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**Customer & Corporate Services Scrutiny  
Management Committee**

8 July 2019

Report of the Assistant Director for Planning and Public Protection

**Section 106 Agreements Update Report**

**Summary**

1. This report provides Members with further information on the administration and monitoring of Section 106 agreements, including an update on work done to date.

**Background**

2. At a meeting of the Customer and Corporate Services Scrutiny Management Committee (CSMC) on 12<sup>th</sup> November 2018, Members received a report providing updated information on Section 106 agreements and how they are administered and controlled and the possible future changes.
3. Customer and Corporate Services Scrutiny Management Committee members requested that further update on the ongoing S106 work were brought to the Committee for consideration.
4. At the previous Scrutiny Committee in November 2018 the existing Section 106 procedures were outlined along with an audit report which outlined weakness in the system where tables are required to be kept up to date as cases are registered and progress. Three of the five sections of the audit (Obligation tables and evidencing enforcement action, System for recording compliance with agreements and Evidencing expenditure on revenue cost centres) all concluded in the agreed actions that:

“Officers will investigate the possibility of the use of dedicated software to collate the enforcement of agreements and subsequent spending of monies by the council’s services and its partners.”

5. A programme of updating the S106 case monitoring took place last year and the current S106 enforcement case load was brought up to date. All of the 185 open S106 monitoring cases were reviewed. 135 S106 cases were closed (either as a result of the review and those where the obligation was discharged during the review). Those left open were classified as needing to remain open in order that further work could be undertaken to secure compliance. Today there are 115 ongoing S106 monitoring cases.

### **Investigation into new system**

6. Since the last meeting where it was outlined that a new system had been identified which would be more effective and efficient than the existing process for the monitoring and management of S106 obligations and would allow for the following:
  - An alerting system to prompt an administrator at key stages of the S106 agreement
  - A categorised document management system to allow for the storage of category relevant documentation with the ability to link to an external DMS via URL
  - The ability to store multiple contacts such as “Interested Party” and agent management of covenants and clauses
  - Full financial section to monitor incoming and outgoing expenditure
  - Project module allocations to calculate or to view a breakdown of sums received per application
  - Payment policy management as per the legal agreement
  - Planning application linkage from Outline to Reserved Matters, and between Full and application variations
  - Decision monitoring including alerts
  - Logging of land charges in formation

- Generation of S106 letters, receipts and demands with mail merge facility direct to individual covenants
  - Finance monitoring
  - Import and export facility to import and export to supported external systems
  - Reporting facilities to generate various reports
  - Event logging for audit purposes.
  - Administer and monitor various individual projects, including calculations of funding, spending and returned sums against initial project estimations
  - Allocate spending to projects based on allocations of above funding
  - Account for returned funds based on the above allocations
  - A categorised document management system with the ability to link to an external DMS via URL
7. Officers took part in a web base explorative program with the company to seek further information and interrogate the capabilities of the programme. The financial implications were also explored.
  8. The system is complex by the nature of the data involved and will need a significant resource to export existing cases however the system will allow for alerts and monitoring in a comprehensive way.
  9. Officers have also arranged to visit another Local Authority that uses the system to assess the exact requirements that are needed for York to successfully implement the system.

### **Resourcing**

10. Officers took part in a web base explorative program with the company to seek further information and interrogate the capabilities of the programme. The financial implications were also explored. There is a one off cost to purchase the software package and on-going revenue costs for both software licences and staff resource to populate and maintain the data base.

11. The system is complex by the nature of the data involved and will need a significant resource to export existing cases however the system will allow for alerts and monitoring in a comprehensive way.
12. Officers have also arranged to visit another Local Authority that uses the system to assess the exact requirements that are needed for York to successfully implement the system.

### **Going Forward**

13. The updating of the current section 106 monitoring has been efficiently done and has dealt with the immediate concerns raised by the audit.
14. The identified system along with a further staffing resource represents an opportunity to improve effectiveness and efficiency of how section 106s are dealt with which was supported by the audit.
15. Officers will continue to explore the system identified and funding streams available, including the possibility of a bid to the corporate ICT Board for the system.

### **Council Plan**

16. This report relates to A Prosperous City for All and a Council That Listens to residents elements of the Council Plan.

### **Options**

17. Members can choose to:
  - i. Note the information received in this report
  - ii. Note the information received in this report and request further updates
  - iii. Take another course of action

### **Implications**

18. There are no direct implications associated with the recommendations of this report in relation to any of the following implications:
  - **Financial**
  - **Human Resources**
  - **Equalities**

- **Legal**
- **Crime and Disorder**
- **Information Technology (IT)**
- **Property**
- **Other**

### **Risk Management**

19. There are no known direct risk management implications associated with the recommendations in this report.

### **Recommendation**

20. Members are asked to note the information contained in this report and to advise if further reports are required

Reason: To ensure members are aware of the work currently being undertaken in terms of Section 106 agreements.

### **Contact Details**

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**Report Approved**  **Date** 26/06/2019

**Wards Affected:**

**All**

**For further information please contact the author of the report**

**Background Papers:** None