

Report of	Meeting	Date
Corporate Director Business	Executive Cabinet	25 June 2009

S106 AGREEMENTS – INVOLVEMENT OF PARISH COUNCILS

PURPOSE OF REPORT

1. To review the S106 process and identify how Parish Councils can be involved in the process, particularly in relation to the needs of their local community.

RECOMMENDATION(S)

2. That the process for consulting on planning applications and associated S106 Agreements, together with the establishment of a Play and Recreation Fund, be endorsed for discussion and consultation at the next Borough/Parish Liaison meeting on 15 July 2009.
3. That, provided no issues of major significance are raised at the Borough/Parish Council Liaison meeting, the Corporate Director (Business) be authorised to approve the recommended consultation process.

EXECUTIVE SUMMARY OF REPORT

4. There is a need to identify play and recreation provision improvements within the Borough and find funding solutions to enable these to be provided. The Councils requirement to pay a fixed fee per house on smaller schemes does potentially provide the option for Parish Councils or other bodies, including Chorley Council, to utilise some of the money and provide good value by attracting external funds to complete the projects that will provide benefit to the local community.
5. A mechanism for consulting with Parish Councils and other bodies needs to be identified and a fund for play and recreation provision with an application pack can be provided to enable and assist the application process

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

6. There is significant value that can be gained for the community in identifying needs and priorities for all areas, this has to be tempered with the development industries ability to fund any benefits and the ability of the Council to require certain benefits to be provided.
7. The involvement of the Parish Councils in the S106 process will ensure that the needs of the local community can be identified and any money can be effectively distributed.

CORPORATE PRIORITIES

8. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances	4	Develop the Character and feel of Chorley as a good place to live	4
Involving people in their communities	4	Ensure Chorley Borough Council is a performing organization	

BACKGROUND

9. A number of planning applications are subject to S106 agreements. These are legal requirements which are used to mitigate the impact of a development when a planning condition cannot be used – and related to projects which will be funded by the developer. S106 agreements have to be related to the development proposed and there is case law and guidance on what they can include and what issues are considered illegal.
10. With regards large scale planning applications there are usually a number of requirements eg affordable housing, transport/infrastructure and play and recreation requirements, which can be provided either on or off site depending on the nature of the development. The review of play and recreation space currently being undertaken by the People Directorate will feed into this and help identify priorities across the Borough; as will the Neighbourhood Action Plans
11. In addition the Council approved a policy some years ago requesting for a contribution towards play and recreation of £2,526 for each new dwelling

PARISH COUNCIL INVOLVEMENT

12. The Parish Council's wish to have an input into the S106 process with regards identifying what should be included in the agreement and how it should be spent. With regards what should be included in the S106 this can be done at the same time the Parish Council's are consulted on applications similar to other organisations eg Lancashire County Council. In order that any requests can be incorporated into the S106 agreements they need to be identified early so that they can be included in any negotiations and should be supported by evidence.
13. The majority of the large scale applications and associated S106 agreements are subsequently presented to Development Control Committee for approval.
14. The play and recreation contribution is a fixed amount and is automatically applied. This money is used for the provision and maintenance of play and recreation facilities. These are small amounts of money and on their own are insufficient to fund a new play area, and some rural areas which have no development do not have access to these funds at all. It is therefore proposed that the S106 agreement on developments below 15 properties should state that it is a borough-wide contribution for the provision, maintenance of play and recreation and would not be limited to the locality.

ALLOCATION OF S106 MONEY

15. The payment of S106 money to the Council, and when it is paid, is included in the agreement and can be spread over a period of time particularly in relation to large schemes. When the Council has received the money and there is some flexibility as to how or where it should be spent it is proposed that it should go through a twice yearly bidding

process which will be subject to Executive Cabinet approval. Any bids will need to cover a number of factors including amounts required; leverage; need; value for money; engagement with children and young people; maintenance arrangements timing of expenditure and an outline of what will be funded. Chorley Council, Parish Councils and other appropriate community groups who provide play and recreation facilities, will be invited to submit schemes which can be considered for funding. These will be assessed alongside schemes identified in the Neighbourhood Action Plans and the Review of Play and Recreation Space.

CONCLUSION

16. These proposals form part of the initiatives we are putting in place to manage and monitor S106 agreements and ensure that they fulfil their objective which is to help mitigate the impact of the development. In addition the application process will help ensure that any available funds are spent in a fair and equitable way.

COMMENTS OF THE ASSISTANT CHIEF EXECUTIVE (BUSINESS TRANSFORMATION AND IMPROVEMENT)

17. Whilst the sums individually are insignificant they can add up over a period. At present there is a sum of just over £100k which has been received but has not yet been allocated to schemes, pending this proposal.

The report outlines that engaging other partners in the process of allocating the costs would ensure that some leverage is found this of course will need to be balanced against the demands the Council has to manage and maintain its own play facilities.

JANE MEEK
CORPORATE DIRECTOR (BUSINESS)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Jane Meek/Paul Whittingham	5285/5349	19 May 2009	D&RREP/S106