
REPORT TO THE MEETING OF THE EXECUTIVE FEBRUARY 2022**PORTFOLIO: PLANNING****REPORT FROM ASSISTANT DIRECTOR, PLACE AND ENVIRONMENT****SUBJECT: SECTION 106 QUARTERLY BRIEFING: FEBRUARY 2022****1 DECISION BEING RECOMMENDED**

- 1.1 That the position on unspent Section 106 contributions held by the Council as at 1st January 2022 be noted.

2 REASON/S FOR RECOMMENDATION

- 2.1 It is important that the Council routinely monitors its position with respect to Section 106 contributions to ensure that infrastructure associated with development can be delivered in a timely and effective way.

3 SALIENT INFORMATION

- 3.1 This note has been prepared for information purposes to summarise the unspent Section 106 contributions held by the Council as at 1st January 2022.
- 3.2 This note only covers planning obligations that are due to the Council and which are financial in nature. As a result, obligations due to other authorities (e.g., Essex County Council) or non-financial obligations (e.g., affordable housing) are not included. Essex County Council monitoring of Section 106 contributions can be found at [Planning advice and guidance: Guidance for developers - Essex County Council](#).
- 3.3 It should also be noted that whilst healthcare contributions are collected and monitored by the Council, they are ultimately passed to the NHS or local CCG for expenditure. Whilst this note does provide a current picture of the value and purpose of these healthcare contributions, the Council does not itself have final discretion over the timing or use of these funds.
- 3.4 As of January 2022, the Council currently holds unspent £494,983.83 for Council-led expenditure and £685,715.48 on behalf of the NHS. The amount held for Council-led expenditure has significantly increased in the period as a result of the receipt of around £250,000 towards sports facilities and a multi-use games arena/skate park in relation to the development of 500 homes in Hullbridge.
- 3.5 Officers have been liaising with Henry Boot Developments, Southend-on-Sea Borough Council and Essex County Council regarding the cycleway contribution relating to Airport Business Park, with an expectation that a scheme will be approved by Essex County Council in the near future. This will

then allow for the delivery of the cycleway in the environs of the business park and Cherry Orchard Country Park.

- 3.6 Discussions have also taken place regarding the use of the funding for improvements to Clements Hall Leisure Centre. These discussions were put on hold over the pandemic due to the challenging operating conditions for the leisure industry, however it is expected that a new proposal can now be developed in partnership with the leisure operator and Sport England.
- 3.7 Further updates will be provided on each of the contributions held in future reports, as and when new potential projects for investment are identified.
- 3.8 No new Section 106 agreements have been signed in this quarter, however the successful appeal at Cherry Orchard Brickworks included a Unilateral Undertaking which provides for, inter alia, affordable housing, highways improvements, contributions towards bus services and footway/cycleway improvements, and a contribution towards improving access from the site to Cherry Orchard Brickworks.
- 3.9 It is also recognised that the healthcare contribution relating to the development west of Malyons Lane in Hullbridge is due and an invoice has been sent to the developer for payment.
- 3.10 Table 1 below sets out the purpose, value and refund date of contributions currently held unspent for Council-led expenditure. Similarly, Table 2 sets out the same information for NHS contributions.

Table 1: Developer Contributions Held by RDC for RDC-Led Expenditure

| <u>Development Location</u> | <u>Detail</u> | <u>Total Financial Value Held but Not Spent (£)</u> | <u>Date to be spent by</u> |
|-----------------------------|---|---|----------------------------|
| 190 London Road, Rayleigh | Rochford District Council Community Facility contribution. To be used on the development of community facilities near the site. | 20,000.00 | Indefinite |

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| <p>Land at Thorpe Road, Rectory Road and Clements Hall Way, Hawkwell.</p> | <p>Improvement of Sports Facilities in Hawkwell to be spent on at least two of the following:-</p> <ol style="list-style-type: none"> 1. Levelling and improving the drainage of 2 football pitches at Clements Hall 2. Providing a new floor surface at the Clements Hall Sports Centre 3. Providing a 3G surface for the multi-use games area at Clements Hall. | <p><u>93,378.21</u></p> | <p>Indefinite</p> |
| <p>Star Lane Brickworks, Star Lane, Great Wakering</p> | <p>Community Facilities contribution (for a multi-use games area) to be paid to RDC on occupation of first dwelling. Money to be held for the provision of a multi-use games area in Gt Wakering. Any unexpanded balance to be returned to Taylor Wimpey after the 15th Anniversary of the payment.</p> | <p><u>25,000.00</u></p> | <p>11/11/2031</p> |
| <p>90 Main Road, Hawkwell</p> | <p>A sum of £37,000 to be paid to RDC towards its Affordable Housing Policy. This will be paid upon occupation of the first dwelling.</p> | <p><u>38,743.41</u></p> | <p>28/09/2028</p> |
| <p>Saxon Business Park, Rochford</p> | <p>The owner will pay towards a cycleway between Cherry orchard Way and Hall Rd. The Owner, RDC and ECC shall use reasonable endeavours to negotiate with relevant landowners to deliver the cycleway improvements within 5 years</p> | <p><u>100,000.00</u></p> | <p>Indefinite</p> |
| <p>Land west of Malyons Lane, Hullbridge</p> | <p>Improvement of sports facilities in Hullbridge by carrying out works to improve drainage at the Pooles Lane Playing Field - payment made before 50th dwelling</p> <p style="text-align: center;">AND</p> <p>Construction of multi-use games area or a skate park on land within the vicinity of the development site if the proposals approved under clause 3.2 include funding such facilities on a site secured for such purpose instead of the owner constructing such a facility itself</p> | <p><u>250,164.97</u></p> | <p>Indefinite</p> |

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| <p>Land north of Hall Road, Rochford</p> | <p>Air Quality Assessment to monitor the levels of nitrogen dioxide at the Anne Boleyn (Sutton Road – Southend Road) junction</p> | <p><u>17,697.24</u></p> | <p>10 years from completion (c.2032)</p> |
|---|---|--------------------------------|--|

Table 2: Developer Contributions Held by RDC for NHS Expenditure

| <u>Development Location</u> | <u>Detail</u> | <u>Total Value of NHS Contribution Held but Not Spent (£)</u> | <u>Date to be spent by</u> |
|---|--|---|----------------------------|
| <p>190 London Road, Rayleigh</p> | <p>Healthcare contribution. Money received on behalf NHS England. Monies held in a designated account until an invoice is received for provision of capital project.</p> | <p><u>71,015.13</u></p> | <p>10/08/2030</p> |
| <p>Star Lane Brickworks, Star Lane, Great Waking</p> | <p>Healthcare contribution. Money received on behalf NHS England. Monies held in a designated account until an invoice is received for provision of capital project.</p> | <p><u>28,400.00</u></p> | <p>11/11/2026</p> |
| <p>Land south of High Street, Great Waking</p> | <p>Healthcare contribution. Money received on behalf NHS England. Monies held in a designated account until an invoice is received for provision of capital project. £70,978 - RPI added to payment of 6.632% (Indices 272.9 on July 2017 and 291.0 in Sep 2019)</p> | <p><u>75685.59</u></p> | <p>10/02/2030</p> |
| <p>Land North of Hall Road, Rochford</p> | <p>Healthcare contribution. Money received on behalf NHS England. Monies held in a designated account until an invoice is received for provision of capital project.</p> | <p><u>427,635.76</u></p> | <p>26/06/2028</p> |

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|---|---|------------------|---|
| Pond Chase Nursery, Folly Lane, Hockley | Healthcare contribution. Money received on behalf NHS England. Monies held in a designated account until an invoice is received for provision of capital project. | <u>23,040.00</u> | 01/05/2028 |
| Three Acres, Canewdon | Contribution will be made towards expansion of local doctors surgeries in respect of increased demand. | <u>13,248.00</u> | 16/06/2027 |
| Birch Lodge, Canewdon | A capital provision towards the healthcare facilities at either Greensward Surgery or the Ashingdon Medical Centre - occupation of first dwelling | <u>5,520.00</u> | 03/10/2029 |
| Land north of Hall Road, Rochford (Addendum) | Healthcare contribution. Developer to pay RDC a Healthcare Uplift Contribution for the Primary Care Trust, which is to be paid prior to Occupation of the 501st Dwelling. To be paid plus or minus a sum to reflect increase or decrease of RPI | <u>12,789.00</u> | No date |
| Bullwood Hall, Hockley | Paid prior to commencement. This will contribute towards the addition, or improvement at the General Practitioners Church View Surgery with predominantly serves the district of Hockley (including the Jones Family Practice). Contribution must be paid to NHS within 3 months of receipt | <u>28,382.00</u> | Paid to NHS within 3 months of receipt - Unspent contribution (plus interest) must be returned to developer - after 10th anniversary of the date of receipt |

3.11 Whilst the 'refund date' of the vast majority of these contributions is still several years away, there remains an imperative to continually monitor the funds within RDC's control to ensure that the purpose for which the contribution was collected is realised at the earliest opportunity.

3.12 It is recommended that the Executive receive quarterly reports in this format on the status of developer contributions held by RDC for both RDC-led expenditure and NHS expenditure to allow for these contributions to be monitored and any necessary actions taken.

4 ALTERNATIVE OPTIONS CONSIDERED

4.1 This report is for noting and no decision is being made.

5 RISK IMPLICATIONS

5.1 Should Section 106 contributions not be spent within a prescribed period, the developer can, in many cases, request the funds be returned. It is therefore important that the Council routinely monitors Section 106 contributions to ensure infrastructure associated with new development is delivered effectively and timely.

6 RESOURCE IMPLICATIONS

6.1 The monitoring of Section 106 agreements is achieved within existing agreed budgets and resources.

7 LEGAL IMPLICATIONS

7.1 There are no legal implications arising from this report.

8 EQUALITY AND DIVERSITY IMPLICATIONS

8.1 An equality impact assessment has not been completed as no decision is being made.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

LT Lead Officer Signature: _____



Assistant Director, Place and Environment

Background Papers:-

None.

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If you would like this report in large print, Braille or another language please contact 01702 318111.