

AM 630/22

NEW FOREST NATIONAL PARK AUTHORITY

AUTHORITY MEETING – 14 JULY 2022

SECTION 106 MONITORING FEES

Report by: Steve Avery, Executive Director

1. Introduction

- 1.1 In December 2019 the Authority agreed a schedule of fees for monitoring s106 legal agreements as per the attached report (Annex 1 – NFNPA 591/19).
- 1.2 As noted in paragraphs 4.7 and 5.2 of the attached report it was intended that the monitoring fees should be reviewed annually from 2021 onwards. The Authority is now in the process of completing a number of s106 agreements for major developments in the National Park that will have significant ongoing monitoring (and resource) obligations to make sure that the terms of the s106 agreements are adhered to and met. This report seeks Members' approval of a revised set of fees as set out below, which have already been endorsed and recommended for approval by Members of the Planning Committee at their meeting last month (21 June 2022).

2. Revised fees

- 2.1 Paragraph 4.2 of the attached report sets out the baseline for calculating the flat rate monitoring fee based on an hourly rate of £35.50. Taking account of intervening inflationary pressures (at a conservative 4%) it is considered reasonable to revise the hourly rate up to £36.90. Using the same formula as before this would equate to a total monitoring fee per covenant of $£36.90 \times 8 = \mathbf{£295.20}$. The bandwidths would remain as before, which with the new rate would be as follows:

	Band 1: 1-5 dwellings or up to 1ha of land	Band 2: 6-10 dwellings or up to 3ha of land	Band 3: 11-49 dwellings or up to 10ha of land	Band 4: 50+ dwellings or more than 10ha of land
Percentage increase	0%	20%	40%	80%
Monitoring fee per covenant	£295.20	$£295.20 \times 1.2 = £354.24$	$£295.20 \times 1.4 = £413.28$	$£295.20 \times 1.8 = £531.36$

- 2.2 It is also proposed that the existing cap of £10,000 for the total amount of monitoring fee per s106 agreement be removed as recent experience has shown that this is not practical and would not allow the Authority to recover its full monitoring costs on more complex and/or larger schemes. For more complex and/or larger schemes a bespoke monitoring fee will be negotiated with the applicant (taking account of the above fees) where the 'flat rate' calculation exceeds £25,000.
- 2.3 All other aspects of the attached report remain relevant and will continue to be applied.

Recommendation:

Members agree the revised schedule of fees for monitoring s106 legal agreements as detailed in this report - with immediate effect.

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Papers: **PC 397/22**
NFNPA/591/19

Equality Impact Assessment: No impacts have been identified.