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KETTERING TOWN COUNCIL

REPORT FOR DECISION

Item No:- 24/078

Committee:-	Council
Date:-	15 th January 2025
Author:-	Martin Hammond, Town Clerk
Report Title:-	Consultation by NNC on the use of developer contributions from Hanwood Park Sustainable Urban Extension (SUE)
Wards Affected:-	Ise primarily but also William Knibb, Pipers Hill, St Michaels and Wicksteed

1. Purpose of Report

To set out the consultation by NNC in respect of their priorities for the use of developer contributions arising from the build out of the urban extension at Hanwood Park SUE

2. Recommendations

Council is recommended to agree its response to the consultation comprising

- a) Views on the priorities identified by NNC and set out in para 3.5 below
- b) Views on other schemes which could utilise the remainder of the expected monies – para 3.6 below
- c) More general comments on the timelines, ensuring the continued value of the monies being collected pending their use on priority schemes, and on investment in off site leisure and community facilities, as set out in para 3.7 and 3.8 below

3. Information

- 3.1 NNC issued a consultation on 23rd December 2024, seeking views on how it prioritises the use of S106 monies due from developers building out Hanwood Park urban extension. Their response deadline is 20th January, which means the consultation is, in effect, a short one. A copy of their draft monitoring report, which sets out the proposed priority use of the money collected or due to be collected, is attached as Appendix One. It is their intention to submit a final monitoring report to the Hanwood Park Community Trust Board on 18th February.
- 3.2 When the original planning application for 5500 homes at Hanwood Park was approved in 2010, the developer committed to making S106 contributions “as they went along” through a roof charge payable on each house completed. This roof charge was index linked and would also rise in three stages as the development proceeded. The developer and Council agreed a schedule of schemes on which the roof charge would be spent which included:-
- Contributions towards a secondary school
 - Three new primary schools
 - Off site junction improvements throughout the highway network in Kettering including traffic calming measures and walking and cycling improvements
 - Public transport services
 - Dedicated community development and community policing resources
 - Contributions towards a health facility
 - Contributions towards regeneration schemes in the town centre – up to £20m – including towards the library
 - Contributions towards improvements to the highway network in the town centre specifically.

In addition, the developer/promoter is also responsible for providing land for education and health facilities, providing on site sports facilities, community facilities, the district centre, employment land and ensuring the delivery of a new junction on the A14 and a new access road into the development from the north. Affordable housing obligations at 20% overall apply across the site.

- 3.3 The monitoring report sets out what has been collected so far and what is due to be collected from those detailed planning consents already approved - £23.9m and £6.237m respectively. Taking into account what has already been spent or committed, NNC are expecting to have £19.25m available to commit to future priorities – noting that a proportion of this money has yet to be received. In the longer term, the roof charge will continued to be levied as new parcels of land receive detailed planning permission under the new 2024 outline planning consent and these would represent significant sums on top of the £19.25m forecast from existing consents.

3.4 The schemes completed so far are set out in 2.3.2 of the report and comprise

- the first primary school
- a range of off site highway and junction improvements
- traffic calming schemes in Cranford and on the Ise estate
- contributions to the Town Centre Heritage Action Zone project

Most of these were planned and delivered before 2021 and relatively little has been newly spent or committed whilst NNC has been the planning authority.

There are commitments to complete more off site highway works, principally improvements to the London Rd/Pytchley Rd junction and to provide some community development resource.

3.5. The Council is therefore proposing that the £19.25m collected and due should be committed as follows:

• Secondary school contribution	£7.5m
• Second primary school – two phases	£8m
• Warkton Lane traffic calming	£0.186m
• S106 monitoring costs	£0.020m
Total	£15.706m

This leaves £3.543,480 to be allocated to other schemes – all of it money which is yet to be collected.

3.6 Although it is not clear if they are seeking views on the allocation of the £3.5m above as well as on their own priorities, the opportunity exists to submit ideas now. Some potential uses of that money could include:

- public transport services
- walking and cycling links across the development and connecting into the rest of the town
- non motorised links from the Ise estate to the Green Patch and connecting into greenways and the LCWIP plans.
- town centre regeneration schemes, for example acquiring and renovating the Gala Bingo site, extending the HAZ improvement scheme into Gold St, bringing the museum and art gallery back into use and investing in improvements to Kettering Swimming pool.

The new neighbourhood plan could also throw up a number of proposals for the town centre or other parts of central Kettering and it would be helpful if NNC could give a commitment to pre-allocating a proportion of the £3.5m to support whatever issues

emerged from the plan development. This would give the plan some real traction and heft when we are seeking to engage local interests.

- 3.7 The timeline for spending the existing funds on both primary and secondary schools will be quite long and it will be years before either are realised. The longer the gap between collecting money and spending it, the greater the reduction in its value is incurred, to the detriment of the development and the community. The money remains sat in the Council's accounts, presumably earning interest of at least 5%, but its value continues to reduce as inflation impacts on the amounts collected. It would not be unreasonable for NNC to give a commitment that the money earned in interest on the amounts collected should be re-allocated to the developer contribution fund, to counteract the loss of spending power.
- 3.8 Finally, although the costs of some of the eventual community and leisure facilities are being borne by the developer/promoter directly rather than from the S106, the overall strategy for how these facilities are provided should include investment in existing facilities in Kettering rather than building fresh ones which end up creating an over supply. This approach would help integrate the development and its residents into the wider community, particularly if public transport, walking and cycling were invested in at the same time. A small example of this has already occurred with investment in solar panels on the Ise Community Centre, showing that the promotor sees this approach as one which could apply more widely. NNC's planning should encompass a willingness to accept contributions from the developer to investment in existing off site facilities.

4. Consultation and Engagement

The Council is a consultee alongside neighbouring parish councils, the developer and promoters, and the Community Trust, of which the Council is also a member.

5. Finance, Legal and Resource Implications

None directly for KTC although indirectly there are multiple benefits to the town depending on how the money is to be used.

6. Climate change implications

None directly but one of the principles of the urban extension is that it maximises its sustainable credentials and minimises its carbon footprint in its design, build out and operational functionality.

7. Policy Implications

- 7.1 The Council is committed to ensuring the urban extension is built out in a way which is genuinely sustainable, that the development becomes an integral part of Kettering



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and that developer contributions are applied on and off site to the benefit of the whole town. The Council is committed to supporting the community trust.

7.2 The Council has supported traffic calming measures on Warkton Lane, following an approach by residents there last year.

7.3 The Council has supported calls or improvements to Kettering Swimming Pool.

Background Papers

Attached at Appendix One plus covering email of 23.12.24

Email correspondence with Hanwood Park