# Item no.

Report to: **Development Control and Regulatory Panel** 

Date: **16 December 2008** 

All

Report of: Head of Planning and Building Control Services

Subject: Section 106 Agreements – Quarterly Update

Ward:

## **1.0 Purpose of the report**

1.1 To provide a fourth quarterly update on progress made in collecting and distributing funds through Section 106 agreements.

### 2.0 Background

- 2.1 Policy 66 of the Local Plan requires housing developers to provide adequate provision for children's play space and outdoor recreation space in relation to new housing developments of 10 or more dwellings. Where this cannot be achieved at the development site, the developer is normally required to enter into a Section 106 Agreement in order to provide offsite facilities and therefore to conform to relevant Planning policy.
- 2.2 Developers have 3 years to commence development after planning permission is granted. This means that expenditure of funds secured through a Section 106 Agreement depends on how quickly development commences at the site.
- 2.3 The Local Parish and Town Councils are usually responsible for provision and maintenance of recreation and play facilities and are informed when planning permission is granted. They are advised of the availability of funding and are asked to submit proposals for approval by the Panel so that the District Council can authorise the release of funds. The Planning Service has put in place monitoring arrangements to ensure early communication with the Parish and Town Councils and regular reminders are provided to ensure that funds received, are immediately made available for release.
- 2.4 Since the last quarterly update, further reminders have been circulated and the majority of Parish and Town Councils have been in contact to advise that they are in the process of preparing proposals for consideration by the Panel. A total of nine schemes have been approved at Peterlee, Easington Village, Easington Colliery, Trimdon, Castle Eden, Murton and Wingate. Several schemes are being prepared in other areas and will be brought forward for consideration by Members as soon as formal bids are submitted. As you may recall it was reported last time that Developers paid an unusually large proportion of money owed from outstanding Section 106 Agreements. Consequently although no contributions have been received from Developers this quarter this is not considered to be a concern. No Section 106 Agreements have been signed since the last quarterly update although it is expected one will be signed imminently.
- 2.5 It is considered that excellent progress has been made this quarter given that  $\pounds$ 375,679.86 has been released in comparison to the combined total of  $\pounds$ 124,285 from the previous three quarters. Given that no new agreements

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have been secured since the last report this has resulted in a significantly larger proportion of funding being released when compared to the total amount of funding secured. Although this progress is encouraging concerns are still raised given that there is in excess of £475,000 from Parishes across the District still waiting to be allocated to suitable schemes. It is anticipated however, following a further round of consultations with the Parishes, that several requests will be received within the coming weeks. This should help the recent positive trend of releasing funding to suitable schemes to continue.

#### 3.0 Implications

#### 3.1 Financial

There are some financial implications to be taken into consideration when deciding how best to manage the funds that are currently available. The Agreements do not normally specify a time frame by which the money has to be expended although the community benefits should be realised as quickly as possible. Reminders are now being forwarded to the Town and Parish Councils on a regular basis.

#### 3.2 Policy

Policies in the District of Easington Local Plan (Policy 66, Provision of outdoor play space in new developments) have been taken into consideration in preparing this report. However, it would be appropriate to update current procedures for commuted sum payments and a further report will be prepared for consideration by the Panel in the near future.

#### 3.3 Communication

The appropriate Town and Parish Councils have been made aware of funds currently available and regular updates are provided.

3.4 Similarly developers are reminded of their financial commitment and payments sought once development has commenced.

#### 4.0 Recommendation

5.1 Panel is requested to note the contents of this report.

#### Background Papers

The following background papers have been used in the compilation of this report.

Section 106 Register District of Easington Local Plan

Graeme Read

Graeme Reed Head of Planning and Building Control