

Report of:	Head of Economic Prosperity
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Portfolio Leader:	Economic Development & Planning
Key Decision:	No
Report Track:	Cabinet: 14/03/19

CABINET
14 MARCH 2019
APPROVAL TO SPEND S106 MONIES: HATHERTON CANAL

1 Purpose of Report

- 1.1 To seek Cabinet approval to spend a S106 contribution towards the restoration of the Lichfield and Hatherton Canal.

2 Recommendation(s)

- 2.1 That Cabinet agree to transfer the uncommitted S106 funds to the Revenue budget, to allow the £10,000 to be transferred to the Lichfield and Hatherton Canals Restoration Trust (LHCRT), to allow them to commission a water supply study on the proposed restoration of the Hatherton Canal.
- 2.2 That the Head of Economic Prosperity be authorised to negotiate and enter into any agreement with the LHCRT, in consultation with the Economic Development and Planning Portfolio Leader.

3 Key Issues and Reasons for Recommendations

Key Issues

- 3.1 The Council has supported the principle of restoration of the Hatherton Canal, as promoted by the Lichfield and Hatherton Canals Restoration Trust (LHCRT), over many years.
- 3.2 This Council originally safeguarded a route in the Local Plan for the proposed restoration of the Hatherton Canal, including a new alignment, in 1997 and since this time have continued to support the Trust's long term plans, through the Development Plan process, in partnership with adjoining authorities including, South Staffordshire District, Walsall MBC and Lichfield District.

- 3.3 From discussions with these partners and other key stakeholders, including Natural England and the Environment Agency, it became apparent that water supply for a restored canal was a key outstanding issue. The unspent S106 funds, will therefore allow the Trust to commission a water supply study that will allow this matter to be investigated.

Reasons for Recommendations

- 3.4 To allow the S106 contribution to be used for its intended purpose, to facilitate the restoration of the Hatherton Canal.

4 Relationship to Corporate Priorities

- 4.1 This report supports the Council's Corporate Priorities as follows:

- (i) This report will contribute specifically to 'Promoting Prosperity' – contributing to creating a positive environment in which tourism and economic regeneration are promoted, through the development of tourism and economic development related to the restoration of the Hatherton Canal, which together with the proposed Lichfield Canal restoration, would create a new circular canal route to the north of the conurbation.
- (ii) 'Community Wellbeing,' – contributing to opportunities for healthy and active lifestyles; sustaining safe and secure communities and promoting attractive and healthy environments.

5 Report Detail

- 5.1 The S106 funds, dates back to 29 February 2008. The £10,000 contribution is "towards the restoration and reinstatement of the Lichfield and Hatherton Canal,"
- 5.2 A series of meetings took place with key stakeholders involved in restoration of the Hatherton Canal from 2007 onwards, including this Council, South Staffordshire District Council, the Environment Agency, Natural England, British Waterways (now the Canal and River Trust), Walsall Council, Lichfield District Council, Staffordshire County Council and the LHCRT.
- 5.3 From these meetings, two key issues emerged from Natural England and the Environment Agency, relating to water supply and restricting access to the Cannock Extension Canal, which is a Special Area of Conservation (SAC), European ecological status. The latter is for future resolution.
- 5.4 The canal as originally built, abstracted its water supply from Chasewater. However, on ecological grounds, this is no longer an option. From recent discussions with the LHCRT, it has been suggested that they resolve the outstanding issues of water supply for a restored Hatherton Canal. Not only would this assist the Trust in establishing the technical feasibility of restoring the canal, it would also assist the Council, in safeguarding a protected route in the emerging Cannock Chase Local Plan review, should this issue emerge at the future Examination. The Trust has already had to commission a similar study for the Lichfield Canal.

- 5.5 On receipt of the S106 funding, the LHCRT will need to undertake a formal Hatherton Canal Water Supply Study.
- 5.6 The objective of the work is to quantify the potential Water Supply Demand (WSD) and identify the Water Supply Sources (WSS) to enable the restored Hatherton Canal to be used for navigation. The following needs to be addressed for the WSD: 1. the water volume required to fill the canal upon completion and at different phases of the restoration; 2. water losses due to evaporation, leakage through canal base and lock gates; 3. water required to operate the canal (lockage water); 4. changes in WSD due to climate change scenarios, deterioration of infrastructure and changes in canal traffic. The subjectivity of assumptions and the subsequent impacts of these scenarios will be addressed through sensitivity analysis;
- 5.7 Once the WSD has been determined, a WSS assessment will be required in order to determine the location and potential of the sources of water needed to fill and operate the canal. On transfer of the funding the LHCRT will assume responsibility for procuring and managing consultants, which will be dealt with through a separate legal Agreement between the Council and the Trust. Key partners will need to receive and endorse the final report.

6 Implications

6.1 Financial

The S106 receipt referred to in the body of the report is held within the Council's Revenue reserves and available for allocation as requested.

6.2 Legal

The sum of £10,000 was paid to the Council under the terms of a Section 106 Agreement dated 29 February 2008 which provides that the sum is to be used as a "contribution towards the restoration and reinstatement of the Lichfield and Hatherton Canal". In using the money for the purpose set out in the report the Council will be complying with the terms of the Section 106 Agreement.

6.3 Human Resources

None.

6.4 Section 17 (Crime Prevention)

None.

6.5 Human Rights Act

None.

6.6 Data Protection

None.

6.7 Risk Management

Expenditure will be dependent on the LHCRT commissioning a Water Supply Study, with a third party.

6.8 Equality & Diversity

None.

6.9 Best Value

None.

7 Appendices to the Report

None.

Previous Consideration

None

Background Papers

None.