

<b>Report of:</b>	<b>Head of Economic Development</b>
<b>Contact Officer:</b>	<b>Debbie Harris</b>
<b>Telephone No:</b>	<b>4490</b>
<b>Portfolio Leader:</b>	<b>Economic Development and Planning</b>
<b>Key Decision:</b>	<b>Yes</b>
<b>Report Track:</b>	<b>Cabinet: 25/01/18</b>

**CABINET**  
**25 JANUARY 2018**  
**APPLICATION FOR PERMISSION TO SPEND – MILL GREEN**

**1 Purpose of Report**

- 1.1 To seek Cabinet permission to spend in relation to Mill Green, funded from the proposed Section 106 contributions due to be paid to the Council.

**2 Recommendations**

- 2.1 Subject to the receipt of the appropriate Section 106 sums from the Developer, Cabinet is asked to approve permission to spend:
- (i) £150,000 towards Cannock Town Centre Improvements (breakdown as detailed in paragraphs 3.6 & 3.7 below).
  - (ii) £32,300 annually towards maintenance of Mill Green Nature Park.
  - (iii) £28,000 on Mill Green Nature Park.
  - (iv) £90,000 towards Cannock Railway Station improvements.
  - (v) £5,000 towards and Employment and Skills Plan.
  - (vi) £65,000 towards the Retail and Skills Academy.

**3 Key Issues and Reasons for Recommendation**

- 3.1 The Council has entered into an agreement with Development Securities (Cannock) Limited and U and I Group Plc for the sale of Council owned land at Mill Green, Lichfield Road, Cannock. This agreement was originally dated 13

November 2013 and has been varied subsequently by supplemental agreements in 2014, 2016 and 2017.

- 3.2 Outline planning consent was granted for a Retail Outlet Village on the Mill Green site in July 2016. The Council subsequently received an application under Section 73 of the Town and Country Planning Act 1990 (as amended) to vary conditions attached to the permission. That was approved and a further planning permission was issued in October 2017. The purchasers have covenanted that upon acquiring any legal interest in the Council land they shall enter into an associated planning agreement i.e. the Section 106 Agreement, the terms of which were agreed as part of the application.
- 3.3 Once the Section 106 Agreement has been completed numerous payments will be due to the Council at various trigger points ranging from prior to Commencement of Development through to Occupation. The Council will covenant in the Section 106 Agreement to only use the money received for the purposes set out in the Section 106 Agreement.
- 3.4 The Council needs to be in a position to spend quickly once payments are received, in order to fulfil its Section 106 obligations. Payback provisions for any unspent monies are included and range from 5-10years.
- 3.5 The current programme indicates a timeframe of entering into construction contract circa December 2017 and a Commencement of Development (start on site) in February 2018 with a planned Spring 2020 opening.
- 3.6 Spend is anticipated against the Section 106 and includes proposed activities for Cannock Town Centre Improvements, such as:
  - The production of a Cannock Town Centre Investment Prospectus to help raise the profile and identify opportunities available in Cannock Town Centre;
  - The provision of free Wi-Fi in Cannock town centre;
  - The implementation of a Cannock Town Centre Rewards Scheme to encourage retail customer loyalty;
  - Improvements to Cannock Town Centre markets including improvements to the entrance to Cannock Town Centre indoor market to provide an improved environment for shoppers;
  - Promotional events and festivals including those planned by the Cannock Traders Association;
  - Funding the position of a Cannock Town Centre Partnership Officer for 2 years to assist in delivering the improvements to Cannock Town Centre.
- 3.7 The funding of the position of a Cannock Town Centre Partnership Officer for 2 years has been job evaluated as a salary grade E i.e £20,138 - £22,658 p.a.
- 3.8 In addition to the above spend is also itemised for the Maintenance of Mill Green Nature Park, including;

- Additional management and maintenance costs incurred by the Council payable on each anniversary of Occupation for the life of the development.

3.9 In addition to the above spend is also itemised for Mill Green Nature Park, including;

- Improvements to the Mill Green Nature Park including refurbishment of ladder board sign and installation of additional ladder board;
- Felling and replanting of trees within the beech wood.

3.10 In addition to the above spend is also itemised for Cannock Railway Station improvements, including;

- Improvements to passenger waiting and general station facilities and/or the lengthening and widening of existing platforms;
- Improved access to the railway station including being made compliant with the Equality Act 2010 which replaced the Disability Discrimination Act 1995 and is now a combined piece of legislation incorporating the Equal Pay Act 1970, Sex Discrimination Act 1975, Race Relations Act 1976, Disability Discrimination Act 1995, Employment Equality (Religion or Belief) Regulations 2003, Employment Equality (Sexual Orientation) Regulations 2003 and the Employment Equality (Age) Regulations 2006.

The funds may form part of a wider funding strategy to deliver an enhanced improvement scheme at Cannock Railway station.

3.11 In addition to the above spend is also itemised for an Employment and Skills Plan, including;

- A plan which includes; details of how the owner shall co-operate with the Councils Head of Economic Development from the start of the tendering process for the construction of the Development and throughout the construction of the development.
- Details of how the owner shall work with the Council to identify target groups within local communities to deliver training ranging from pre-employment to skills development in partnership with the public sector and voluntary organisations;
- A commitment from the owner to use their reasonable endeavours to employ local people in the construction and operation of the Development;
- The procedure by which the owner shall notify employment vacancies to local employment agencies.

3.12 In addition to the above spend is also itemised for The Retail and Skills Academy, including;

- How the Development operator and the Development tenants working in partnership with the Council and South Staffordshire College (or alternative

provider of higher education in the Cannock Chase District) will deliver training on the development site and at a College Campus as well as details as to how the Retail and Skills Academy monies will be spent.

#### **4 Relationship to Corporate Priorities**

4.1 This report supports the Council's Corporate Priorities as follows:

- (i) **Better Jobs and Skills** – This disposal will look to secure regeneration benefits for the District which will include a significant number of new jobs to be created and increased visitor numbers to the District. The profile of the District will be enhanced which could attract further investment. This development will help strengthen the local economy.

#### **5 Report Detail**

5.1 All relevant details are outlined in Section 3 of this report.

#### **6 Implications**

##### **6.1 Financial**

The Section 106 agreement referred to in the body of the report has not yet been signed and therefore the anticipated Section 106 receipts have not yet been confirmed. Once the Section 106 receipts have been received, the budget approved by Cabinet will be available to spend.

##### **6.2 Legal**

Any monies received by the Council under the terms of the Section 106 Agreement, once it has been completed, must be spent in accordance with the terms of the Agreement and within the specified periods failing which the Council will be liable to repay the money received.

##### **6.3 Human Resources**

Recruitment to the Cannock Town Centre Partnership Officer will be in line with agreed HR recruitment procedures.

##### **6.4 Section 17 (Crime Prevention)**

There are no identified implications arising from this report.

##### **6.5 Human Rights Act**

There are no Human Rights implications arising from this report.

##### **6.6 Data Protection**

There are no Data Protection implications arising from this report.

## 6.7 Risk Management

There are significant risks to the delivery of the scheme and the payments to the Council, especially the pre-lettings risks. The process by which the proposals will be progressed and the commitments of the parties are managed by the Heads of Terms and the revised conditional contract. However the risks cannot be eliminated.

## 6.8 Equality & Diversity

There are no Equality and Diversity implications arising from this report.

## 6.9 Best Value

The Council has employed specialists to advise in respect of its obligations under Section 123 of the Local Government Act 1972 and the Council is satisfied that it is obtaining best value for its land.

## 7 Appendices to the Report

None.

### Previous Consideration

Not For Publication Development of the Mill Green Site	Cabinet	17 April 2014
Development of the Mill Green Site	Cabinet	17 October 2013
Not For Publication Growing Places Fund	Cabinet	15 March 2012
Not For Publication Growing Places Fund – Mill Green	Council	4 July 2012

### Background Papers

None