

Report of	Meeting	Date
Introduced by the Executive Member for Business (Introduced by the Executive Member (Business))	Executive Cabinet	3 December 2009

SECTION 106 AGREEMENTS FOR OPEN SPACE – INVOLVEMENT OF PARISH & TOWN COUNCILS

PURPOSE OF REPORT

1. To update members on the outcome of consultation with Parish & Town Councils on S106 agreements and the allocation of funds for the Play and Recreation Fund.

RECOMMENDATION(S)

That Parish and Town Councils and appropriate Community Groups be formally invited to submit bids alongside those from Chorley Council for a programme of expenditure to be considered by Executive Cabinet.

EXECUTIVE SUMMARY OF REPORT

2. On 25 June 2009, members endorsed consultation with Parish & Town Councils on proposed arrangements for their involvement in consultation on planning applications involving Section 106 contributions for open space, together with the establishment of a Play & Recreation Fund. The Corporate Director (Business) was given delegated authority to approve the proposed arrangements on the provision that no issues of major significance were raised at the consultation meeting.
3. A summary of the consultation responses from the Town and Parish Councils is appended to this report (Appendix A). The majority of the Councils support the proposal. However there is a difference of opinion between some Councils as to who should have access to the funds. One Council is of the view that the contributions should remain in the area they are generated from, while others feel that all Councils should be able to bid for the funding. In view of the fact that funding generated by the larger schemes will be ring fenced for the area they are situated in and that some areas will have no schemes it is proposed that all Councils should be able to bid for the funds.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

4. The involvement of Parish & Town Councils in the Section 106 process and a suitable fund will ensure that the needs of the local community can be identified and contributions effectively distributed.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. As proposed by Parish & Town Councils.

CORPORATE PRIORITIES

6. 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	√	Develop the Character and feel of Chorley as a good place to live	√
Involving people in their communities	√	Ensure Chorley Borough Council is a performing organization	

BACKGROUND

7. Members will recall that the Council has the power to enter into a Section 106 agreement (otherwise known as a planning obligation) with a developer to mitigate the impact of a proposed development that cannot be otherwise controlled through planning conditions. Section 106 agreements must relate directly to the proposed development, and there is detailed guidance and case law on what such agreements can legitimately include or address. Such contributions can be made by developers for off site or on site provision.
9. It was proposed that the S106 Agreement on developments below 15 properties should state that it is borough wide contribution for the provision, maintenance of play and recreation and would not be limited to the locality.
10. 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 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.

CONSULTATION RESPONSES

11. Following concerns from Parish & Town Councils, on 25 June 2009 the Executive Cabinet endorsed a proposal for consultation designed to overcome concerns about meeting local needs for play and recreation, and to ensure a more effective means of distributing any funds
12. A summary of consultation responses from 14 Town & Parish Councils is appended to this report, together with the Council's proposed response. Almost all councils support the proposal. There are 2 key issues of major significance:
 - the principle of a corporate pot – only one council (Adlington) rejects the proposal completely, and takes the view that contributions should remain in the area they were generated from
 - the allocation of funds to the corporate pot - one Council (Euxton) suggests 50% of contributions should be allocated to the corporate fund; another (Whittle-le-woods) suggest that the Parish/Town Council should have first claim on the contributions, and

should a proposed scheme be rejected, the contributions would then be allocated to the corporate pot.

CONCLUSION

13. There is a significant majority of support for the proposal, and a mechanism for delivering open space through off site contributions is needed, else funds may be returned to developers.
14. Alternative suggestions on the allocation of funds to the corporate pot have been considered. The establishment of a more managed programme of bids together with a suitable bidding process will ensure a more inclusive approach.

IMPLICATIONS OF REPORT

15. This report has implications in the following areas and the relevant Corporate Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	√

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