

**Subject:** Section 106 Agreements Update **Status:** For Publication

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**Report to:** Performance Overview and Scrutiny **Date:** 4<sup>th</sup> March 2009

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**Report of:** Executive Director – Business

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**Portfolio**

**Holder:** Portfolio Holder for Regeneration

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**1. PURPOSE OF REPORT**

1.1. To update Members on the progress and current situation, with regard to Section 106 Agreements issued with planning permissions throughout Rossendale.

**2. CORPORATE PRIORITIES**

2.1. The matters discussed in this report impact directly on the following corporate priorities and associated corporate objective.

- Delivering Quality Services to Customers (Customers, Improvement)
- Delivering Regeneration across the Borough (Economy, Housing)
- Keeping Our Borough Clean and Green (Environment)
- Promoting Rossendale as a cracking place to live and visit (Economy)
- Improving health and well being across the Borough (Health, Housing)

**3. RISK ASSESSMENT IMPLICATIONS**

3.1. There are no risks arising from the recommendation(s) in this report.

**4. BACKGROUND AND OPTIONS**

4.1. Section 106 Agreements are issued as part of planning permission for developments which will create increased demand on services or facilities. The agreements bind the developer and land owner into a legal agreement with the Council to contribute towards improvements or make additional provision for the services and/or facilities upon which the development will impact, or are considered to be necessary to make the development acceptable.

4.2. Such legal agreements or Planning Obligations have been included in Planning Legislation in their current form (Section 106 Agreements) since the Town and County Planning Act 1990.

- 4.3. During this period, the Council entered into many agreements with developers and a database has since been designed to store all information pertaining to Section 106 Agreements (Planning Obligations) to enable continual monitoring.
- 4.4. Section 106 agreements have “trigger” dates for payment of sums due under the agreement, e.g. first occupation, prior to implementation of the planning permission. The Council monitors progress on site to determine whether the “trigger” dates have been met. If they have, an invoice is sent out to the developer and the matter proceeds through the Council's debt recovery process.
- 4.5. As Section 106 Agreements are directly linked to planning applications, the database is maintained by the Forward Planning section as a significant part of their role is to monitor the progress and implementation of planning permissions. As a result of the database and monitoring efforts, a number of developers have been invoiced for monies due under Section 106 Agreements.
- 4.6. In the last 2 years the Council has reviewed its processes in relation to Section 106 Agreements and recovery of money. This followed the issues relating to the 11 Section 106 Agreements which were required to be taken back to Committee due to changes in planning considerations.
- 4.7. As a result a review an action plan was agreed (via the Overview and Scrutiny Committee) and implemented and all Section 106 Agreements now have completion statements which are sent to Building Control, Finance, Legal and Planning to ensure all units are aware of what has been agreed on sites in the Borough.
- 4.8. Together with the database and monitoring efforts, a Section 106 Action Group has been set up to share knowledge of Section 106 Agreements and also information on individual sites/ developments and progress with the delivery of the agreements.
- 4.9. In addition to this, a working group will be set up, to consist of Members from all parties to review the progress being made on the subject of Section 106 Agreements.
- 4.10. Attached is a breakdown of Section 106 Agreements entered into by the Council and various developers over the last ten years.

#### **COMMENTS FROM STATUTORY OFFICERS:**

#### **5. SECTION 151 OFFICER**

- 5.1 Section 106 funding represents a significant opportunity in resourcing and improving environmental schemes and works across Rossendale.

#### **6. MONITORING OFFICER**

- 6.1 It is important that the Council has clear procedures for monitoring Section 106 Agreements, and payments to ensure recovery of sums due.

**7. HEAD OF PEOPLE AND POLICY**

7.1 No comments.

**8. CONCLUSION**

8.1. Work is continuing on improving the implementation, monitoring and invoicing of planning obligations through inter-departmental knowledge and information sharing, as well as available best practice guidance.

**9. RECOMMENDATION**

9.1. To note the attached report on Section 106 Agreements entered into by the Council over the last ten years.

**10. CONSULTATION CARRIED OUT**

**11. EQUALITY IMPACT ASSESSMENT**

Is an Equality Impact Assessment required No

Is an Equality Impact Assessment attached No

**12. BIODIVERSITY IMPACT ASSESSMENT**

Is a Biodiversity Impact Assessment required No

Is a Biodiversity Impact Assessment attached No

<b>Contact Officer</b>	
Name	Caroline Ridge
Position	Assistant Planner
Service / Team	Development Control
Telephone	01706 238627
Email address	Carolineridge@rossendalebc.gov.uk

Background Papers	
Document	Place of Inspection
Breakdown of Section 106 Agreements entered into by the Council in the last ten years.	Attached.