

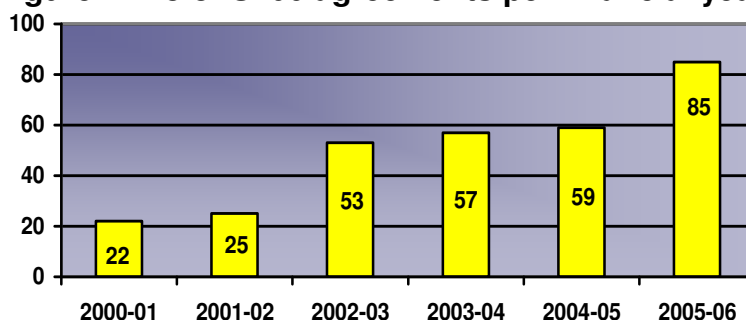
Section 106 Yearend Report 2005-06

1. Highlights of the Year: April 2005 to March 2006

2005-06 HIGHLIGHTS	
Value of Agreements Signed	£925k
Payments Received	£1.9m
S106 Money Spent	£3m
Balance at Yearend	£7.5m

- 1.1 85 S106 agreements were signed in 2005-06 with a total current value of £924,810. This reflects the trend of growth over the last six years:

Figure 1: No of S106 agreements per financial year



- 1.2 The 85 agreements incorporated 151 planning obligations. Of these, 34 had a financial value. Table 1 below shows the breakdown of all 151 planning obligations by obligation type and money receivable:

Table 1: Number and Value of Obligations by Obligation Type

Obligation Type	No of Obligations	Income Receivable
Affordable Housing - On Site	11	£0
Affordable Housing - RSL Schemes only	8	£0
Car Club	5	£8,500
Employment and Training	1	£0
Miscellaneous	25	£150,000
Parking Restriction	64	£0
Public Realm - Parks and Open Spaces	3	£108,180
Public Realm - Streetscapes	5	£39,550
Public Transport	4	£199,330
Traffic and Highway	25	£419,250
TOTAL	151	£924,810

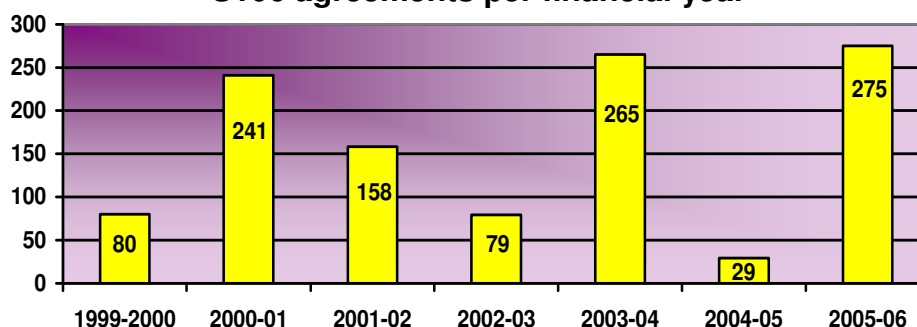
2. Notable Agreements

2.1 Notable agreements include:

- St George Wharf: 78 more affordable housing units (in addition to previously negotiated 219 units)
- 214-238 Norwood Road: £108k for Transport and Highways and 52 affordable housing units
- Salamanca Place: £122k contribution to Vauxhall Cross project and other improvements in the area
- 89-91 Norwood Road: several agreements are in place that will provide a minimum £90k contribution and at least 10 affordable housing units

2.2 There were 11 agreements in 2005-06 aiming to deliver at least 275 units of affordable housing. This is the highest number of affordable housing units negotiated from private developers since 1999.

Figure 2: Number of units of affordable housing provided by S106 agreements per financial year



3. Payments Received

3.1 Total payments received from Apr 2005 was £1,938,801. More than half of this was received in Qtr 4 which totalled £1,022,750. Table 3 below breaks down the value of receipts by obligation type:

Table 2: Receipts by Obligation Type

Obligation Type	Receipt
Employment and Training	£ 140,000
Public Realm - Revenue Payment	£ 368,700
Public Realm - Streetscapes	£ 850,651
Public Transport	£ 472,000
Traffic and Highway	£ 107,450
TOTAL	£ 1,938,801

3.2 Notable payments received were:

- The Queensborough House payment of £894k out of a total £1.2m due from the developers was received in Jan 2006.
- A payment of £200k in relation to the former County Hall site in respect of employment and training projects was made by developer Shirayama in Feb 2006. A further £100k was made just after the close of the financial year. This brings to an end a long-running dispute, enabling a new round for the Get SET (Employment and Training) Programme to be advertised.
- The payment of £368,700 from British Airways London Eye (BALE) is in relation to the annual contribution made by the developer towards on-going measures and community initiatives in the vicinity of the development. This money is managed by Environment & Culture Public Realm in partnership with the Waterloo Visitor Management Group.

3.3 Obligations subject to recovery include:

- £120k for the former Santley School. This is the last outstanding Affordable Housing Off Site financial contribution being pursued, with litigation becoming likely.
- £326k for Queensborough House. Some £200,000 for parks and amenity works and another £126,000 plus indexation payment remain outstanding and will require follow through with legal action as a possible option.
- £108k for 214-238 Norwood Road. The developer and the purchasing RSL are disagreeing about who between them is liable for the S106 obligations.

4. S106 Money Spent

- 4.1 The actual spend for the financial year was £3,070,781 against a budgeted spend of £4,594,403. While this is an underspend of 33 per cent, it represents an increase in cash terms of 16 per cent over the £2.65m total spend in 2004-05. Table 3 compares actual and planned spend by obligation type:

Table 3: Comparison of Actual and Planned Spend for 2005-06

Obligation Type	Planned Full Year Spend	Actual Full Year Spend	Variance	Percentage
Affordable Housing - Off Site Financial	£2,057,366.00	£ 1,959,366.80	£ 97,999.20	95%
Community Facilities	£ 24,096.34	£ 19,216.34	£ 4,880.00	80%
Employment and Training	£ 500,000.00	£ 179,137.00	£ 320,863.00	36%
Public Realm - Parks & Open Spaces	£ 261,663.00	£ 266,432.74	-£ 4,769.74	102%
Public Realm - Revenue Payment	£ 523,878.00	£ 452,628.00	£ 71,250.00	86%
Public Realm - Street Scapes	£ 857,500.00	£ 166,000.00	£ 691,500.00	19%
Traffic and Highway	£ 369,900.00	£ 28,000.00	£ 341,900.00	8%
TOTAL	£4,594,403.34	£ 3,070,780.88	£1,523,622.46	67%

4.2 The largest single drawdown of S106 money during the year was for £1.96m for two schemes to deliver a combined total of 33 units of social rented housing. The Housing Department is working in partnership with L&Q Housing Trust to deliver these two schemes. Core funding for these schemes comes from the Housing Corporation but without the top up S106 money, L&Q would not be able to progress the schemes and both sites would have been sold by the Council to a private developer.

4.3 The Get SET (Get Skilled Employment and Training) Programme managed by Corporate Regeneration was able to complete the drawdown of S106 funds from the Belvedere Road contribution of £125k plus interest. The programme funds not-for-profits to deliver training and employment projects for Lambeth residents. A total of £133,812 was pulled down and were paid to the following Get SET funded projects:

Table 4: S106 Drawdowns for Get SET Projects in 2005-06

Project	Description	Amount Paid
Get Set ACAPS Turning Point Scheme	This project aims to improve access to employment for disadvantaged communities, with particular focus on substance misusers.	£ 24,990
Get Set Changing Rooms Horizon & People for Action Scheme	This project aims to increase opportunities for local people being trained and employed in the construction industry, particularly targeting those who would not have previously considered construction as an employment option.	£ 24,980
Get Set African Child Association Scheme	The project offers progression routes through which 'disaffected' BME youths will access apprenticeships through holistic, flexible and localised 'Basic Tradespersons Skills Training'.	£ 21,883
Coin Street: Signposting, Advice and Guidance	This project employs a full time 'signposter' to raise the awareness of local training, employment and enterprise opportunities.	£ 61,959

4.4 Other drawdowns were made to fund on-going projects in environmental services. Most notable are:

- *Greening Vauxhall Project: £550k.* A project involving in-depth community consultation to inform the planning and delivery of improvements to parks and open space in the Queensborough House area. This is to compensate for the loss of some of the Albert Embankment gardens public open space. Local parks and existing facilities are being upgraded through tree and garden planting, footpath improvements and carrying out repairs and maintenance.
- *The Black Prince Road Area Improvement Scheme (BRASS): £1.8m.* A collaboration between parks and transport combining separate S106 agreements to fund the improvement of roads, tunnels, parks and amenities in the area around Black Prince Road.
- *The Lambeth Opportunity Fund: £2.6m.* A project that designs and implements safety measures on local roads that fall outside the Borough Spending Plan accident reduction criteria set by Transport for London. It aims to complete the outstanding Solon Road works that could not be completely funded from the Santley Street School S106 money. It also aims to calm traffic and improve pedestrian passage and crossing along the Solon, Sandemere and Bedford roads in Ferndale ward.

5. Balance at Yearend

5.1 The balance of S106 moneys as at 31 March 2006 was £7,476,926. This includes interest accrued during the year totalling £349,303.31. The money will be brought forward to the following financial year 2006-07 to fund new and on-going schemes.

5.2 Tables 5 and 6 in the next two pages provide a more detailed analysis of spending against receipts by obligation type and by ward.

Table 5: Receipt and Expenditure against Obligation Type

Obligation Type	Obligation Value	Unspent Receipts up to 01.04.05	2005-06 Receipts	2005-06 Interest	2005-06 Spend /Drawdowns	Planned Full Year Spend	Variance	End Balance @ 31.03.06
Affordable Housing - Off site financial	£ 5,730,000	£ 2,712,939.41	£ -	£ 74,940.78	£ 1,959,366.80	£ 2,057,366.00	£ 97,999.20	£ 828,513.39
Car Club	£ 8,500	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Community Facilities	£ 2,890,592	£ 25,370.61	£ -	£ 678.43	£ 19,216.34	£ 24,096.34	£ 4,880.00	£ 6,832.71
Education	£ 103,114	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Employment and Training	£ 1,098,700	£ 446,210.95	£ 140,000.00	£ 16,310.40	£ 179,137.00	£ 500,000.00	£ 320,863.00	£ 423,384.35
Miscellaneous	£ 1,298,500	£ 478,714.56	£ -	£ 21,868.16	£ -	£ -	£ -	£ 500,582.73
Public Realm - On site improvements	£ 1,610,500	£ 206,607.82	£ -	£ 5,687.83	£ -	£ -	£ -	£ 212,295.65
Public Realm - Parks and Open Spaces	£ 3,303,090	£ 1,563,664.25	£ -	£ 64,765.20	£ 266,432.74	£ 261,663.00	-£ 4,769.74	£ 1,361,996.71
Public Realm - Revenue Payment	£ 310,000	£ 207,061.75	£ 368,700.00	£ 14,639.55	£ 452,628.00	£ 523,878.00	£ 71,250.00	£ 137,773.30
Public Realm - Street Scapes	£ 6,035,000	£ 1,522,889.01	£ 850,651.00	£ 81,632.63	£ 166,000.00	£ 857,500.00	£ 691,500.00	£ 2,289,172.65
Public Transport	£ 3,679,820	£ 432,076.94	£ 472,000.00	£ 36,469.04	£ -	£ -	£ -	£ 940,545.98
Traffic and Highway	£ 5,604,039	£ 664,067.34	£ 107,450.00	£ 32,311.28	£ 28,000.00	£ 369,900.00	£ 341,900.00	£ 775,828.63
TOTAL	£ 31,671,855	£ 8,259,602.64	£ 1,938,801.00	£ 349,303.31	£ 3,070,780.88	£ 4,594,403.34	£ 1,523,622.46	£ 7,476,926.10

Table 6: Receipt & Expenditure against Agreements and Obligations by Ward

Ward	Obligation Value	Unspent Receipts up to 01.04.05	2005-06 Receipts	2005-06 Interest	2005-06 Spend /Drawdowns	Planned Full Year Spend	Variance	End Balance @ 31.03.06
Bishop's	£ 17,295,970	£ 2,640,105.81	£ 873,700.00	£ 136,443.76	£ 700,765.00	£ 1,092,878.00	£ 392,113.00	£ 2,949,484.58
Brixton Hill	£ 520,114	£ 340,442.21	£ -	£ 14,811.56	£ 29,590.08	£ 29,000.00	-£ 590.08	£ 325,663.69
Clapham Common	£ 582,500	£ 13,605.80	£ 14,000.00	£ 906.04	£ -	£ 19,000.00	£ 19,000.00	£ 28,511.84
Clapham Town	£ 438,000	£ 50,967.41	£ -	£ 2,328.56	£ -	£ -	£ -	£ 53,295.97
Coldharbour	£ 81,500	£ 82,245.03	£ -	£ 3,756.48	£ -	£ 81,500.00	£ 81,500.00	£ 86,001.51
Ferndale	£ 1,248,000	£ 486,080.05	£ -	£ 22,204.56	£ -	£ 98,000.00	£ 98,000.00	£ 508,284.61
Gipsy Hill	£ 8,000	£ -	£ 5,000.00	£ 125.00	£ -	£ -	£ -	£ 5,125.00
Herne Hill	£ 79,750	£ 3,265.69	£ 25,750.00	£ 751.40	£ -	£ 20,000.00	£ 20,000.00	£ 29,767.08
Knight's Hill	£ 150,000	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Larkhall	£ 117,839	£ 2,864.86	£ 15,000.00	£ 455.56	£ 2,000.00	£ 2,500.00	£ 500.00	£ 16,320.42
Oval	£ 1,995,450	£ 86,088.58	£ 90,351.00	£ 5,536.56	£ 27,000.00	£ 102,063.00	£ 75,063.00	£ 154,976.14
Prince's	£ 6,823,500	£ 4,228,363.57	£ 894,000.00	£ 147,107.11	£ 2,300,950.80	£ 3,096,462.34	£ 795,511.54	£ 2,968,519.88
St Leonards	£ 388,000	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Stockwell	£ 256,050	£ 264,040.49	£ -	£ 12,060.39	£ -	£ 19,000.00	£ 19,000.00	£ 276,100.88
Streatham South	£ 55,000	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Streatham Hill	£ 220,000	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Streatham Wells	£ 44,500	£ 29,304.10	£ -	£ 1,238.39	£ 4,000.00	£ 4,000.00	£ -	£ 26,542.49
Thornton	£ 29,500	£ 5,015.49	£ -	£ 229.07	£ -	£ 5,000.00	£ 5,000.00	£ 5,244.56
Thurlow Park	£ 242,590	£ -	£ 21,000.00	£ 268.33	£ -	£ -	£ -	£ 21,268.33
Tulse Hill	£ 1,090,592	£ 27,213.55	£ -	£ 1,080.56	£ 6,475.00	£ 25,000.00	£ 18,525.00	£ 21,819.12
Vassall	£ 5,000	£ -	£ -	£ -	£ -	£ -	£ -	£ -
TOTAL	£ 31,671,855	£ 8,259,602.64	£ 1,938,801.00	£ 349,303.31	£ 3,070,780.88	£ 4,594,403.34	£ 1,523,622.46	£ 7,476,926.10

6. Organisational Highlights

- 6.1 A corporate officers group was set up chaired by Richard Hornby (then AD Finance). The group consists of lead officers from each Council service department with the task of co-ordinating the process of monitoring implementation of S106 agreements within their respective departments. The group held two formal meetings in 2005-06 and these are now held regularly on a quarterly basis.
- 6.2 Following a project to link S106 obligations and projects to balances held in Oracle, the quality of reporting on S106 implementation has improved. For the first time, spending departments receive information regarding the amount of money available from various S106 obligations. In turn, the Planning department has a more detailed overview of the current status and progress of S106 funded projects being implemented.
- 6.3 In 2005-06, the Planning Department began work with Lambeth IT to develop an online database that can be accessed through the Council's intranet. This is to further improve communication between Council departments involved in S106 implementation and allow adhoc updates on the progress of various S106 funded projects. As at end March 2006, the work is still on-going. The roll-out of the application is planned during the financial year 2006-07.
- 6.4 In August 2005, the Planning Department produced a Procedure Note that clarified the various aspects of monitoring S106 implementation and the role of the Planning Implementation Team. This was circulated to various Council departments and agreed by the S106 Corporate Officers Group. It will be reviewed and updated in 2006-07 to incorporate procedural changes required by the roll-out of the online database application and the introduction of Oracle's accounts receivable module for chasing S106 money due from developers.