

Place Scrutiny Committee

Section 106 Agreements Process Improvements

Members: Cllr Steward and TBC

1. Summary and Rationale

At the September 2025 meeting of Full Council, an amended Motion on Planning Process Improvements was agreed, which called for a cross-party group to be set up to look at improvements to the planning, and specifically Section 106, process.

2. Aims and Objectives

The agreed Council motion specified five objectives for the group as below:

- Share details and discuss the existing review of outstanding S106 money and the plans to spend it (and absolutely ensure any risk of it needing to return it to developers is minimised)
- Improving the process of ensuring all consultees respond to S106 enquiries (noting for example a notable number of large applications which have received no NHS response)
- Creating a system for ward members to identify their ward priorities in the different categories of s106 contributions (in which there is discretion i.e. not education, early years places etc) to inform officers when drafting s106 agreements;
- Ensuring the monitoring of S106 agreements is rigorous and breaches are swiftly acted upon.
- Ensuring that the monies received are spent as promptly as possible to deliver the mitigations / benefits they are for, and that there is a clear monitoring system for this.

3. Methods

Desk-based research and consultation with relevant officers.

4. Impact on Resources

- Consultation with officers from Planning, Finance, and the Council's internal auditor Veritau, as well as other relevant

officers in relation to specific section 106 elements (e.g. transport, sports equipment etc).

- Beyond officer time there are no cost implications of the proposed work.
- The review is both timely and relevant, coming after the adoption of the Local Plan, the September 2025 Council motion, and concerns raised by elected Members regarding how elements of the Section 106 system in York are operating.
- Veritau is currently undertaking an internal audit of Section 106 Agreements, focusing on the controls in place within the system to ensure there are appropriate safeguards to the Council in the use of developer contributions, a cohesive framework and records management, that Section 106 contributions are appropriately drawn down for spending, and transparency in reporting on funds held against Section 106 obligations.
- There is public interest in Section 106 implications.

5. Proposed Timescale

The Group's work will be carried out over spring and summer 2026, with a view to presenting a final report to the Committee at its scheduled meeting on 22 September 2026. Papers for this meeting will be published on 14 September 2026. (For reference it is anticipated that fieldwork for Veritau's audit will be completed by the end of Q2.)