

Report to Overview and Scrutiny Committee

27th November 2017

By the S106 Task and Finish Group



**Horsham
District
Council**

Not Exempt

Final Report of the S106 Task and Finish Group

Summary

The suggestion to set up a task and finish group to review S106 arose from a report presented to the Overview and Scrutiny Committee, as part of the former Business Improvement Sub-Committee's review into S106 Funding. This report was presented to the Committee on 5th June 2017 and three recommendations were made:

1. That the possibilities for an appropriate way to fund parishes and wards with no planned development, be investigated.
2. That an appropriate way to fund unparished areas that will have community projects but no developments, be investigated
3. That the ward members and parish councils continue to receive the S106 reports, to allow them to stay updated and work better with the parish councils on S106 monies.

The Committee agreed to set up a task and finish group and recommendations one and two formed the basis for the review.

The Members of the Group were Councillors Michael Willett (Chairman) Paul Clarke, Nigel Jupp, Tim Lloyd and Councillors Leonard Crosbie and David Coldwell were ex-officio members

At the first meeting of the S106 Task and Finish Group on 7th September 2017, the Group approved recommendations one and two as its terms of reference, along with three additional terms as set out below.

Terms of Reference

1. That the possibilities for an appropriate way to fund parishes and wards with no planned development, be investigated.
2. That an appropriate way to fund unparished areas that will have community projects but no developments, be investigated
3. Identify unallocated historic funds available for either a) no identified parish or unparished wards, and/or b) no particular purpose

4. Identify allocated historic funds which remain unused
5. Seek clarification of how S106 monies can be drawn down by various bodies.

Report

In respect to the five agreed Terms of Reference for the review, the Group responded as follows:

1. Almost by definition, parishes and wards with no developments will not have specific S106 money allocated to them. However, there may be unallocated monies which could be useable for the general benefit of a wider area than a particular parish or ward. An application could be made to use this money, using the link in the note by the Head of Development (see below).
2. Unparished areas of Horsham town: Denne, Forest and Trafalgar Neighbourhood Councils could also apply for this money.
3. The figures for the total funds are available. These figures, for all the individual parishes and wards in Horsham District, were printed out for the Task and Finish Group at its request. The figures were subdivided as:
 - (I) Funds received and unspent.
 - (II) Potential funding.
 - (III) Agreements for period April 2014 to October 2017 as previously reported to Overview & Scrutiny Committee on 5th June 2017, the S106 monies are held on the balance sheet in three areas, including those held on behalf of West Sussex.

The historic funds have been allocated from specific developments, and are generally, but not always, for use in the parish or ward in which the development took place. In some instances the money can be used elsewhere. It would be completely nugatory to attempt to determine what could possibly be used for any unspecified project from the potential monies available.

4. The historic funds which remain unused can be determined but would be a “snapshot” at a fixed time and will change.
5. The issue of the availability and usage of S106 monies is not simple, as the Group discovered. The individual allocations often have several different conditions on them. This makes it difficult and not practicable to suggest to parishes or wards what would be the beneficial use, to them, of any available monies.

The recommendations are made, therefore, to encourage any relevant body to contact the officers of Horsham District Council to be able to ascertain if a project, initiated by themselves, can be funded by any of the S106 money held on their behalf by Horsham District Council.

Note by the Head of Development to all Parish and Neighbourhood Councils

UNSPENT SECTION 106 FUNDS

I would like to draw to your attention that Horsham District Council holds unspent S106 funds which may be available to you.

If you have a project you believe could benefit from the Section 106 funds, please contact either Suzanne Shaw (Planning Obligations Officer) or Melanie Stowell (Grants and Funding Officer) in the first instance in order that we may offer you advice on the suitability of your proposal and its ability to reach the criteria required to receive Section 106 funding.

What can Section 106 funds be spent on?

The use of Section 106 funds must:

- be for capital expenditure, (not maintenance or repair);
- comply with the Community Infrastructure Levy regulations
- accord with any other relevant criteria within the S106 Agreement

We would be happy for you to put forward a project and officers of the Council could assess it against the requirements above, and provide further advice on the process.

What is the process for applying for Section 106 funds?

If you would like to formally apply an online application can be made to the District Council and will be heard by the Planning Obligations Panel. If successful, the funds would be paid on presentation of an invoice for the works. The online application form can be found on the Council's web site.

This can be found at the following link:

http://ebusiness.horsham.gov.uk/outreach/LEI_s106GrantApplication.ofm

We look forward to speaking to you and advising you further on this matter.

Head of Development

Recommendations

The Committee is recommended:

- i) To support the issue of a short guide to all parish and neighbourhood councils explaining the potential funds that may be available to them, and how to set about starting the process. (See the note above "UNSPENT SECTION 106 FUNDS").
- ii) That the S106 process be added to the forthcoming training event for parish councillors organised by Horsham District Council.
- iii) For the Council to continue to send S106 reports to parish councils and ward members, quarterly, as previously recommended and agreed.

Background Papers

1. S106 Funding Review Report to Overview and Scrutiny Committee on 5th June 2017
2. Figures for total S106 funds provided by the Head of Development on 12th October 2017

Councillor Michael Willett
Chairman of the S106 Task and Finish Group
10th November 2017

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