

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit and Governance Committee
Date of Meeting:	27 March 2024
Subject:	Section 106 Internal Audit Response Progress Update
Report of:	Associate Director: Planning
Head of Service/Director:	Associate Director: Planning
Lead Member:	Lead Member for Built Environment
Number of Appendices:	1

Executive Summary:

This report presents a short progress update against identified actions from the recent Internal Audit of the Council's Section 106 processes in respect of the accuracy of data on Exacom.

Recommendation:

To CONSIDER the progress made in responding to the Section 106 internal audit.

Financial Implications:

None

Legal Implications:

The absence of robust procedures and controls in respect of s106 obligations could lead to inadequate financial monitoring, poor recovery of amounts due, incorrect apportionment and potential 'clawback' by developers.

Environmental and Sustainability Implications:

N/A

Resource Implications (including impact on equalities):

Temporary additional resource has been found for the appointment of a consultant to take forward and respond to the recommendations identified by the Internal Audit. In addition, it is likely that there will be ongoing resource implications associated with changes in process and practice implemented, these are not yet fully known.

Safeguarding Implications:

N/A

Impact on the Customer:

To set out how the customer will be impacted by the proposals.

1.0 INTRODUCTION

- 1.1 The Planning Department recently commissioned Internal Audit to undertake a partial review of Section 106 processes in respect of the accuracy of data. The results of this audit found no and limited assurance and were shared with the Audit and Governance Committee at its meeting on the 31 January 2024.
- 1.2 Since completion of the audit, the Council has engaged an independent planning consultant to support the service in addressing the recommendations and finding of the audit. It would have not been possible to fully address the findings without the commission whilst also managing day to day service pressures and other workstreams within the wider Development Management Improvement Programme which has recently entered its third year (note: a separate Section 106 workstream has been added to the programme). It should also be noted that the consultant is not exclusively working on this S106 Audit recommendations and is also commissioned to progress other work in relation to the Development Management Improvement Programme.

2.0 SECTION 106 INTERNAL AUDIT RESPONSE PROGRESS UPDATE

- 2.1 Appendix 1 outlines progress to date in addressing the findings of the internal audit. It is likely a broader list of actions and service improvements will be identified beyond those noted by the Internal Audit will be taken forward over the next six months and beyond. It is intended that these will be highlighted through regular Member updates on the wider Development Management Improvement Programme. A verbal update on further progress will be given at the meeting.

3.0 CONSULTATION

- 3.1 None

4.0 ASSOCIATED RISKS

- 4.1 Continuing to progress actions against identified internal audit findings will ensure that the Council can develop a more robust approach to the collection, spend and monitoring of Section 106 monies. This will mean that the impacts of new development can be mitigated through planning gain and avoid the risk of monies having to be handed back to developers, undermining confidence in the Council's Planning department and contributing to an infrastructure funding deficit.

5.0 MONITORING

- 5.1 Regular progress updates are provided by the consultant lead on this project to the Associate Director: Planning and Executive Director: Place. In addition, regular check-ins are held with the Lead Member for Built Environment.

6.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES

6.1 Effective collection, spend and monitoring of S106 is essential to ensuring that the Council can deliver on wider priorities as well as policies set in the adopted Local Plan.

Background Papers: Internal Audit on S106 completed January 2024

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Appendices: Appendix 1 - Internal Audit Progress Update