

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 12 April 2016
Report of: Director of Legal Services and Monitoring Officer
Subject/Title: Jobs Regeneration and Assets Overview and Scrutiny Committee - Section 106 Agreements Task and Finish Group Report
Portfolio Holder: Councillor Ainsley Arnold

1.0 Report Summary

- 1.1 This report introduces the Section 106 Agreements Task and Finish Group's (the Task Group) Report on its findings, conclusions and recommendations following its review.

2.0 Recommendations

- 2.1 That Cabinet receive the Task Group's Report (attached).
- 2.2 That Cabinet note the Task Group's recommendations, which are contained in the attached report at page 3, section 2.1.
- 2.3 That a response to the Task Group's report be submitted to the Jobs Regeneration and Assets Overview and Scrutiny Committee at its meeting on 18 July 2016.

3.0 Reasons for Recommendations

- 3.1 The Task Group was established to consider how Member Involvement in Section 106 agreements could be improved; and ensuring that the involvement of Members is effective in providing better outcomes for communities. The Task Group's findings and recommendations are provided to advise Cabinet and Officers in the development of future strategies and services.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications

- 6.1 The Task Group's report provides recommendations that may effect some of the Council's policies in relation to: planning, member training, and communications.

7.0 Financial Implications

- 7.1 Full consideration of financial implications is not required at this stage.

8.0 Legal implications

- 8.1 Full consideration of the legal implications is not required at this stage.

9.0 Risk Management

- 9.1 Section 106 Agreements are legal agreements between the Council and developers, if these agreements are not developed effectively then the Council may not be able to claim funds from developers for community projects. Many Section 106 Agreements also have deadlines for when the funds must be spent by therefore there is a risk of losing funds through ineffective processes.
- 9.2 A lack of understanding of the Section 106 Agreements process among councillors, town and parish councils and the public may lead to misunderstanding about decisions that have been made or money that is being spent which can lead to reputational damage for the Council.

10.0 Background

- 10.1 Members of the Council have raised concerns about the lack of information being received regarding S106 Agreements in their wards. This has been a particular issue for new members who feel they have not received sufficient information about S106 Agreements since being elected in May 2015. Concern has also been expressed by Members regarding the desire to be more involved in how agreements are made, what the money is raised for and how the money is being spent. There has been coverage in the local press suggesting that the Council was holding onto £14m in S106 monies that it was not spending. A lack of understanding about how S106 Agreements work and how money was spent had impacted negatively on the reputation of the Council therefore the Corporate Overview and Scrutiny Committee decided to consider the issue.
- 10.2 In October 2015 the Corporate Overview and Scrutiny Committee received a briefing on Section 106 Agreements during which it was agreed that further consideration of the issue should be carried out by the Jobs Regeneration and Assets Overview and Scrutiny Committee (JRA Committee). The Corporate Scrutiny Committee also suggested that Members training sessions about S106 Agreements were needed and these took place in early December 2015. Following a meeting with officers and the Portfolio Holder responsible for planning the Chairman recommended to the JRA Committee that a Task and Finish Group be set up. The Task and Finish Group was established with its membership at the JRA Committee's November 2015 meeting.
- 10.3 At its first meeting on 14 December 2015 the Task and Finish Group developed the objectives and project plan for the review. The scope of the review was to consider how S106 Agreements were developed and managed at Cheshire East and would lead to recommendations regarding how these practices might be improved,

specifically in relation to member involvement in the process and how town and parish councils might become more involved.

10.4 The objectives for the review were:

- To develop a standard approach to member involvement to all future S106 Agreements.
- To improve communication with members, and town and parish councils.
- To ensure information is shared with members in an effective way
- To involve members more in how the money is spent
- To improve communication with the community

10.5 The Task and Finish Group held several meetings with officers to discuss the rules governing the use of Section 106 Agreements, how the current system within the Council operates, the issues that members have with the current system and possible ways in which improvements could be made.

10.6 The Task and Finish Group developed a questionnaire to gather the views of Councillors regarding their current level of understanding, the level of involvement they have had with the S106 Agreements process, and how they think improvements might be made. Using the information from the survey the Task and Finish Group developed its recommendations which are contained within this report.

10.7 The Group's report documents its findings, conclusions and recommendations.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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