



Developer Contributions Newsletter

Issue 2, August 2014

Welcome to our Developer Contributions Newsletter, giving you an insight into how Dacorum Borough Council (DBC) ensure development meets the needs and growth of the borough. This issue will include:

1. Background to Dacorum's Developer Contributions system
2. Developer contributions sought through the Section 106 system over the last five years
3. Financial information for the last year 2013 to 2014
4. Expenditure
5. S106 funds we hold
6. Case study of an allotment project



1. Background

Currently developers are asked to contribute to infrastructure under the legal framework of Section 106 (S106) of the Town & Country Planning Act 1990. Dacorum like many other boroughs is moving towards a Community Infrastructure Levy (CIL) which we expect to have in place from April 2015. (Please see www.dacorum.gov.uk/CIL for more information). At the moment DBC collects and spends S106 funds related to play spaces, open space, sports, affordable housing, allotments, community development, cycle infrastructure, and regeneration. Hertfordshire County Council administers contributions towards libraries, highways and educational facilities for the Dacorum Borough.

2. Past five year financial accounts at Dacorum Council

Table 1 provides a five year history of developer contributions at Dacorum Borough Council. We operate a developer contributions system that is efficient, effective and relevant in meeting the infrastructure requirements for each site and its locality.

Developer contributions are sensitive to macro-economic, local market conditions and policy changes. Thus, we can see how the recent recession and the political uncertainty in 2010 affected development.

Table 1: Developer contribution gained at Dacorum Borough Council (DBC) over five years

Year	Opening balance	Received in year	Expenditure	Returned funds	Closing balance
2009/10	1,395,097	58,083	199,332		1,253,848
2010/11	1,253,848	219,077	320,393		1,152,532
2011/12	1,152,532	506,569	220,936	65,597	1,372,568
2012/13	1,372,568	180,208	155,032		1,397,744
2013/14	1,397,744	444,840	300,181		1,489,111

3. Our S106 performance last year

The last financial year (2013/14) was a return to buoyant times where we received and spent roughly twice as much as the year before.

Table 1 shows that we received £444,840 and spent £300,181, which leaves a holding balance of £1,489,111.

We are proactively allocating S106 funds to infrastructure projects such as affordable housing, green improvements and play spaces.

4. Expenditure

Dacorum Borough Council used S106 money for various projects in 2013/2014, which included:

- £79,172 released for previous year's projects;
- £18,503 upgrading and maintaining Hemel Hempstead town centre car parks;
- £109,327 on affordable housing;
- £45,860 on open space at Langley Meadow;
- £32,853 provision of a play area along Robertson Road, Berkhamsted;

- £5,100 committed towards tree maintenance in Berkhamsted High Street;
- £3,367 for improvements to an allotment in Hemel Hempstead;
- £6,000 towards traffic calming measures along Belswains Lane, Hemel Hempstead.

Hertfordshire County Council used funding from S106 during the financial year to expand the facilities at Tudor Primary School and Hammond Primary School and put in place temporary measures to enable a move from a three tier to two tier education system within Berkhamsted.

5. S106 funds we hold

At April 2014 there was £6.5m available for infrastructure projects in the Dacorum borough. Dacorum Borough Council (DBC) and Hertfordshire County Council (HCC) are responsible for collecting and allocating S106 funds. Dacorum Borough Council administers projects around play space, open space, affordable housing and cycling. HCC is mainly responsible for education and highways.

The proportion of the £6.5m held by DBC was £1,489,111. This amount is divided into departmental areas as displayed in table 2 below.

Table 2: S106 held funds into departmental categories

Category / Group	Sums held
Cycling and regeneration	£345,505
Environmental improvements	£200,403
Affordable housing	£326,942
Play and community development	£413,004
Open space, allotments and sports facilities	£191,413
To be reviewed and allocated	£11,844
Total	£1,489,111

The amount of Section 106 contributions held by HCC as at the end of March 2014 was £5,019,654.23. This can be broken down into:

- Education and community services: £2,570,475.84
- Roads and transport: £2,449,178.39

For more information on Hertfordshire County Council's Section 106 system please visit: <http://www.hertsdirect.org/services/edlearn/css/eyesch/funding/sec106fund/>

6. Project case study – using funds to support growth

We have used S106 money from various developments to invest in improvements to Hemel Hempstead's allotments, a valued community amenity. The funding has provided new security fencing and a set of gates to three allotment sites, to help keep the site secure and prevent vandalism. This included:

- 1) New steel security gates for Homefield Road allotments, Adeyfield. The old gates were of a timber structure, badly in need of replacement.
- 2) Widmore Road South allotments. Funds used to complete perimeter fence which was started some years ago and never completed. Tenants were suffering vandalism due to inadequate fencing.
- 3) Replacement of chestnut paling boundary fencing at Gravel Hill allotments. Original fence damaged by falling tree during winter storms.

These works were completed in June and as you can see from the photos below have made a difference to the security and conditions of the allotments. The allotment users have told us that they are very pleased with the work.



Next issue: February 2015