

Section 106 Obligations

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Purpose of the Report

Section 106 Officer to provide information on signed Section 106 agreements relating to development within Area West. Agreements containing financial contributions will be presented within the monitoring report (Appendix A), however if any further detail was required on any other agreement it was agreed that this would be undertaken directly with the officer.

Public Interest

Section 106 Obligations are a key aspect of most major planning development approvals granted by the Authority however they are also necessary to provide additional control in relation to smaller schemes. The items captured within Section 106 Obligations usually deal with the additional infrastructure costs that will be incurred within the area of the Authority arising from the completion of a development. Depending on the scale of the proposed development the sums of money associated with a Section 106 Obligations can be considerable.

This may take the form of changes to highways, contributions toward increased schools provision, creation/maintenance of open spaces, recreational areas and so on. The costs arising from these are often significant and require negotiation and settlement between officer and the developer, through the use of nationally agreed formulae.

There is a variety of ways in which these requirements can be delivered. Normally the developer makes a payment to allow the relevant authority to provide the requirement e.g. Schools or Play areas. Alternatively, the developer may be charged with completing the work directly for example a new highway junction.

By their very nature Section 106 Obligations require specified actions/payments to take place within a pre-defined timescale or event (known as 'triggers') and it is essential that the Section 106 officer has a system and processes in place that ensures the agreements are effectively managed.

Members will appreciate that the level of contribution that was secured from each development was dependent upon several factors, particularly the 'formula' that was being used for calculating the Sports, Arts and Leisure, Education and Highway contributions at the time of each application. It is also important to emphasise that it is very difficult to make meaningful comparisons between obligations that were sought on different developments, as each scheme has to be considered on its own merits.

Recommendation

That Members note and comment on the report and verbal update and endorse the actions taken in respect of the monitoring and managing of Section 106 Planning Obligations.

Background

A Section 106 Officer was appointed on 1 April 2010. This post sits within the planning team with the specific responsibility for ensuring that all requirements of S106 obligations, including the collection and spending of financial contributions are monitored and managed.

Additional Information

Since my last report there have been two significant legislation changes that will affect the way that we are able to seek financial planning obligations in the future:

Contributions from schemes of 10 dwellings or less

National Planning Policy Guidance was released in November 2014 stated that financial planning contributions should not be sought from developments of 10 units or less, and which have a combined gross floor space of no more than 1000sqm. Some planning obligations may still be required to make a development acceptable in planning terms. For schemes where a threshold applies, planning obligations should not be sought to contribute to affordable housing or to pooled funding "pots" intended to fund the provision of general infrastructure in the wider area. Authorities can still seek obligations for site specific infrastructure, such as improving road access and the provision of adequate street lighting where this is appropriate to make a site acceptable in planning terms. There is also potential to request specific items of play and youth facility equipment if it can be clearly evidenced and demonstrated that it can be delivered solely by that scheme.

CIL Regulations (2011, amended 2013 & 2014)

From April 2015, no more contributions may be sought/collected in respect of a specific infrastructure project or a type of infrastructure through a S106 agreement if 5 or more obligations have been entered into since April 2010 and it is a type of infrastructure that is capable of being funded by CIL.

In Area West this legislation change will mean that no more contributions will be sought for the Octagon Theatre or the Indoor Tennis Centre in Yeovil through future application processes.

Projects

Members may wish to note that the main projects delivered/under way or priorities as a result of appropriate collected S106 monies are:

Chard

- New changing facilities at Jocelyn Park, quotes for the work have now been received and possible project being discussed.
- Pitch improvements to the outfield at Chard Cricket Club.
- Resurfacing of the AGP at CRESTA
- New floodlight project at Chard tennis courts.

Crewkerne

- Town Council working on a strategy to improve playing pitch provision.

Iminster:

- Delivery of master plan at the Recreation Ground to deliver improved play area, youth facilities, changing rooms and playing pitch facilities.

Partnership funding has been secured from Sport England and the Football Foundation and an individual has been appointed to oversee the tender process.

- Play provision and enhancements to Winterhay Lane play area expected to be completed by this summer.

Financial Implications

No direct financial implications from this report however members will be aware that ineffective management of planning obligations does have the potential to require the district council to refund contributions to developers.

Corporate Priority Implications

The effective management of planning obligations will be beneficial in achieving all of the Councils Corporate Priorities

Carbon Emissions and Climate Change Implications

Section 106 Planning Obligations have a key role in delivering sustainable communities thereby contributing to a reduction in carbon emissions and helping to adapt to climate change.

Equality and Diversity Implications

Section 106 Planning Obligations have a key role in delivering sustainable communities thereby ensuring access to facilities, homes and services for all members of our community.

Background Papers

Section 106 Monitoring report (attached)