



**East Kettering (Hanwood Park) Sustainable Urban Extension
Draft Annual Monitoring Report (3Q 2023/24)**

1. Background

1.1 This report comprises a Draft Annual Monitoring Report as required under the terms of the Section 106 Agreement dated 22/11/2018 in respect of the East Kettering (Hanwood Park) Sustainable Urban Extension.

1.2 The purpose of this report is to set out details in respect of the 'Roof Charge' – a mechanism within the Agreement for levying, collecting and allocating Section 106 (S106) contributions from the individual parcels of residential development within Hanwood Park as it builds out, towards delivery of infrastructure required to mitigate the impact of the development.

1.3 The Draft Annual Monitoring Report includes:

- Total amount of Roof Charge funds collected to date
- Estimate of future Roof Charge receipts yet to be paid
- Details of committed projects and expenditure incurred to date
- Spend programme in respect of committed schemes
- Balance of Roof Charge funds held
- Proposed expenditure priorities for future delivery

1.4 **Under the terms of the S106 Agreement, the Council required to consult with the Owners, Developer and Community Trust regarding any proposed expenditure priorities set out herein. A consultation period will commence from Monday 23rd December and run for 1 month until Monday 20th January 2025.**

1.5 **Consultation responses should be submitted by email to the Council not later than 5pm on the closing date. Responses received after this time will not be considered.**

1.6 **Please email all consultation responses to:**
developmentmanagement.ncc@northnorthants.gov.uk

2. Draft Annual Monitoring Report

2.1 Total Amount of Roof Charge Funds collected to date:

2.1.1 The total amount of Roof Charge funds collected by the Council (including the former Kettering Borough Council) to the end of Q3 2024/25 stands at: **£23,899,313.**



- 2.1.2 This sum includes an amount of £2,843,076 paid to the Council in 2021/22 to enable early delivery of highways works at Junction (d) London Road / Pytchley Road / Barton Road and Junction (e) Barton Lane / Windmill Avenue. This advanced amount was to be offset against future Roof Charge receipts due against the residual development parcels as they built out.
- 2.1.3 To date £2.6m of this funding has been offset, leaving a further £196k to be balanced against future receipts.
- 2.1.4 A full breakdown of Roof Charge amounts received by development parcel is included at Appendix 1.

2.2 Estimate of future Roof Charge receipts yet to be paid:

- 2.2.1 Based on current planning permissions, the Council is forecasting approximately £6.237m of future payments being due under the Roof Charge.
- 2.2.2 This figure represents the net total the Council expects will be payable, based on the residual number of market dwellings permitted under each approved reserved matters application, and does not include forecast Indexation (which will be added at the point of payment to account for inflationary increases).
- 2.2.3 The £6.237m forecast figure also assumes that these residual dwellings will all be delivered under 'Group 1' which equates to a payment of £15,250 per market dwelling. Higher sums will be payable for any market dwellings that come forward under 'Group 2' (£16,000 per market dwelling), however payment of the higher sum will only become due in respect of any market dwellings beyond the first 1,400 market units built on the site. A further 'Group 3' charge of £17,810 per market dwelling becomes payable beyond the first 2,160th market dwellings built out.
- 2.2.4 It is therefore expected that the total amount of Roof Charge funds the Council receives will be higher than the forecast £6.237m set out below:

Parcel	No. of Dwellings	Net Forecast Sum Payable (excl Index)
R22	201	£3,065,250
R12 & R13	28	£427,000
R21a	48	£732,000
R21b	103	£1,570,750
R14	29	£442,250
Total	436	£6,237,250

- 2.2.5 It should be noted that the forecast sum currently assumes that the new outline application submitted by the Developer for the remaining parcels at Hanwood Park without reserved matters approvals already in place will be subject to payments under a varied and/or new S106 Agreement. Contributions expected to be payable through this route have not been included in the forecast sum.

2.3 Details of committed projects and expenditure incurred to date

2.3.1 To date the Council has formally allocated £10.786m of the Roof Charge payments it has received to projects which have already been delivered or which are underway. A further £100k of the Roof Charge has been committed to pipeline projects. This brings the total of committed funds to £10,887,076

2.3.2 Of the committed funds a total of £9,128,339 has been spent to date against the approved schemes, as set out in the table below:

Roof Charge Projects	Status	Total Allocation	Spend to date	Balance
Junction (c) Windmill/Deeble	Complete	537,000	536,521	479
Junction (g) Cranford Rd/Barton Rd	Complete	686,000	670,354	15,646
Primary School	Complete	6,096,000	6,103,110	-7,110
Cranford Traffic Calming	Complete	70,000	63,317	-317
Cranford Gateway			2,000	
Cranford highway drainage			5,000	
HAZ town centre improvements	Complete	70,000	70,000	-
Junctions (d) London/Pytchley/Barton & (e) Barton/Windmill	In progress	3,143,076	1,528,036	1,615,040
Deeble Road traffic calming	In progress	185,000	150,000	35,000
Community Development Worker	Committed	25,000	0	25,000
Junctions/Walking & cycling works	Committed	75,000	0	75,000
Totals		10,887,076	9,128,339	1,758,737

2.4 Spend programme in respect of committed schemes

2.4.1 Deeble Road traffic calming: Works were carried out during Spring / Summer 2024 to install zebra crossings at two locations on Deeble Road. The remaining funds will be used to provide two new VAS (Vehicle Activated Signs) to help manage traffic speeds along Deeble Road. Installation of these is expected to take place between Jan-March 2025.

2.4.2 Junction (e) and Junction (d) works: Works at Junction (e) were delivered in 2021/22. Delivery of works to Junction (d) have been delayed beyond the original timeframe. Updated requirements, costs and timescales are now being reviewed in parallel with the new outline application.

2.4.3 Community Development Worker: Discussions are underway between the Council and Developer regarding the appointment of a Community Development Worker, to help community capacity building and support a range of initiatives for the benefit of local

residents. A timetable for implementation has not yet been confirmed, however it is expected that the post will be in place during 2025/26.

- 2.4.4 Junctions / Walking & Cycling improvements: This contribution will support traffic calming measures as well as improvements towards pedestrian & cycling facilities. The scope of works to be delivered will be dependent on identified impacts and total project costs.

2.5 Balance of Roof Charge funds held

- 2.5.1 The balance of Roof Charge funds currently held by the Council (actual received minus actual spend) is **£14,770,974**

2.6 Proposed Expenditure Priorities for future delivery

- 2.6.1 As set out in the Expenditure Heads of Terms in the S106 Agreement, the contributions received by the Council under the Roof Charge may be allocated to a wide range of types of infrastructure projects.

- 2.6.2 A number of schemes have been identified by the Council as priorities for investment in the next 12-month period. A summary of these is included in the table below:

Expenditure Priorities	Forecast Allocation (excl index)
Hanwood Park Secondary School	7,500,000
Warkton Lane Traffic Calming	186,000
Hanwood Park Primary School 2 (Phase 1)	1,200,000
Hanwood Park Primary School 2 (Phase 2)	6,800,000
S106 Monitoring (21/22 - 24/25)	20,000
TOTAL Expenditure Priorities	15,706,000

- 2.6.3 In summary, each of the proposed Expenditure Priority projects is expected deliver:

- 2.6.3.1 **Hanwood Park Secondary School:** A new secondary school is proposed to be situated within the Hanwood Park development and the Department for Education (DfE) is progressing plans for its delivery. The business case approved by DfE for the school is predicated on the assumption of S106 funds being made available, as set out under the current Roof Charge list of priority projects, up to a maximum value of £7.5m (with a further £7.5m potentially available, subject to deferred priorities as set out in the existing S106, and/or the new/varied S106 Agreement to be agreed in relation to the new outline application). The full cost of the school is expected to be in the region of £30m with the DfE funding the remaining costs.

- 2.6.3.2 **Warkton Lane Traffic Calming:** Following surveys of the road network in the area, Warkton Lane has been identified as a location for traffic calming measures to be provided, including installation of a refuge to improve linkages for pedestrians. The total cost of the project is expected to be in the region of £300k (subject to up to date costings being provided) with

£114k already secured through other S106 Agreements. The balance of the cost is proposed to be met through the Roof Charge up to £186k.

- 2.6.3.3 **Hanwood Park Primary School 2 (Phase 1):** The Hanwood Park SUE is expected to require 4 new primary schools to be provided onsite over the lifetime of the development to meet the total pupil demand for places arising. The first primary school (Hayfield Cross) has already been delivered and is open to pupils. The Council's current forecasts indicate that the next 2 form of entry (420 place) primary school will be required by September 2027. The Council is now seeking to progress design and feasibility works related to delivery of the school, to enable the scheme to progress to the end of 'RIBA Stage 3' prior to construction of the school commencing. The current S106 secures up to £20m to be drawn down from the Roof Charge to support delivery of the primary school; £6.1m has already been drawn down, leaving a balance of £13.9m available.
- 2.6.3.4 **Hanwood Park Primary School 2 (Phase 2):** Following completion of the Phase 1 project set out above, construction of the 2nd Hanwood Park Primary School would commence. The Council is requesting up to £6.8m towards construction of the school. It is expected that the total cost of the project will be higher than the S106 Roof Charge is currently able to support due to viability constraints. Any remaining costs will be met by the Council, and/or through any viability uplift that may be payable under the S106 arrangements for the development.
- 2.6.3.5 **S106 Monitoring:** The current S106 Agreement allows for payments to be drawn down from the Roof Charge to support the Costs incurred by the Council in monitoring delivery of the S106 including the administration and management of the Roof Charge, throughout the lifetime of the development. To date, the Council has not drawn down any of the contributions available to it, however in order to recoup costs incurred since 1st April 2021 a sum has been included in the list of Expenditure Priorities. This figure is based on the combined average hourly rate of x2 officers involved in administering, monitoring and reporting on the S106 Agreement over the period up to the end of the 2023/24 financial year.
- 2.6.4 It should be noted that the costs set out against each proposed Expenditure Priority are exclusive of Indexation and are the net figures expected to be required to fund project delivery. In the event of any project being delivered under the allocated budget, the residual balance will be returned to the Roof Charge total to be reallocated for other purposes in accordance with the S106 schedule of infrastructure priorities.

3 Summary of Current Position

- 3.1 Based on the information provided in the above Draft Annual Monitoring Report, the following table sets out the overall position of the Roof Charge up to the end of Q3 2023/24:



North Northamptonshire Council

Total Roof Charge Income to date	£23,899,313
Total Roof Charge Committed to date	£10,878,076
Total Roof Charge Spent to date	£9,128,399
Balance of Unspent / Uncommitted Roof Charge funds held (a)	£13,012,237
<i>Forecast Roof Charge (residual dwellings) (b)</i>	<i>£6,237,250</i>
Total Potential Roof Charge for allocation (a + b)	£19,249,487
Proposed Expenditure Priorities (c)	£15,706,000
Potential Residual Roof Charge balance for future allocation (a + b – c)	£3,543,487

- 3.2 It should be noted that the Council is seeking to allocate funds from the Roof Charge that have not yet been received. Any such allocation of funds will therefore be subject to such funds being paid under the Roof Charge in due course. In the event that any forecast Roof Charge receipts are not received, then the Expenditure Priorities may be reviewed and or amended to reflect available budgets.
- 3.3 Future Monitoring Reports issued by the Council will continue to set out details of income, allocation and expenditure of the Roof Charge sums under the current S106 Agreement, as well as any future proposed Expenditure Priorities in accordance with the terms of the S106.



Appendix 1 – Roof Charge Income

Period		Received	Parcel & Total Plots		£ RECEIVED ACTUALS	
Year	Qtr	Fin Yr	Parcel	Market Units	Total	Running Balance
2016	4Q	2016/17		Adv payment	262,847	262,847
2016	4Q	2016/17	R7_R9_R10	8	262,847	525,694
2016	4Q	2016/17	R7_R9_R10		-262,847	262,847
2017	1Q	2017/18	R7_R9_R10	35	446,897	709,744
2017	2Q	2017/18	R7_R9_R10	14	217,916	927,660
2017	3Q	2017/18	R7_R9_R10	24	396,023	1,323,683
2017	4Q	2017/18	R7_R9_R10	27	402,463	1,726,146
2018	1Q	2018/19	R7_R9_R10	28	473,066	2,199,213
2018	2Q	2018/19	R7_R9_R10	20	341,604	2,540,816
2018	3Q	2018/19	R7_R9_R10	15	258,247	2,799,064
2018	4Q	2018/19	R7_R9_R10	13	225,206	3,024,270
2018	4Q	2018/19		Adv payment	880,000	3,904,270
2019	1Q	2018/19	R7_R9_R10	14	243,893	4,148,163
2019	1Q	2018/19	R23_26	15	261,314	4,409,477
2019	1Q	2018/19	R23_26		-261,314	4,148,163
2019	2Q	2019/20	R7_R9_R10	9	158,453	4,306,616
2019	2Q	2018/19	R23_26	22	387,330	4,693,946
2019	2Q	2018/19	R23_26		-387,330	4,306,616
2019	3Q	2019/20	R7_R9_R10	16	283,563	4,590,179
2019	3Q	2018/19	R23_26		231,357	4,821,536
2019	3Q	2018/19	R23_26		-231,357	4,590,179
2019	3Q	2019/20	R23_26	50	654,779	5,244,958
2019	4Q	2019/20	R23_26	25	442,703	5,687,661
2019	4Q	2019/20	R7_R9_R10	9	159,373	5,847,034
2020	1Q	2019/20	R23_R26	19	337,194	6,184,228
2020	1Q	2019/20	R7_R9_R10	4	70,988	6,255,216
2020	2Q	2020/21	R23_26	18	316,468	6,571,684
2020	2Q	2020/21	R19	5	88,614	6,660,298
2020	3Q	2020/21	R23_26	21	372,177	7,032,475
2020	3Q	2020/21	R7_R9_R10	40	708,908	7,741,383
2020	4Q	2020/21	R23_26	19	338,674	8,080,057
2020	4Q	2020/21	R19	19	338,674	8,418,730
2021	1Q	2020/21	R23_26	18	326,193	8,744,924
2021	1Q	2020/21	R19	6	108,731	8,853,655
2021	2Q	2021/22	R23_26	15	275,624	9,129,279
2021	2Q	2021/22	R19	24	440,999	9,570,278
2021	3Q	2021/22		Adv payment	2,843,076	12,413,354
2021	3Q	2021/22	R23_26	24	461,326	12,874,680

Registered Office: North Northamptonshire Council, Sheerness House, 41 Meadow Road, Kettering, NN16 8TL



North Northamptonshire Council

Period		Received	Parcel & Total Plots		£ RECEIVED ACTUALS	
Year	Qtr	Fin Yr	Parcel	Market Units	Total	Running Balance
2021	3Q	2021/22	R19	10	192,219	13,066,899
2021	3Q	2021/22	R8_R11	9	172,997	13,239,896
2021	4Q	2021/22	R23_26	28	551,570	13,791,466
2021	4Q	2021/22	R19	16	315,183	14,106,649
2021	4Q	2021/22	R24	2	39,398	14,146,047
2021	4Q	2021/22	R8_R11	10	196,989	14,343,036
2022	1Q	2022/23	R19	40	798,276	15,141,313
2022	1Q	2022/23	R24	12	239,483	15,380,796
2022	1Q	2021/22	R8_R11	5	99,785	15,480,580
2022	1Q	2021/22	R12_R13	17	339,267	15,819,848
2022	1Q	2021/22	R20	32	570,398	16,390,246
2022	1Q	2021/22	R20		-570,398	15,819,848
2022	2Q	2022/23	R19	12	253,151	16,072,999
2022	2Q	2022/23	R24	7	147,671	16,220,670
2022	2Q	2022/23	R8_R11	11	232,055	16,452,725
2022	2Q	2022/23	R12_R13	29	611,781	17,064,507
2022	2Q	2022/23	R22	14	295,343	17,359,849
2022	2Q	2022/23	R20	14	249,549	17,609,398
2022	2Q	2022/23	R20		-249,549	17,359,849
2022	2Q	2022/23	R25	15	133,680	17,493,529
2022	2Q	2022/23	R25		-133,680	17,359,849
2022	3Q	2022/23	R19	1	21,821	17,381,671
2022	3Q	2022/23	R24	0	-	17,381,671
2022	3Q	2022/23	R8_R11	11	240,033	17,621,704
2022	3Q	2022/23	R12_R13	4	86,623	17,708,326
2022	3Q	2022/23	R22	16	349,139	18,057,465
2022	3Q	2022/23	R20	10	178,249	18,235,714
2022	3Q	2022/23	R20		-178,249	18,057,465
2022	3Q	2022/23	R25	19	169,328	18,226,793
2022	3Q	2022/23	R25		-169,328	18,057,465
2022	4Q	2022/23	R24	0	-	18,057,465
2022	4Q	2022/23	R8_R11	6	129,321	18,186,786
2022	4Q	2022/23	R12_R13	7	150,874	18,337,660
2022	4Q	2022/23	R22	10	215,535	18,553,195
2022	4Q	2022/23	R20	8	142,599	18,695,794
2022	4Q	2022/23	R20		-142,599	18,553,195
2022	4Q	2022/23	R25	16	142,592	18,695,787
2022	4Q	2022/23	R25		-142,592	18,553,195
2023	1Q	2022/23	R22	23	492,595	19,045,790
2023	1Q	2023/24	R24	2	42,834	19,088,624

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North Northamptonshire Council

Period		Received	Parcel & Total Plots		£ RECEIVED ACTUALS	
Year	Qtr	Fin Yr	Parcel	Market Units	Total	Running Balance
2023	1Q	2022/23	R8_R11	6	128,503	19,217,127
2023	1Q	2022/23	R12_R13	8	171,337	19,388,464
2023	1Q	2022/23	R20	12	213,899	19,602,364
2023	1Q	2022/23	R20		-213,899	19,388,464
2023	1Q	2022/23	R25	1	8,912	19,397,376
2023	1Q	2022/23	R25		-8,912	19,388,464
2023	2Q	2023/24	R22	0	-	19,388,464
2023	2Q	2023/24	R24	4	87,168	19,475,632
2023	2Q	2023/24	R8_R11	9	196,128	19,671,760
2023	2Q	2023/24	R12_R13	9	196,128	19,867,888
2023	2Q	2023/24	R20	13	231,724	20,099,612
2023	2Q	2023/24	R20		-231,724	19,867,888
2023	2Q	2023/24	R25	16	171,337	20,039,225
2023	3Q	2023/24	R22	0	-	20,039,225
2023	3Q	2023/24	R24	22	486,705	20,525,930
2023	3Q	2023/24	R8_R11	4	88,492	20,614,422
2023	3Q	2023/24	R12_R13	9	199,107	20,813,529
2023	3Q	2023/24	R20	6	106,950	20,920,479
2023	3Q	2023/24	R20		-106,950	20,813,529
2023	3Q	2023/24	R25	13	141,648	20,955,177
2023	4Q	2023/24	R24	8	177,879	21,133,056
2023	4Q	2023/24	R8_R11	11	244,584	21,377,640
2023	4Q	2023/24	R12_R13	4	88,940	21,466,580
2023	4Q	2023/24	R20	9	160,416	21,626,996
2023	4Q	2023/24	R20		-160,416	21,466,580
2023	4Q	2023/24	R25	20	221,230	21,687,810
2024	1Q	2023/24	R25	17	188,997	21,876,806
2024	1Q	2024/25	R22	17	378,904	22,255,710
2024	1Q	2024/25	R8_R11	5	111,442	22,367,153
2024	1Q	2024/25	R12_R13	17	378,904	22,746,056
2024	1Q	2023/24	R20	14	249,536	22,995,592
2024	1Q	2023/24	R20		-249,536	22,746,056
2024	2Q	2023/24	R22	0	-	22,746,056
2024	2Q	2024/25	R8_R11	5	112,051	22,858,107
2024	2Q	2024/25	R12_R13	10	224,102	23,082,209
2024	2Q	2024/25	R20	5	89,120	23,171,329
2024	2Q	2024/25	R20		-89,120	23,082,209
2024	3Q	2024/25	R12_R13	12	272,368	23,354,577
2024	3Q	2024/25	R21a	3	68,092	23,422,669
2024	3Q	2024/25	R8_R11		476,644	23,899,313

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North Northamptonshire Council

Period		Received	Parcel & Total Plots		£ RECEIVED ACTUALS	
Year	Qtr	Fin Yr	Parcel	Market Units	Total	Running Balance
			Total Plots	1,281	Total Received to Date	23,899,313

*Note – sums highlighted in red text denote amount offset against advance payments