

Section 106 Agreements

Definition

Section 106 (S106) of the Town and Country Planning Act 1990 allows a local planning authority (LPA) to enter into a legally-binding agreement or planning obligation, with a land developer over a related issue. The obligation is sometimes termed as a 'Section 106 Agreement'.

Such agreements can cover almost any relevant issue and can include sums of money. Possible examples of S106 agreements could be:

- The developer will transfer ownership of an area of woodland to a LPA with a suitable fee to cover its future maintenance
- The local authority will restrict the development of an area of land, or permit only specified operations to be carried out on it in the future e.g., amenity use
- The developer will plant a specified number of trees and maintain them for a number of years
- The developer will create a nature reserve

S106 agreements can act as a main instrument for placing restrictions on the developers, often requiring them to minimise the impact on the local community and to carry out tasks, which will provide community benefits.