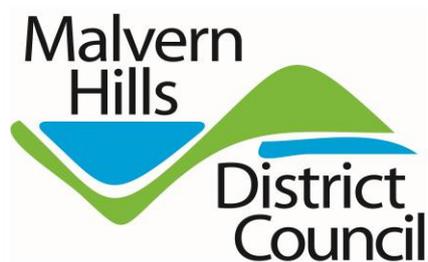

Malvern Hills District Council

Section 106 Fund Guidance Notes

Supporting improvements within:

public open space, sport, recreation and community facilities,
and the public realm



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i. Foreword

These Guidance Notes have been developed to provide all applicants with an understanding of what Section 106 (S106) funding is, how it can be utilised, what the district council's process is for the allocation of S106 funds and how we can provide support to applicants in the completion of an application.

ii. Background to Section 106 Funding

Under S106 of the Town and Country Planning Act 1990, as amended, contributions can be sought from developers to be put towards the costs of providing community and social infrastructure, the need for which has arisen as a result of a new development taking place.

The aim of the S106 Fund is therefore to support and enable local communities to protect and improve open spaces, sport recreation and community facilities and the public realm in order to enhance the quality of life across the Malvern Hills district.

It is important to note that S106 contributions may only be spent on new facilities or improvements to facilities where the new development has, at least in part, contributed to the need for that facility or will have an impact on existing facilities. This often means that funding will normally be invested in facilities based within the same locality or catchment area in which the contributing development is located.

The level of funding contribution is negotiated with developers during the planning application process. However the district council normally only receives the payment of a S106 monies either when the development work commences or more often, when it is partially complete. Following receipt of the payment, the district council promotes the availability of S106 funds to the relevant Town or Parish Council and other community groups where relevant.

iii. How are Applications Assessed?

The district council is the accountable body for the spending of S106 monies that relate to public open space, sport and recreational facilities and the public realm. The district council must therefore allocate all funds in accordance with the S106 legal agreement that the district council will have already entered into with the land owner or developer.

The district council assesses applications and distributes S106 funds through a defined application process as detailed within the enclosed 'S106 Fund Process Map' and 'Application Process Timeline'.

The district council will aim to make a decision within 3 months of receiving the application and will contact you by email or by post to inform you of the progress and final outcome.

iv. Important Information for Applicants

Applicants should:

1. Contact Mark Hammond, Contracts & Development Manager, to discuss your proposed project and to confirm the availability of funding prior to commencing an application, on:-
Email mark.hammond@malvern hills.gov.uk or **Tel** 01684 862291
2. Download the application form from www.malvern hills.gov.uk/section106 to ensure you have the latest version or request a paper copy by contacting Mark Hammond
3. Discuss your proposed project with your ward councillors prior to submitting the application. Visit www.malvern hills.gov.uk for contact details of your ward councillors
4. Ensure that you utilise these guidance notes to support you throughout the completion of an application
5. Ensure you read and complete all questions within the application form fully and where required, submit copies of project plans, quotations, proof of planning permission and confirmation of land ownership with your application form.

Please Note: S106 funding can only be utilised on capital projects and not towards the on going revenue costs of a project.

v. The Application form

The application form is fundamental in the distribution of all S106 funds by the council. The information you provide will allow the council to assess whether your project meets the necessary S106 criteria and is eligible to be considered for funding. If successful, the information you provide within this application will help populate the formal legal funding agreement and so must be accurate to reduce delays at a later stage.

It is preferable that you complete the application form electronically (before printing and signing). If you prefer to use a paper form, please ensure you write clearly in black ink.

The application form is split into five sections covering:

1. your organisation
2. your project
3. project benefits
4. project management
5. project funding

Completed applications should be returned to:

Post	Email
Mark Hammond, Contracts & Development Manager Malvern Hills District Council, Avenue Road, Malvern, Worcestershire, WR14 3AF	mark.hammond@malvern hills.gov.uk <i>Forms completed electronically, must be printed, signed and then scanned before emailing to Mark Hammond</i>

vi. Section 106 Fund Application Process Timetable

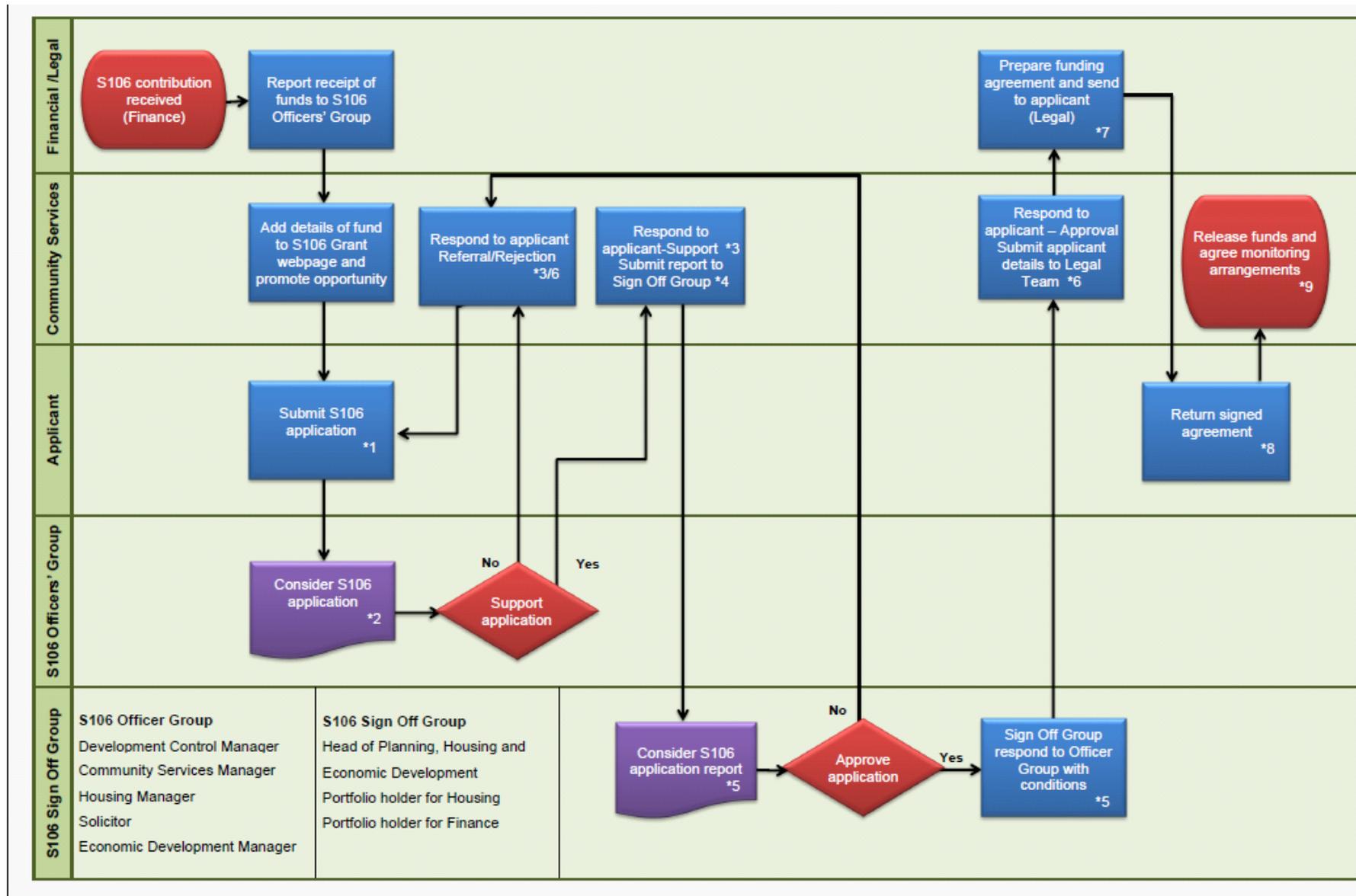
The timetable below details the indicative timeframes for the distribution of S106 funding from the date of receipt of an application to the distribution of funds to the applicant.

Please read this timetable in association with the S106 Fund Application Process Map.

Phase no.	Process phase	Action by	Indicative timeframe
Applicants will receive a decision within 3 months of submitting an application			
1.	S106 Fund application received and acknowledged	Community Services	
2.	S106 Officer Group consider application	S106 Officer Group	8 weeks after receiving application
3.	Respond to applicant with proposal of Officer Group (support / refer / reject)	Community Services	1 week from Officer Group meeting
	Prepare a report on application to Sign Off Group (if supported)	Community Services	
4.	S106 Sign Off Group consider application report and inform S106 Officer Group of decision	S106 Sign Off Group	3 week from Officer Group meeting
5.	Respond to applicant with decision of Sign Off Group (conditional approval / refer / reject)	Community Services	1 week from Officer Group decision
We aim to finalise the funding agreement and release funding within 3 months of a conditional approval			
6.	Draft funding agreement sent to applicant	Legal Services	3 weeks from conditional approval by Sign Off Group
7.	Applicant confirms acceptance of draft funding agreement terms	Applicant	<i>4 weeks from receipt of funding agreement</i>
8.	Funding agreement engrossed	Legal Services	1 week from acceptance of funding agreement
9.	Funding agreement signed and returned by applicant	Applicant	<i>1 week of receiving engrossed agreement</i>
10.	Funding agreement conditions met by applicant	Applicant	
11.	S106 funds released	Financial Services / Community Services	2 weeks from receipt of signed agreement

Please Note: If there are delays with the applicant 'accepting the terms of the draft funding', 'signing the engrossed funding agreement' and/or 'meeting the funding conditions', the council can not guarantee that funding will be released within 3 months of the conditional offer being made.

vii. Section 106 Fund Application Process Map



• Please refer to the **Public Open Space Grant Application Process Timetable** for indicative timescales for each phase.

viii Eligibility

Funding can only be awarded to projects that are located within the Malvern Hills district and fall within one of the following 'Types of Provision' categories:

	Type of Provision	Primary Purpose
Open spaces	Parks and gardens	Accessible, high quality opportunities for informal recreation and community events.
	Provision for children and young people	Areas designed primarily for play and social interaction involving children and young people, such as equipped play areas, ball courts, skateboard areas and teenage shelters.
	Allotments, community gardens and urban farms	Opportunities for those people who wish to grow their own produce as part of the long term promotion of sustainability, health and social inclusion.
	Cemeteries, disused churchyards and other burial grounds	Quiet contemplation and burial of the dead, often linked to the promotion of wildlife conservation and biodiversity.
	Natural and semi-natural green spaces, including urban woodland	Wildlife conservation, biodiversity and environmental education and awareness.
	Amenity green space	Opportunities for informal activities close to home or work or enhancement of the appearance of residential or other areas.
	Green corridors	Walking, cycling or horse riding, whether for leisure pursuits or travel, and opportunities for wildlife migration.
Sports facilities	Outdoor sports facilities (pitch and non pitch)	Participation in outdoor sports, such as pitch sports, bowls and athletics.
	Indoor sports facilities (built facilities)	Participation in indoor sports, such as badminton, swimming and gymnastics.
Community facilities *	Village, church and community halls	Participation in community activities, clubs and societies.
Public Realm	Town centre enhancements to publicly owned streets, pathways and publically accessible open spaces	To support a well designed, easily maintained and inclusive street scape in town centres that provides a prosperous, vibrant and safe environment for the shoppers, visitors, businesses and the wider community.

Funding can only be allocated to 'Not for Profit' organisations, such as:

- Local Authority (District, Town, Parish Council)
- Educational Establishment
- Company Limited by Guarantee with Charitable Status
- Registered Charitable Organisation
- Unincorporated not for profit organisation

*for community facilities projects please refer to para.204 of the National Planning Policy Framework (NPPF)

Application Form Support Notes

1. Organisation Details

Name of lead organisation	What is the full name of your organisation
Address of organisation	What is the full address of where your organisation is located, including post code
Website address	Enter your organisation web address if you have one
When was your organisation formed?	Enter the date that your organisation was formed/created
What is your organisation?	Local Authority (District, Town, Parish Council) Educational Establishment Company Limited by Guarantee with Charitable Status Registered Charitable Organisation Unincorporated not for profit organisation
What is your company / charitable number	Tell us what your company or charity number is, if applicable. We need to see a copy of your organisations constitution if you are an unincorporated organisation
What are the main objectives of your organisation?	Tell us what the main role, function and objectives are of your organisation (Tell us what you do)
List any organisations to which your organisation is affiliated	Tell us about any formal agreements / links your organisation has with any other organisation
List any other organisations who are working with you on the project	Tell us about any other organisations that will be supporting / working with you through the delivery of your project
Name of main contact	Who is your organisations main contact
Position held by main contact	What role does your main contact hold i.e. chairman, secretary, clerk
Address of main contact (if different from organisation)	What is the mailing address for your main contact
Telephone number	What is the telephone number for your main contact
E-mail address	What is the email address for your main contact

2. Project Development

Project title	What is the name of your project
Type of provision	Please see the 'Eligibility' section within these Guidance Notes
Planned start and end date dates	When are you hoping to start and complete the construction/ improvement works of your project? Please Note: S106 funding can not fund projects retrospectively. Please do not apply if you have already commenced your project and do not start your project before receiving council approval to do so.
Tell us about your project?	
Tell us what capital facility developments/enhancement your project consists of (what will you do with the funding) be as detailed as possible. Please provide plans and drawings to describe the project where available. Where is the project located?	
Are there any similar facilities/projects within the area?	
Tell us if there are any similar facilities/projects within the area If so, tell us what and where they are and how they may impact on your project. Tell us if you are able to link in with their project.	
Does your project meet local plans, strategies, aims or objectives?	
Tell us how your project will contribute towards the council's vision, aims and objectives, or any other local plans and strategies i.e. school strategic facility plan, town and parish council plan, health and well being priorities etc.	
How do you know the project has local support?	
Tell us how you have consulted/engaged with the local community about the need for your project i.e. open meeting, questionnaires. Who have you consulted with i.e. current user groups, prospective user groups, staff, local ward members, Governing Bodies etc. Please provide evidence that your project is needed.	
Why is this level of funding required?	
Why do you require S106 funding? Have you secured other funding and require match funding? What would happen if you are not successful, or are awarded a reduced level?	

Is planning permission required for the project?		Yes No (Please circle)
If not, why not?		It is important that you contact the council's planning team to ascertain whether planning permission is required. For further information and to confirm any fees and charges for this advice, visit www.malvern hills.gov.uk/planningadvice If it is required, tell us when the application was submitted and the date permission was granted.
If Yes	Date planning application submitted Note: If not yet submitted, include target date.	
	Date planning permission obtained & application number	

Are you the land owner?		Yes No (Please circle)
If No	What is the name of the landowner	Tell us who the landowner is and when permission was secured to deliver the project. You will need to provide details of land ownership (see Land Registry) for the site where the project is to take place
	Date request for permission submitted	
	Date permission obtained	
	Do you have a lease on the land	
If yes, how many years are left?		

3. Project Outcomes

What groups of people will benefit from the project?	Who will use the facility e.g. children & young people, women and girls, disabled people, sports clubs, etc. Will the project benefit multiple user groups?
How will they benefit?	Tell us how they will benefit i.e. encourage healthy and active lifestyles, social interaction, diversionary activities, no other similar projects available. What new activities will you deliver with the new/enhanced facilities
Where do the project beneficiaries live/come from?	Tell us where the main users live, including the names of parishes. Will the project be accessed by the wider community/neighbouring districts/counties? If so where
How many people do you estimate will benefit per year, following the completion of your project?	Tell us how many people you estimate will benefit from the project per year. Tell us how you calculated the estimated total. Is there any data to support your estimate i.e. census data, previous usage data.
What are the main outcomes of the project?	
Tell us three outcomes you are hoping to achieve that will demonstrate that your project has been successful for instance:- Improvements to the village green leading to increased social engagement. Improvements to a sports facility have led to the development of a new sports club. New/improved provision will lead to increases in the number of active people.	
What will be the key project milestones throughout the delivery of the project?	
Milestones are dates that you have set as deadlines for achieving certain activities/targets during your project. Please list two or three key milestones which will allow you to evidence that your project is successful and that you are meeting your project objectives.	

4. Project Management

How will the facility improvement element of your project be managed?	
Who will make key decisions and monitor the project development? e.g. management committee. Who will be responsible for the day-to-day management of the project? e.g. project manager. What experience and skills does the project team have to manage the project?	
Who will monitor the progress of the project against the objectives and milestones	
Who will be responsible for monitoring the on-going benefits/outcomes of the project	
How will you monitor the progress of the project?	
What methods will be used to monitor, analyse and report on your projects progress? E.g. weekly/monthly meetings, questionnaires, surveys, feedback forms, data collection	
How will you ensure your project is future proof and sustainable?	
How will the project be funded in the future? How will facilities be maintained? e.g. will you set a-side a sinking fund to contribute to on-going maintenance costs?	
How will you market and promote your project to your target audience?	
Tell us how you will communicate your project to your targeted users and wider community. Please Note: If funds are awarded, MHDC will provide guidance on the use of the council's branding and the development of joint press releases.	

5. Project Funding

Is your organisation VAT registered?	Even if you are VAT registered, you should contact the HMRC to confirm your organisations ability to claim VAT on this project. Please Note: the council will not cover the VAT costs, for organisations who are able to reclaim it
Following communication with HRMC regarding this project, are you able to reclaim VAT?	
VAT number (if stated yes to both questions above)	

Expenditure Item	Total Amount (£)	Confirmed / Estimated	Amount requested from S106 (£)
Clearly identify all expenditure items within your project. Specifying the total amount for each expenditure item and the amount which is being requested from the S106 Fund. Please Note: S106 funding can only contribute towards the cost of 'capital works' (project management is eligible). S106 funding can not contribute to the on-going running costs.			
Where possible, provide copies of professional estimates, tenders or quotations. VAT should not be included in these costs if you have confirmed it is recoverable.			
Example project			
Installation of new tennis courts and fences	£70,000	Yes (Provide copy of quote)	£20,000
Repairs to the current car park	£20,000	No – currently estimated	£0 – Repairs are not eligible for funding
Project management fees	£5,000	Yes (Provide copy of quote)	£2,000 - management fees are eligible
TOTAL ex VAT	£95,000		£22,000
TOTAL inc VAT (if not recoverable)	£114,000		£27,000

Partnership Funding

Funding Sources	Amount (£)	% of Total Amount	Secured / Unsecured	Date secured / Expected decision date
Tell us how you intend the fund the project. What other funding sources you are applying to and have they been secured. Please provide evidence for all secured funding.				
Organisations fundraising	£10,000	9%	Secured	01/01/2013
Lottery funding	£62,000	54%	Secured	01/01/2013
S106 funding	£27,000	24%	Unsecured	TBC
Parish Council Funding	£15,000	13%	Secured	01/02/2013
TOTAL	£114,000	100%		

Whilst it is not mandatory, match funding and in-kind contributions are actively encouraged and will be assessed favourably as there will be an increase in value for money from the funds. Additional contributions also evidence wider partnership support and commitment to the scheme and help increase project sustainability. In-kind contributions can be in a range of forms such as equipment, materials or volunteer hours.

6. Check List

Please complete the checklists to confirm that you have completed the application form correctly and provided all the required information to the council.

7. Declaration

Applications will not be assessed if the declaration has not been signed by the applicant.

8. Feedback

Please provide feedback so that the council can review the application process and make improvements where appropriate.

9. Data Protection Law

We will hold, process and store your information in accordance with Data Protection Law. For more information please see our privacy notices on our website.