style-type: none"> <li>• Enhance existing provision for young children and Young people 11+</li> <li>• Increase capacity of existing site and fence.</li> </ul>	£48,000	£48,000	90528 (£15,265.16) 91930 (£24,021.90) 91965 (£2,960.93) 95931 (£3,626.10) 97088 (£1,204.06) 97572 (£921.85)
Gang Warily (FAW32)	Provision of outdoor gym equipment for older people	£20,000	£20,000	69086 (£7,275) 91965 (£627.72) 81192 (£12,097.28)
<b><i>Hythe and Dibden</i></b>				
Forest Front	<ul style="list-style-type: none"> <li>• Space for Children and</li> </ul>	£50,000	£50,000	70858 (£1,517)

## APPENDIX 1

Location	Description of project	Estimated Cost	Amount Allocated	Planning Applications Matched
(HYD24.1)	young people enhancements <ul style="list-style-type: none"> <li>• Provision of additional play equipment.</li> <li>• Increase capacity of site.</li> </ul>			87504 (£11,870.15) 87492 (£23,969.23) 95246 (£979.17) 94954 (£11,152.61) 95412 (£511.84)
Forest Front (HYD24.2)	<ul style="list-style-type: none"> <li>• Space for young people enhancements</li> <li>• Increase capacity of skate park</li> <li>• Increase capacity and catchment area of site.</li> </ul>	£80,000	£80,000	87483 (£6,662.21) 88187 (£258.88) 91963 (£27,580.7) 90516 (£9,786.7) 90508 (£23,306.14) 95412 (£666.97) 96282 (£2,413.26) 98128 (9325.14)
<b>Marchwood</b>				
Crooked Hayes Copse (MAW27)	Increase biodiversity	£15,000	£15,000	75988 (£15,000)
<b>Totton</b>				
Eling Rec and New Forest Park	<ul style="list-style-type: none"> <li>• Provision of Sports Walls</li> <li>• Increase provision for young people</li> </ul>	£45,000	£45,000	87526 (£3,354) 86908 (£5,942.11) 88981 (£1,436.37) 94253 (£12,994.85) 91352 (£11,617.43) 95378 (£1,168.3) 97697 (£2,411.78) 92228 (£3,738.56) 98375 (£2,336.6)
<b>Southern Area</b>				
<b>Hordle</b>				
Hordle and Everton Rec (HOR14)	<ul style="list-style-type: none"> <li>• Informal Open Space provision, £76,914 already allocated.</li> <li>• Increase value and catchment area of site.</li> </ul>	£3,780.59	£3,780.59	95970 (£3,780.59)
<b>Milford on Sea</b>				
Studland Common (MOS6)	Provision/improvements to Disabled Access	£3,300	£3,300	74952 (£3,300)
<b>New Milton</b>				
War Memorial Rec (NM62)	<ul style="list-style-type: none"> <li>• Develop vision plan for site. Identify site and implement performance pavilion.</li> <li>• Increase use and attractiveness of site.</li> <li>• Mitigate recreational impacts on National Park.</li> </ul>	£130,000	£130,000	79610 (£7,113.96) 80145 (£5,709.76) 71328 (£15,588) 82452 (£7,705.61) 87144 (£13,347.13) 86765 (£9,130.45) 86509 (£6,966.47) 74305 (£4,380.53) 88353 (£9,501.8) 86746 (£6,227.9) 83393 (£12,579) 91138 (£1,533.1)



## APPENDIX 1

Location	Description of project	Estimated Cost	Amount Allocated	Planning Applications Matched
				74730 (£216.29) 87689 (£15,987.52) 88099 (£7,439.33) 88503 (£6,573.15)
War Memorial Rec (NM62.1)	<ul style="list-style-type: none"> <li>Extend and enhance skate park in existing location (on site)</li> <li>Increase provision for Young People</li> </ul>	£100,000	£100,000	78614 (£4,065.12) 77743 (£8,729.28) 82481 (£5,583.36) 85028 (£8,496.93) 84842 (£6,956.33) 85407 (£3,385.83) 84673 (£9,503.81) 76020 (£8,002) 87794 (£13,338.62) 88367 (£8,190.26) 83158 (£5,750) 96341 (£1,212.01) 73768 (£1,3821) 74730 (£2,965.45)
Hollands Wood Drive (NM68)	<ul style="list-style-type: none"> <li>Increase provision of Space for Children and Young People to meet Core Strategy standard.</li> <li>Provide facilities for residents of North New Milton.</li> </ul>	£150,000	£150,000	79539 (£3,741.12) 80192 (£3,952.2) 76803 (£4,065) 83757 (£5,097.55) 88948 (£1,636.32) 87556 (£4,614.35) 86966 (£4,753.77) 78626 (£10,247.93) 86075 (£814.11) 88555 (£6,020.23) 86061 (£1,704.15) 40016 (£24,050.04) 46832 (£22,667.71) 92393 (£52,339.84) 75587 (£3,637.2) 60351 (£560.35) 74730 (£98.13)
<b>Total Estimated Cost (Rounded):</b>				<b>£670,000</b>
<b><u>Project List B (Projects to be developed and/or ready to go should additional funding become available)</u></b>				
<b>Western Area</b>				
<b>Bransgore</b>				
Site adjacent Village Hall	Development of a MUGA on the site.	£70,000	£32,305.57	89372 (£5,703.68) 96644 (£4,726.42) 93034 (£21,875.47)
<b>Ringwood</b>				
Christchurch Rd (RNG37)	Enhance landscape features for Green Infrastructure purposes	£20,000	£20,955.43	63765 (£20,955.43)

## APPENDIX 1

Location	Description of project	Estimated Cost	Amount Allocated	Planning Applications Matched
<b>Eastern Area</b>				
<b>Fawley</b>				
Newlands Corner (FAW34)	<ul style="list-style-type: none"> <li>Increase provision of Formal Open Space to meet Core Strategy standard.</li> <li>Provide additional sports pitches</li> </ul>	£80,000	£80,000	91965 (£31,156.71) 68900 (£44,567.17) 84506 (£4,276.12)
<b>Hythe and Dibden</b>				
Shore Road (HYD6)	Provision of Pavilion to Increase capacity of site.	£600,000	£29,744.59	98128 (£29,744.59)
<b>Marchwood</b>				
Marchwood Village Centre (MAW26)	<ul style="list-style-type: none"> <li>Informal Open Space access enhancements</li> <li>Realign cycle/footpath routes to resolve flooding issues</li> </ul>	£21,000	£21,224.79	62639 (£21,224.79)
<b>Southern Area</b>				
<b>Milford on Sea</b>				
Barnes Lane Rec (MOS5)	Increase provision of Space for Children to meet Core Strategy standard.	£125,000	£27,012.49	91155 (£5,830.8) 91320 (£5,627.56) 93619 (£13,156.17) 94714 (£2,397.96)
Number of options available for site	Provision of a MUGA. The exact location of the facility to be agreed based on specification.	£70,000	£70,000	85621 (£8,882.97) 86612 (£8,126.24) 88031 (£7,345.39) 87961 (£9,255.15) 91308 (£19,653.03) 79458 (£7,443.12) 91155 (£9,294.10)
<b>New Milton</b>				
Antler Driver (NM15.1)	<ul style="list-style-type: none"> <li>Increase capacity and catchment area of site.</li> <li>Provision of additional play equipment.</li> </ul>	£50,000	£50,000	60351 (£2,086.08) 87324 (£14,101.64) 91075 (£3,606.28) 90951 (£10,168) 91267 (£5,340.8) 87531 (£9,104.8) 91864 (£5,592.4)
Ashington Park (NM46)	<ul style="list-style-type: none"> <li>Increase use and attractiveness of site.</li> <li>Mitigate recreational impacts on National Park.</li> </ul>	£22,500	£22,500	66609 (£22,500)
Ashley Sports Ground (NM61)	<ul style="list-style-type: none"> <li>Increase provision of formal open space.</li> <li>Provision of additional Pitches</li> </ul>	£70,000	£70,000	60351 (£6,369.04) 61102 (£15,354.77) 65112 (£13,526.39) 71315 (£11,694.61) 75125 (£16,004) 97223 (£7,051.19)
Fawcett's Field (NM105)	<ul style="list-style-type: none"> <li>Increase provision of formal open space and capacity of site.</li> </ul>	£39,314.97	£39,314.97	88705 (£35,810.07) 96705 (£3,504.90)

## APPENDIX 1

Location	Description of project	Estimated Cost	Amount Allocated	Planning Applications Matched
	<ul style="list-style-type: none"> <li>Provision of additional Pitches</li> </ul>			
Danesbury Meadows (NM111)	<ul style="list-style-type: none"> <li>Increase provision of Space for Children to meet Core Strategy standard.</li> <li>Provision of equipped play area</li> </ul>	£85,000	£85,000	39690 (£1,624.23) 39470 (£83,375.77)
<b>Total Estimated Cost (Rounded):</b>				<b>£1,252,000</b>
<b><u>Project List C (Projects where a clear strategy is required)</u></b>				
<i>Western Area</i>				
<i>Ringwood</i>				
Long Lane (RNG38)	<ul style="list-style-type: none"> <li>Provide additional 4 ha of formal open space for the provision of additional pitches and pavilion</li> <li>Increase level of formal open space provision in Ringwood.</li> </ul>	£1,300,000	£462,182.57	41162 (£13,706.92) 39615 (£30,231.65) 36089 (£31,202.49) 57587 (£43,176.76) 49651 (£36,976.28) 51167 (£23,190.63) 56359 (£28,828.16) 44005 (£289.36) 64136 (£7,609.90) 05106 (£1,122.39) 63887 (£3,478) 65177 (£6,303.5) 65521 (£7,284.87) 66311 (£4,365) 66311 (£11,639) 65521 (£7,284.87) 67812 (£9,183.90) 68253 (£13,821) 71079 (£4,801.46) 68823 (£3,600.19) 73088 (£5,300) 73309 (£13,858) 74001 (£3,220) 73783 (£39,491.4) 79953 (£7,186.73) 79838 (£3,897.97) 88655 (£7,823.08) 78709 (£2,696.23) 91674 (£693.05) 94204 (£20,611.57) 91146 (£14,235.2) 95471 (£2,441.69) 95771 (£2,300.60) 97460 (£1,168.30) 89147 (£6,046.60) 97677 (£2,364.09) 95890 (£5,030.08) 94002 (£17,781.46)

## APPENDIX 1

Location	Description of project	Estimated Cost	Amount Allocated	Planning Applications Matched
<i>Sandleheath</i>				
	Strategy for whole area	£30,441.73	£30,441.73	62131 (£16,252.91) 64925 (£2,526.11) 73365 (£4,548.71) 80905 (£7,114)
<b>Eastern Area</b>				
<i>Totton</i>				
	Wider strategy for whole area	£338,989.98	£329,888.97	60779 (£215,384.26) 74460 (£17,537) 72178 (£21,723.36) 94253 (£25,855.48) 88489 (£22,707.09) 89783 (£10,826.28) 98355 (£15,855.50)
<b>Southern Area</b>				
<i>Lymington &amp; Pennington</i>				
Woodside and surrounding area	Strategy for Woodside to increase capacity of site.	£369,529.94	£369,529.94	33063 (£23,371.66) 58357 (£8,360.31) 61939 (£1,529.23) 62326 (£8,873.15) 60879 (£22,425.04) 61166 (£55,979.97) 68187 (£6,076.36) 75477 (£5,092) 75724 (£7,129.45) 87430 (£17,163.66) 87048 (£20,833.58) 89467 (£4,128.81) 91076 (£6,246.39) 92443 (£7,589.12) 90363 (£14,235) 89072 (£46,747.85) 92675 (£11,629.43) 93215 (£10,997.68) 93456 (£3,533.99) 95441 (£22,111.77) 94802 (£28,478.74) 91126 (£5,610.33) 96542 (£1,268.44) 73046 (£22,500) 95113 (£7,617.98)
<b>Total Estimated Cost (Rounded):</b>				<b>£2,039,000</b>

**Table (ii) Open Space Projects already formally approved and being progressed in 2012/13**

Reference	Outline	Estimated Cost / Agreed funding	Allocated / Remaining funds	Justification	Notes
<b>Totton &amp; Eling</b>					
TOT95	Testwood House Farm (site ref: TOT95 )	£150,000.00	£6,830.74	Increase provision of Formal Open Space to meet Core Strategy standard.	Remainder of Portfolio Holder approved spend (£15k) for 11/12
TOT78.1	New Forest Park Recreation Ground Play Area (site ref: TOT78.1)	£74,500.00	£31,945.76	Increase capacity and catchment area of site.	Remainder of Portfolio Holder approved spend (74.5k)
<b>Ringwood</b>					
RNG30	Ash Grove - Provide fixed equipped play area and informal open space enhancements, including access	£27,696.00	£6,676.60	Increase capacity and play value of site	Allocated funds are the remainder from 11/12 spend, the full cost had been allocated.
RNG gate	Civic Space - Design and implement new civic space to enhance 'gateway' building	£235,000	£226,600.00	Increase use of site and length of time spent by visitors.	Allocated funds are the remainder from 11/12 spend, the full cost had been allocated.
<b>Lymington</b>					
LYM57.1	Howards Mead - Environmental improvements and access	£3,000	£3,000	Increase capacity of site.	Feasibility work carried out.
LYM52c	Town Centre Sports Ground - Refurbish and extend existing pavilion to facilitate shared use	£125,000.00	£123,000	Increase capacity of site.	
LYM39.1	Woodside Gardens pitches and courts - Address croquet lawn and rugby pitch levelling and drainage issues. Provide additional 2x football/ rugby pitches, 1 cricket square, 1 additional croquet lawn	£337,000	162,642.03	Increase capacity of site.	
<b>Hordle and Everton</b>					
	Provision of two new equipped areas located at Hordle and Everton	£76,914	£76,914		Additional funds proposed to be allocated.

## APPENDIX 1

	Recreation Grounds				
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**Table (iii) Open Space Projects agreed in principle for implementation in 2012/13 but awaiting formal Portfolio Holder sign off**

Reference	Outline	Estimated Cost	Allocated funds	Justification	Notes
<b>Parish</b>					
LYM57.1	Howards Mead - Environmental improvements and access	62,000	62,000	Increase capacity of site.	Feasibility work carried out during 2012/13

## THE USE OF DEVELOPER CONTRIBUTIONS – A GUIDANCE NOTE

### INTRODUCTION

New Forest District Council, through its planning development control powers, collects contributions to mitigate the impacts of new developments on existing communities in the areas where it is responsible for town planning.

This is currently achieved by asking developers to enter into Section 106 agreements where they will provide contributions to improve certain types of infrastructure e.g. the provision of new or upgraded open space, the provision or improvement of transportation infrastructure and the provision of affordable housing where this is on site or a financial contribution in lieu of providing it on site. Contributions have also been collected in some communities for car parking improvements, community facilities, flood improvement schemes and the restoration of Listed Buildings when their developments are taking place.

This process will change from 2013 when the new requirements for the payment of a Community Infrastructure Levy (CIL) will come into force. However, S106 money will continue to be paid for a number of years. This proposed process only relates to developer contributions, once CIL has been adopted it will require its own processes to be put in place. Spending of CIL money will however, not be limited to the same spending constraints as developer contributions.

### WHAT SORT OF SCHEMES CAN THE MONEY BE USED FOR?

The collection and spending of developers' contributions is governed by The CIL Regulations 2010 which set out statutory tests for developers contributions. These set out when it is reasonable to seek a contribution and how it should be used. Generally they can only be sought to mitigate the impact on infrastructure of new development and must be spent in the locality in which the proposed development is located. The main types of contributions are:

**Public Open Space Contributions** which are collected to specifically meet local needs. Children play areas are the most frequently cited examples, however the following table sets out examples of the type of development that the contributions could be spent on and those on which it would be inappropriate to do so:

<b>Appropriate Use</b> (examples)	<b>Inappropriate Use</b> (examples)
Purchase of land for new open space	Maintenance of existing open spaces
Laying out, building or upgrading of outdoor sports facilities	Simple replacement of existing worn out equipment
Provision or refurbishment of children's play areas	Community halls
Upgrading of children's play areas	Indoor sports equipment
Youth facilities e.g. skateboard parks	Anything else not related to public open space

**Transportation Contributions** are normally used to assist residents of the new developments to gain access to the services they require without needing to use private cars. This might include footpath or cycleway links to schools and shopping facilities. The use of these contributions will normally be carried out by the Highway Authority (Hampshire County Council).

**Affordable housing contributions** are only collected where it has been agreed that provision on site is not the most appropriate solution. Where they are collected they can be used directly by the Council or given in the form of grants to other agencies to help in the provision of new affordable housing. This may involve either acquiring land for new affordable housing development or purchasing existing properties to add to the affordable stock. Affordable housing needs exist across the District and the contributions do not need to be spent in a local area to mitigate the effects of a development. For this reason their spending will not be subject to these new procedures and they will be spent in the most appropriate way.

Often developers' contributions will be time limited requiring that the money provided is spent within a fixed period and if it has not been it should be returned to the relevant developer.

### **THE SPENDING OF DEVELOPERS CONTRIBUTIONS**

The spending of developers contributions is determined by Council policy and the statutory tests for their use and the terms of the Section 106 agreement under which the money was collected and the need for it to relate to the communities affected by the development. It is important that contributions are spent efficiently and effectively so that they mitigate the impact of the new development as soon as possible.

To assist with this objective procedures have been drawn up to guide the decision making processes and these are described in this note.

Deciding how existing contributions should be spent will often require partnership working between various agencies that are involved in infrastructure provision.

The process must be led by the District Council because they are legally responsible having collected the funds from developers for specific purposes set out within agreements. The Planning Services Team will be responsible for ensuring the process as agreed is adhered to which will include working closely with Town and Parish Councils at all stages.

Providing for local input within the democratic process will ensure that those who represent the communities in which the funds are available will have an important part to play in determining the priorities for spending where choices need to be made.

With this in mind it is suggested that there is a revision to the current process for managing developers' contributions to public open space and transportation contributions.

This is set out in three stages as follows:



### Information Provision

Officers of the District Council will produce and make available to the relevant Portfolio Holders, local District Councillors and Town or Parish Clerks :-

- A **contributions monitoring report** on the funding both collected and unspent and negotiated but not collected on a town or parish area basis. This will also identify the main categories of infrastructure provision e.g. open space, transportation etc. This statement of funds will be issued by the Council twice yearly, on 1 December and 1 June.
- A **“long list” schedule** of the already identified infrastructure improvements in the town or parish area which are relevant to the categories of funding available will also be produced. This schedule will be updated annually and issued on 1 September to enable a programme to be developed as part of the annual process.

### Consultation Process

Officers of the District Council will instigate:

- A process of consultations with all of the public bodies and agencies who will be involved with the relevant provision to ensure that any scheme identified is able to be implemented in a reasonable timescale.
- An annual meeting will be held on an area basis with all of the District Councillors who represent the relevant area along with representatives of the town/parish councils. The purpose of the meeting will be for the District Councillors to compare the list of implementable schemes with the funding currently or shortly to be available in that area. They will then make recommendations about which schemes should be put forward for implementation in the short term. In some cases this may require further work to establish if external funding e.g. the National Lottery might be available to assist with a particular project.

### Programme Development

- The recommendations arising from the consultation will be compiled into a list of priorities for each town or parish area. This will then be considered by the District Council for inclusion within the programme for the next financial year. At this stage all resources required including officer time to deliver the proposed programme will need to be identified and arrangements for delivery with the commitment of the relevant partners. This stage may also include consultation with local communities. Once compiled, this programme will be put forward for approval by the Cabinet as part of the annual budget setting process.
- In exceptional circumstances it may be a requirement to amend the project list during the year. In these cases a formal request should be made to the Portfolio Holder for Planning and Transportation.

It is likely that this process will be required for at least 4-5 years in order to spend existing developer contributions before the existing system is replaced by CIL which will have its own processes and procedures. Although the new CIL collection system will start in 2013,

money due from “old” Section 106 agreements may continue to become available for some years after this.

### **SUMMARY**

The process outlined for the allocation of developer contributions should ensure that the funds which are available are spent more efficiently and with strong local democratic input.

If the revised processes outlined is agreed the new system would be implemented in 2012, and reflected in the 2013/14 budget.

### **Contact**

The Council has an officer who as part of his role deals with the handling of the contributions, the process for managing the spending and providing advice:

Please contact: - Dean Brunton, Planning Officer (CIL)  
023 8028 5435 or

Chris Elliott, Head of Planning and Transportation