

## **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**

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.

## **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

- Improvements to Snowden Park planned for 2017. Sketch designs produced. In dialogue with lease of the land.
- Streetscene to clear and reinstate Plot 5, Jarman Way to create a new area of open space.
- Feasibility work be undertaken whether existing pool at CRESTA can be improved or a future new pool.

### Crewkerne

- New Skate Park completed September 2016, at Happy Valley.

### Iminster

- Main priority to deliver master plan to develop play area, youth facilities, changing facilities and playing pitches at the Recreation Ground.
- Improvements to the cricket pavilion.
- Football pavilion at Shudrick Lane.
- Improvements to the play area at Winterhaye Lane.

### Misterton

- Play area plans approved.

### Merriot

- Parish Council undertaking review of community facilities.
- Community Hall to improvements.

## **CIL (Community Infrastructure Levy)**

The Community Infrastructure Levy (CIL) was introduced by the Planning Act (2008) and is defined through the Community Infrastructure Levy Regulations 2010 (as amended). It is intended to establish a clearer, more certain process for collecting contributions from development to help deliver infrastructure improvements.

The CIL is payable on new residential development and new retail floor space in out of town centre locations. It will be charged by South Somerset District Council, and money received will be collected by the District Council.

Under the terms of the CIL Regulations, 15% of the monies received would automatically be passed to the Parish or Town Council where the development occurred.

South Somerset approved a CIL Charging Schedule on the 17th November 2016. At the same time, it was agreed that CIL would be implemented from the 3rd April 2017. For clarity, the approved Charging Schedule is set out below.

<b>Type of Development</b>	<b>Levy Rate</b>
<b>Yeovil Sustainable Urban Extensions</b>	£0 (zero) per square metre
<b>Chard Eastern Development Area</b>	£0 (zero) per square metre
<b>All Other Residential Development</b>	£40 per square metre
<b>Convenience-based Supermarkets and Superstores, and Retail Warehouse Parks (outside of defined Town Centres and Primary Shopping Areas)</b>	£100 per square metre
<b>All Other Uses</b>	£0 (zero) per square metre

A number of internal changes within the Council are required to ensure that the Charging Schedule and the levy are implemented effectively. This includes adopting new IT software; integrating working practices between planning, legal, and finance teams; and establishing new governance arrangements for the management and spending of monies accrued via the levy.

### **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 & 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: None**

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