

Agenda Item

Meeting:	Development Control Committee
Date:	Wednesday 26 July 2006
Subject:	Retrieval of Planning Support Charge for Section 106 Agreements
Responsible Officer:	Andy Parsons, Head of Planning
Contact Officer:	Les Simpson, Service Manager Development Control
Portfolio Holder:	Councillor Marilyn Ashton
Key Decision:	No
Status:	Public

Section 1: Summary

This report seeks agreement to introduce a support charge to facilitate the processing and monitoring, by the Planning Group, of Section 106 agreements.

Decision Required

Recommended (for decision by the Development Control Committee)

- 1 The Committee agree the introduction of a charging structure for technical and support costs incurred within the Planning Group, for the processing and monitoring of Section 106 agreements - such charge to be 5% of the overall cost value of the agreement up to a maximum of £50,000, or, in the absence of any monetary value arising from the agreement a flat rate of £500.
- 2 The Committee agree that such charges be included as a specific head of agreement in all future proposals to grant planning permission subject to legal agreement.

Reason for report

To agree a charging structure that will allow Harrow Council to monitor Section 106 agreements effectively and efficiently, by reflecting the cost of Officer time involved. The levy of the proposed charge will allow the Officers to process and, more significantly, monitor the Section 106 agreements to ensure compliance with the agreed terms and timeliness in progressing developments agreed by the Development Control Committee.

Benefits

To enhance the environment of the Borough.

Cost of Proposals

The resources with which to administer such monitoring and processing work are not currently covered within the current service budget. The proposals would provide income to facilitate the monitoring and finance recovery process.

Risks

There is a statutory requirement to maintain a register of Section 106 agreements, but there is no comprehensive system in place to monitor or track the progress of Section 106 agreements. This situation is unsustainable in the present financial and economic climate and could leave the council open to challenge.

Implications if recommendations rejected

See Risks comment above.

Section 2: Report

2.1 Brief History

- 2.1.1 The Town and Country Planning (General Development Procedure) (Amendment) (England) Order 2002 required Local Planning Authorities to maintain a register with details of any planning obligations or agreements. In essence this is simply an extension of the existing statutory register of planning applications.
- 2.1.2 There is a more pressing need, and has been for some years, to be able to track and monitor legal agreements, to ensure compliance with the heads of terms and to be able to accurately account for all the requirements including any financial provisions.
- 2.1.3 This element has been difficult to resource but is now a pressing requirement, in the light of the current financial and economic climate. Two attempts have been made during the last 18 months to appoint a Section 106 Monitoring Officer and this has proved unsuccessful. An interim step is therefore to finance an in-house resource that will allow the group to monitor and audit the whole process and to ensure appropriate progress on agreed developments.

2.2 Options Considered

- 2.2.1 The proposal is therefore to levy a reasonable administrative charge to help finance the processing and monitoring of section 106 agreements. There would be significant benefits arising from such a resource, principally the ability to progress developments in accordance with planning permissions, whilst achieving all the objectives of the legal agreement in a timely manner.
- 2.2.2 It is proposed that a standard charge of 5% of the overall cost value of the agreement up to a maximum of £50,000 be levied on planning applicants through the terms of the legal agreement. In the absence of any monetary contribution in the terms of agreement a flat rate fee of £500 be charged. These charges will be identified as an additional head of agreement in each case.

2.3 Conclusions

- 2.3.1 The proposed charge is considered to be a reasonable reflection of the officer effort involved in dealing with Section 106 agreements.

2.3 Consultation

- 2.3.1 None undertaken.

2.4 Financial Implications

2.4.1 There is a potential loss of revenue to the Council if we do not monitor legal agreements effectively within the agreed timeframes.

2.5 Legal Implications

2.5.1 Contained within report.

2.6 Equalities Impact

2.6.1 The proposed charging structure would reflect the diverse elements within the borough.

2.7 Section 17 Crime and Disorder Act 1998 Considerations

2.7.1 None

Section 3: Supporting Information / Background Documents

None