

Section 106 Year End Report 2007/08



Kennington Park (above left), Salamanca Street (above right), Spring Gardens (below left) and the Coldharbour Lane affordable housing scheme (below right) were among the projects funded by Section 106 contributions in 2007-08.

1. Highlights of the Year: April 2007 to March 2008

2007/08 HIGHLIGHTS	
Value of Agreements Signed	£15.4m
Payments Received	£1.8m
S106 Money Spent	£1.17m
Balance at Year End	£7.3m

- 1.1 84 S106 agreements were signed in 2007/08 with a total net value of £15,376,761.75 in planning obligations involving financial contributions. This surpasses last year's record of £9 million. The former figure does not include planning obligations that were repeated from previous years, e.g. Clapham Park and 1 Westminster Bridge Road.
- 1.2 The 84 agreements involved 391 planning obligations. 33 of the agreements involved financial contributions from developers. Table 1 below shows the breakdown of all 338 planning obligations by obligation type and money receivable:

Table 1: Number and Value of Obligations by Obligation Type

Obligation Type	No of Obligations	Obligation Value
Affordable Housing - Off Site Financial	1	£3,000,000.00
Affordable Housing - On Site	13	0
Affordable Housing - RSL Schemes Only	4	0
Car Club	10	£35,400.00
Community Facilities	10	£216,000.00
Education	15	£1,753,958.50
Employment and Training	12	£243,149.00
Miscellaneous	105	£512,380.00
Monitoring Charge	64	£155,196.25
Parking Restriction	63	0
Public Realm - Parks and Open Spaces	24	£1,856,500.00
Public Realm - Streetscapes	14	£3,525,922.00
Public Transport	12	£1,630,506.00
Traffic and Highway	33	£2,447,750.00
Travel Plan	11	0
TOTAL	338	£15,376,761.75

2. Notable Agreements

2.1 12 agreements had planning obligations with financial contributions worth more than £100,000 in total. This accounts for 97 per cent of total new financial contributions negotiated during the year. These agreements are in relation to the following schemes:

Table 2: Schemes with More Than £100k in Financial Value

Legal Ref	Scheme Address	No of Obligations	Obligation Value
479/L/S106	Becket House and York House	8	£3,820,000.00
136/L/S106D	1 Westminster Bridge Road	16	£3,764,005.00
470/L/S106	Founders Place	15	£2,414,869.50
525/L/S106	Hampton House, Albert Embankment	26	£1,644,000.00
515/L/S106	Tesco Streatham Hub	17	£1,284,000.00
490/L/S106	Kerrin Point, Black Prince Road	14	£488,524.00
506/L/S106A	Elmgreen School	8	£393,600.00
450/L/S106A	25-33 Macaulay Road	7	£241,848.00
214/L/S106A	St Saviours College	8	£238,436.50
497/L/S106	Shakespeare Road Academy	12	£223,440.00
177/L/S106A	1 Glyn Street	8	£222,150.00
461/L/S106	417-419 Streatham High Road	4	£109,182.00
TOTAL		126	£14,844,055.00

2.2 There were 7 agreements in 2007/08 aiming to deliver at least 564 new units of affordable housing. Table 3 lists the schemes with on-site affordable housing in 2007/08.

Table 3: Schemes with Affordable Housing On-Site

Legal Ref	Address	Date Signed	Ward	No of affordable units	No of market units	Total no of units	Affordable housing units %	Affordable habitable rooms %
461/L/S106	417-419 Streatham High Road	05/04/2007	Vassall	28	28	56	50%	50%
465/L/S106	Upper Tulse Hill Chestnut Public House	14/05/2007	Thurlow Park	6	13	19	32%	50%
490/L/S106	Kerrin Point	15/08/2007	Prince's	92	122	214	43%	50%
470/L/S106	Founders Place	09/10/2007	Bishop's	272	369	641	42%	?
450/L/S106A	25-33 Macaulay Rd	28/11/2007	Clapham Town	N/A	N/A	N/A	N/A	29%
515/L/S106	Tesco Streatham Hub	07/12/2007	St Leonards	89	161	250	36%	?
525/L/S106	Hampton House	07/03/2008	Prince's	77	165	242	32%	31%
TOTAL				564	858	1422	39%	42%

- 2.3 There were 12 agreements during the year that provided for education contributions. These are:

Table 4: Schemes with Education Contributions

Legal Ref	Scheme Address	Education Contributions
397/L/S106A	Clapham Park*	£2,250,000.00
525/L/S106	Hampton House, Albert Embankment	£523,000.00
470/L/S106	Founders Place	£504,869.50
450/L/S106A	25-33 Macaulay Road	£177,949.00
490/L/S106	Kerrin Point, Black Prince Road	£166,609.00
214/L/S106A	St Saviours College	£147,871.00
461/L/S106	417-419 Streatham High Road	£106,519.00
465/L/S106	Upper Tulse Hill Chestnut Public House	£45,858.00
488/L/S106	17-19 Stockwell Road	£33,882.00
396/L/S106A	190 - 196 Kennington Park Road	£33,000.00
495/L/S106	Penzance House	£9,941.00
462/L/S106	South London YMCA	£4,460.00
TOTAL		£4,003,958.50

3. Payments Received

- 3.1 Total payments received from April 2007 was £1.8m. Table 5 below breaks down the value of receipts by obligation type:

Table 5: Receipts by Obligation Type

Obligation Type	Receipt
Car Club	13,400.00
Education	50,000.00
Parks and Open Spaces	250,000.00
Public Realm Revenue	376,270.00
Public Transport	217,952.00
Streetscape	366,100.00
Traffic and Highway	548,110.72
TOTAL	£1,821,832.72

- 3.2 Notable payments received were:

- **£376,270** from British Airways London Eye in relation to its annual contribution towards "on-going measures" and community initiatives to mitigate the impact of the London attraction.

* Note: Clapham Park is a repeat figure originally included in the previous S106 agreement.

- **£311,100** from Galliard, developers of the Addington Street scheme, to carry out the Leake Street works which involves upgrading the Leake Street viaducts and its environs together with associated paving and street furniture works.
- **£217,952** in relation to Shakespeare Road Academy to carry out works and measures and any orders or authorisations required to improve safety in the vicinity of, and on the routes to and from the school
- **£250,000** in relation to 53-63 Old Town & Grafton Square mainly for highways works. £50,000 from this amount is the first instalment of the education contribution and is in fact the first payment of an education contribution obtained through a Section 106 agreement following the introduction of the interim guidance in July 2006.
- **£245,000** from Baratt Homes Ltd in relation to Kerrin Point to improve the pedestrian environment along Black Prince Road between Kennington Road and Vauxhall Street and for improving cycling facilities in the area.
- **£110,000** from the developers of St George Wharf for parks and open spaces. As per the terms of the agreement, the Council has just one year to spend or commit this money.

4. S106 Money Spent

4.1 Among the more notable drawdowns are the following:

- **£372,881** for 149-155 Coldharbour Lane, an affordable housing refurbishment scheme by Metropolitan Housing Trust, partly funded by the Santley Street and Brixton College affordable housing



149-155 Coldharbour Lane. An affordable housing scheme by Metropolitan Housing Trust partly funded by S106 commuted payments by developers.

commuted payments. The scheme provides 13 units of affordable housing for social rent consisting of 3 x 4-bed flats, 1 x 3-bed flat, 2 x 2-bed flats and 7 x 1-bed flats.

- **£364,472** from British Airways London Eye (BALE) on-going measures to fund projects linked to visitor management and to mitigate other impact from the visitor attraction.



Utilities Monitoring. One of the projects funded by the BALE S106 annual contribution as agreed by the Waterloo Visitor Management Group.

- **£100,855** on top of last year's expenditure of £70,000 for the Fentiman Road Safety Scheme funded by the Queensborough House public transport contribution. This project was designed to



Fentiman Road. Partly funded by Section 106 contributions, this project was designed to implement safety measures on local roads..

reduce through traffic from South Lambeth Road and Clapham Road and to improve pedestrian safety by building speed tables, a raised zebra crossing, a priority one way working and by re-zoning the area to 20mph.

- **£76,890** for works at 5 Coburg Crescent and the Wellfield Centre. Both projects involve refurbishment of community centres with funding from a financial contribution of £200,000 from the



Community Centres. The refurbishment of Wellfield Centre (above) and Coburg Crescent (below) are among the projects funded by the £200k community payments contribution from the developers of the former Streatham ABC Cinema.



developers of the former ABC Cinema in Streatham. The allocation of funds was made through the Streatham Area Delivery Partnership in accordance with the Lambeth Community Strategy for Streatham.

- 4.2 The actual spend for the financial year was £1,174,955 against a planned budgeted spend of £3,023,713. This is an underspend of 39% against the target figure, and represents a significant decline in expenditure achieved last year of £3.5m. Table 3 compares actual and planned spend by obligation type:

Table 3: Comparison of Actual and Planned Spend for 2007/08

Obligation Type	Planned Spend 2007-08	Actual Drawdown 2007-08	Variance	Percentage of Spend
Affordable Housing - Off Site Financial	£372,881.00	£372,881.00	£0.00	100%
Car Club	£8,802.00	£6,500.00	£2,302.00	74%
Community Facilities	£126,890.00	£76,890.00	£50,000.00	61%
Employment and Training	£294,803.02	£35,563.43	£259,239.59	12%
Miscellaneous	£363,276.48	£63,244.62	£300,031.86	17%
Public Realm - Parks and Open Spaces	£236,913.81	£51,650.56	£185,263.25	22%
Public Realm - Revenue Payment	£446,473.00	£382,472.42	£64,000.58	86%
Public Realm - Streetscape	£257,977.99	£40,760.22	£217,217.77	16%
Public Transport	£500,973.04	£121,855.17	£379,117.87	24%
Traffic and Highway	£414,722.89	£23,138.03	£391,584.86	6%
TOTAL	£ 3,023,713.23	£ 1,174,955.45	£ 1,848,757.78	39%

- 4.3 Most of the underspend falls under the Department of Environment, Culture and Community Safety. Total spend by Lambeth Transport and Highways is just 17 per cent of the original target. Transport and Highways are responsible for the implementation of around half of all planning obligations. Implementation of S106 transport and highways obligations has suffered following the departure of key personnel in early 2007. Steps have been taken to recruit replacement staff and improve programme expenditure on key projects in the future.
- 4.4 Another significant area of underspend is in employment and training planning obligations, which spent only 12 per cent of planned expenditure. This is due to the fact that the Lambeth First Employment and Skills Board working group on S106 were unable to report on a revised strategy for S106. This is now under review in the context of the Working Neighbourhoods Fund allocations for 2008/2009.

5. Balance at Year End

- 5.1 The balance of S106 moneys as at 31 March 2008 was £7,261,576.85. This includes interest accrued during the year totalling £375,689.75. The money will be brought forward to the following financial year 2008/09 to fund new and on-going schemes.

6. Organisational Highlights

- 6.1 The Section 106 Corporate Officers Group held regular meetings on a quarterly basis in 2007/08. However, attendance has been more limited compared to the previous year. The nature of Section 106 implementation necessarily involves the participation of various Council departments and services. Table 6 below gives a breakdown of attendance by Council department.

Table 6: S106 Corporate Officers Attendance in 2007/08

Department	S106 Officer Meetings Held			
	01-05-2007	24-07-2007	23-10-2007	31-01-2008
Regeneration and Housing Finance	1	1	1	1
Planning	2	2	2	2
Transport	None	None	None	1
Parks and Open Spaces	None	None	None	None
Environment Finance	1	1	1	1
Corporate Finance	None	None	None	None
Regeneration	None	None	None	1
Housing	1	1	None	1
Adults & Community Services	None	None	None	None
Legal Services	None	1	1	None
Children & Young People Services	None	None	2	2
TOTAL	4	5	6	8

- 6.2 Since its launch in December 2006, the Section 106 Online Database has played an important part in the implementation and monitoring of Section 106 planning obligations. Phase one of the development of the database set out the structure of the database and the basic user interface. The database has enabled project officers of S106 funded projects based from various offices of the Council to access the most up-to-date information on planning obligations and enter regular project updates. In 2007/08, a further 20 Council officers have been trained to use the database.
- 6.3 The database has made an impact even outside the borough. In December 2007, the Planning Implementation team was invited to make a presentation on the database to the London Councils S106

Practitioners meeting. A number of local authorities have made enquiries and visited Lambeth Planning to look more closely at the operation of the database. One local authority Horsham District Council is seeking to purchase the application and adapt it to their own requirements. Internal discussions and negotiations between the various interested parties are still on-going concerning this. A number of other authorities are also interested and this presents the Council with an interesting challenge in reputation building.

- 6.4 Following adoption of the replacement Lambeth's 2007 Unitary Development Plan (UDP) in August 2007, a Supplementary Planning Document for S106 Planning Obligations has been prepared and been the subject of formal public consultation over a six week period from 3 February 2008 until the 14 March 2008. The document sets out in a transparent and consistent way the Council's approach in seeking planning obligations. It outlines the procedures for preparing a Section 106 Agreement and also deals with each area of planning obligation in more detail. The SPD will be going to Cabinet for adoption. After adoption, it will be a material consideration in determining planning applications and will also form part of the Lambeth Local Development Framework.