

## **ALLOCATION OF DEVELOPER CONTRIBUTIONS**

### **1 INTRODUCTION**

- 1.1 New Forest District Council in its role as planning authority has collected contributions to mitigate the impacts of new developments on existing communities within its planning area. Prior to the introduction of the Community Infrastructure Levy (CIL), in April 2015 pooled contributions were collected via a S106 agreement.
- 1.2 In February 2015 Cabinet approved a number of projects which would be funded by S106 contributions that were held by the Council. The Cabinet report authorised the Portfolio Holder for Planning and Transportation to make such amendments as deemed appropriate to the approved project lists.
- 1.3 This report seeks to amend the existing allocations of transportation contributions towards assisting the Hythe – Southampton passenger ferry

### **2 POLICY FRAMEWORK**

- 2.1 The proposal which is the subject of this report benefits a wide sector of the community and responds positively to Local Plan Policies:

#### **Local Plan 2016-2036 Part One: Planning Strategy**

- Policy CCC1: Safe and healthy communities;
- Policy STR8; Community services, infrastructure and facilities;
- Policy CCC2; Safe and sustainable travel

### **3 Hythe – Southampton Passenger Ferry**

- 3.1 The Hythe to Southampton passenger ferry has run from 1887 and provides a regular service from the Hythe Pier to Town Quay, Southampton 7 days a week. It is regularly used by commuters and tourists.
- 3.2 The ferry provides a valuable service to residents of the District, particularly those who work in Southampton as it provides a quick service whilst also reducing the number of vehicle movements on the A326 and A35.
- 3.3 The County Council has been approached by the Hythe Ferry owner regarding the Covid-19 situation and the impact on it's business. They are seeking financial support, as with all public transport operators, patronage levels dropped significantly when lockdown started, and in an attempt to protect their business they decided to mothball the service until we got back to some sort of normality. HCC no longer pays a revenue subsidy to Hythe ferry, the annual support was withdrawn in 2018/19 after a couple of years of higher payments to help the new owner invest in the business and make it more commercially viable. The only payment HCC now make is to cover the pontoon landing charges at Town Quay which is in the single figure and is the result of a historical legal agreement.

- 3.4 Local ferries have unfortunately not been able to benefit from the same level of public sector financial support as the bus industry who have benefitted from several sources of funding to keep their business afloat e.g. Concessionary fares re-imbusement at pre-Covid levels; local bus contracts paid at 100% of their value despite a significantly reduced service operating; lost revenue on commercial and subsidised services has been paid by DfT, plus other grants from DfT. Ferries were not included in any of these schemes which does not seem particularly equitable.
- 3.5 HCC approached NFDC and SCC to ask whether there would be support from both authorities for a three way contribution of £15k each. HCC would administer the funding and ensure that there was mechanism in place to guarantee the contribution would be spent on delivering a ferry service. SCC has now confirmed that it will make a £15k contribution. The Ferry operator has shared a significant amount of data most significantly they have suffered losses of circa £49k due to Covid-19, and their annual passenger numbers are just under 200,000.

#### **4 PROPOSED ACTION**

- 4.1 The Council consider that the joint funding by the three authorities will give the ferry company short term cashflow to ensure that the service remains viable for a period whilst passenger numbers are lower than normal. At this stage no one is able to predict when numbers will return to a level that makes the service viable.
- 4.2 The Council currently are currently holding £21,136.62 in Hythe and Dibden as residual monies from completed projects it is proposed that £15K is used to support the ferry.
- 4.3 Officers propose to work closely with both Hampshire County Council and the ferry operator to enhance the provision to encourage greater cycle use on the ferry as well as encouraging the route as an alternative to vehicle movements.
- 4.4 It is therefore recommended that up to £15k of the unspent transportation is reallocated towards the ferry provision from Hythe to Southampton. This contribution will be paid to HCC who will be responsible for administrating the contribution.

#### **5 FINANCIAL IMPLICATIONS**

- 5.1 As these contributions are already held by the Council and the projects they are allocated to have either completed or no longer proceeding, there would be no direct cost to the Council. Should this proposal not be approved then officers will need to identify further projects to ensure that the contributions held are delivered on suitable schemes.

#### **6 CRIME & DISORDER IMPLICATIONS**

- 6.1 There are no crime and disorder implications arising from this proposal.

