

# Infrastructure Funding Statement

2022/2023



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## Executive Summary

Chelmsford City Council receives monetary and non-monetary contributions linked to new development. It is required to publish, on an annual basis, what it receives and how it uses or intends to use the funding to support the delivery of infrastructure. This is reported in an Infrastructure Funding Statement (IFS).

This Infrastructure Funding Statement provides information regarding the Community Infrastructure Levy (CIL) and S106 agreements (planning obligations) for the financial year 2022/2023.

Since CIL was implemented in Chelmsford, it has become the only significant means by which the Council is able to collect and pool developer contributions to deliver infrastructure improvements. Alongside CIL, S106 obligations exist as one-off agreements to mitigate the impacts of larger developments and to secure on-site developer requirements, such as the provision of affordable housing.

Essex County Council produce a separate IFS reporting on the amount of developer contributions obtained, allocated and spent relating to Education, Transport and Highways.

This IFS contains references to the following:

'Spent' includes sums that have been spent internally and sums that have been passed to an external organisation to spend. Total money spent includes sums spent on monitoring (an estimate is provided if total sum unknown, in line with regulations)

'Allocated' means sums still retained by the reporting authority but which have, or may be, passed to an internal team to fund a specific infrastructure project or type, or may be passed to an external organisation to spend

'Retained' means sums remaining unspent and therefore includes sums both allocated and unallocated

## Financial Report for 2022/23

Chelmsford City Council collected a total of £2.38m of CIL from developer contributions. Of this, £1.91m was for strategic infrastructure. The largest spend of strategic CIL in the year was for Tindal Square, at £2.29m, followed by additional spend on the refurbishment of Chelmsford Theatre of £0.95m. At the end of the year, a total of £20.6m was available to spend on strategic infrastructure in future years, with allocations of £27m.

Local communities benefitted from £238,678 of CIL which was transferred to the parish councils to support development in their areas.

Within the nine unparished wards £43,828 was collected to spend, adding to the £1.27m of CIL already retained from previous years.

S106 monetary contributions collected in the year totalled £3.1m, and £2.38m was spent. Further S106 contributions totalling £0.3m were secured in the year.

### 1. Community Infrastructure Levy (CIL) 2022/23

- 1.1. CIL was introduced nationally in 2010 and has been charged in Chelmsford on qualifying residential and retail development permitted since June 2014, which add one or more new dwelling(s) or more than 100sqm of floor space. CIL is a set charge, based on the gross internal area floorspace of buildings to help fund the infrastructure needed to address the cumulative impact of development across our area. An index of inflation is applied to CIL charges and our charge is updated each year on 01 January. The charge can be viewed on our website.
- 1.2. Local planning authorities must use CIL to fund 'the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of the area'. This could be for new or improved roads, parks, schools, and other infrastructure as defined in the Planning Act.
- 1.3. The CIL Regulations require 15% of CIL receipts to be passed to the local town or parish council for the area where the development takes place, with a limit of £100 per council tax dwelling in that parish during the financial year. Where a Neighbourhood Plan is in place this increases to 25% with no limit. The increased amount applies to CIL generated from development that was granted planning permission after the date the neighbourhood plan was adopted. The local CIL is similarly able to fund infrastructure but can also fund 'anything else that is concerned with addressing the demands that development places on an area'. In the year 22/23, there were two adopted neighbourhood plans within the administrative boundaries of Chelmsford City Council, in South Woodham Ferrers and Writtle (both adopted 08/12/21).
- 1.4. On 9<sup>th</sup> March 2022, the Community Governance Review Council agreed that two new parishes will be created in Chelmsford: Chelmsford Garden Community and Chelmer Village. The change affects the existing boundaries of Boreham, Broomfield, Great Baddow, Little Waltham and Springfield. The change came into effect on 1st April 2023, and therefore does not affect this IFS. The neighbourhood portion of CIL payments received after 1st April 2023 must be transferred to the parish in which they sit at that date, regardless of when the related planning application was approved, or when the payment was due.

1.5. When a parish or town council is due more money than it can receive due to the imposed limit, the CIL Regulations do not state what should happen to the surplus created. The City Council retains the local surplus money and has therefore established a process to allocate it which can be viewed in full on our website. The City Council, in consultation with the local community will spend the surplus on infrastructure projects which are in the vicinity of the development in which the CIL money was originally collected.

1.6. In the unparished areas of Chelmsford, 15% of CIL receipts must still be spent in the locality of the contributing development. In 2022/23, if development took place in any of the nine unparished wards, 15% of the CIL funding (the Neighbourhood CIL) was reserved for our Community Funding Scheme, to which voluntary and community organisations could apply to fund infrastructure within the unparished area. In 2023/24, this was reviewed, and formally changed in November 2023 to reserve 15% of this neighbourhood CIL for the Community Funding Scheme. The remaining 85% must still be spent in the unparished area but will now be retained by the City Council to spend on infrastructure priorities that it identifies.

1.7. In June 2021, it was agreed that a one- off Neighbourhood CIL allocation of £100,000 will be reserved to fund the new Greener Chelmsford Grant Scheme. The scheme aims to encourage community-led ecological and green initiatives and forms part of the Council's Climate and Ecological Emergency Action Plan. The scheme focuses on the themes of protecting and enhancing wildlife, lowering energy consumption, reducing waste and lowering carbon emissions.

1.8. In Chelmsford, a CIL charge can be paid in instalments. The full policy can be viewed on our website. The CIL Demand Notice sets out the whole sum payable and the instalments required, including any interest or surcharges payable, therefore CIL Demand Notices issued during a particular year do not equate to the CIL sums likely to be received during that year and can take up to two years to be paid. In addition, developments can be altered through further planning permissions over time, often resulting in revised Demand Notices. Any revised Demand Notices are not double counted in this report; if a Demand Notice is issued and then re-issued in the same reporting year, only the re-issued Notice would be included within the figure for CIL invoiced during the year. The value of Demand Notices issued in the year was £2,838,078.

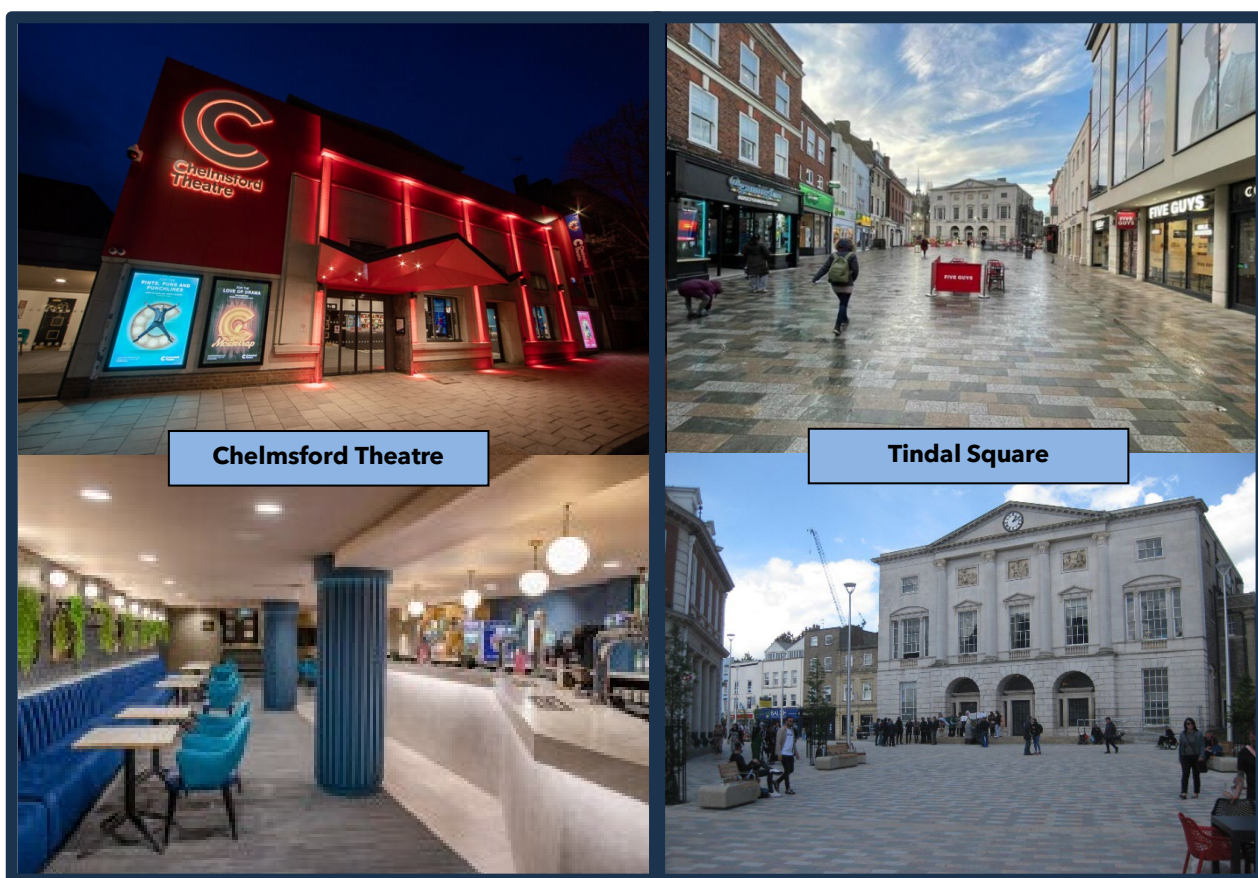
1.9. Amounts reported include any surcharges and interest that have been applied.

1.10. Table 1 - CIL Headline Figures (£)

	<b>Retained from previous years</b> (a)	<b>Received in reported year</b> (b)	<b>Spent in reported year</b> (c)	<b>Retained at end of reported year</b> (a+b-c)
Main CIL fund - strategic	22,072,497	1,909,242	3,386,275	20,595,464
Unparished areas	1,272,647	43,828	9,036	1,307,439
Parish council areas	108,056	306,542	238,678	175,920
Local surplus	145,944	0	0	145,944
Administration (4.89% of 2022/23 receipts)	0	116,299	116,299	0
<b>TOTAL</b>	<b>23,599,144</b>	<b>2,375,911</b>	<b>3,750,288</b>	<b>22,224,767</b>

1.11. Table 2 - CIL Fund - Strategic CIL (£)

<b>Infrastructure</b>	<b>Spent in 22/23</b>	<b>Allocated but not spent</b>
Tindal Square Public Realm	2,281,799	0
Sutherland Lodge GP Surgery Refurbishment	0	525,000
Cycling Infrastructure	15,322	37,773
Army & Navy Sustainable Transport Package	0	4,000,000
Chelmer Waterside Infrastructure	0	7,050,000
East Chelmsford Cycle Routes	0	1,500,000
North East Chelmsford Garden Community Bridge	0	1,500,000
Trinity School	0	950,000
Theatre Refurbishment	946,470	0
Dovedales Refurbishment	45,684	1,148,316
Cemetery / Crematorium Land	0	4,000,000
Cemetery / Crematorium Build	0	6,800,000
Main Road Hospital Approach Junction Improvements	97,000	0
Applied to repay money borrowed	0	0
<b>TOTAL</b>	<b>3,386,275</b>	<b>27,511,089</b>



Theatre images: Aaron Crowe

1.12. Table 3 - Parish and Town Councils (£)

<b>Parish/Town Council</b>	<b>Retained from previous years</b>	<b>Received</b>	<b>Transferred to Local Council</b>	<b>Retained at end of year (pending transfer)</b>
Boreham	0	0	0	0
Broomfield	11,992	52,000	31,357	32,635
Chignal	2,330	6,991	4,660	4,661
Danbury	4,426	26,469	26,088	4,808
East Hanningfield	476	20,553	952	20,077
Galleywood	4,092	8,520	7,994	4,618
Good Easter	3,742	11,227	11,227	3,742
Great Baddow	6,253	13,107	15,480	3,880
Great Waltham	0	3,212	3,212	0
Great & Little Leighs	1,695	7,498	4,597	4,596
Highwood	0	0	0	0
Little Baddow	0	0	0	0
Little Waltham	5,125	49,495	21,241	33,379
Margaretting	0	0	0	0
Mashbury	0	0	0	0
Pleshey	0	0	0	0
Rettendon	6,093	5,326	11,419	0
Roxwell	0	0	0	0
Runwell	1,238	11,755	4,121	8,871
Sandon	1,586	4,758	3,172	3,172
South Hanningfield	0	3,900	0	3,900
South Woodham Ferrers	2,631	2,694	2,631	2,694
Springfield	1,163	1,674	2,837	0
Stock	40,304	6,027	45,131	1,200
West Hanningfield	0	0	0	0
Woodham Ferrers & Bicknacre	6,204	44,082	23,167	27,119
Writtle	8,706	27,256	19,391	16,570
<b>TOTAL</b>	<b>108,056</b>	<b>306,542</b>	<b>238,678</b>	<b>175,920</b>

1.13. Table 4 - Neighbourhood CIL relating to areas with no parish or town council (£)

<b>Infrastructure</b>	<b>Spent in 22/23</b>	<b>Allocated but not spent at end of 22/23</b>
Meadows Car Park - Additional Streetlight	4,383	0
Greener Chelmsford Grant balance	4,200	82,550
Torquay Road CCTV	41	2,655
Lionmede Park Basketball Court	412	0
Chelmsford Society Model Engineers	0	5,000
<b>TOTAL</b>	<b>9,036</b>	<b>90,205</b>

1.14. Table 5 - Local Surplus (£)

<b>Infrastructure</b>	<b>Year allocated</b>	<b>Allocated to project</b>	<b>Spent in 22/23</b>	<b>Retained at end of 22/23</b>
Chignal Road Junction Landscaping	18/19	11,068	0	1,400
St Andrews Scout Hut Refurbishment	18/19	80,000	0	79,800
Unallocated on 31 March 2022	-	-	-	64,744
<b>TOTAL</b>		<b>91,068</b>	<b>0</b>	<b>145,944</b>

1.15. Table 6 - Greener Chelmsford Grant (£)

<b>Infrastructure</b>	<b>Year allocated</b>	<b>Allocated to project</b>	<b>Spent in 22/23</b>	<b>Retained at end of 22/23</b>
Mid Essex Friends of the Earth Climate Action Group - St Margarets Green trees	22/23	1,500	1,000	0
St Andrews Church - Garden and meadow	22/23	8,000	8,000	0
South Woodham Ferrers Wildlife - Nesting sites	22/23	2,000	0	2,000
Marconi Ponds Management Group - Replacement platform	22/23	3,200	3,200	0
Remainder of Greener Grant	n/a	n/a	n/a	67,550
<b>TOTAL</b>		<b>14,700</b>	<b>4,200</b>	<b>69,550</b>

1.16. The (CIL) Infrastructure List

1.16.1. Regulation 121A(1)(a) requires the infrastructure funding statement to include 'a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL (other than CIL to which regulation 59E or 59F applies) ("the infrastructure list)". In addition to the allocations at 1.11, at time of publication this includes Chelmer Waterside works and bridge.

1.16.2. Strategic CIL receipts that arise from the Strategic Growth Area in South Woodham Ferrers will be ring fenced to support infrastructure that is required to support the development in that town.

## 2. S106 (Planning Obligations) 2022/23

- 2.1. Section 106 of the Town and Country Planning Act 1990 enables a local planning authority to enter into a negotiated agreement with a developer to mitigate the impact of a specific development, to make it acceptable in planning terms.
- 2.2. Prior to the adoption of CIL, if a development was considered to have a significant impact on the local area, a S106 agreement was made between the developer and the Council to mitigate that impact. The S106 planning obligations are targeted financial and/or non-financial contributions, for example, the provision or contribution to a new or improved road, school, health facility or local green infrastructure. The intended use of S106 contributions is detailed in the agreement and must be spent in accordance with that.
- 2.3. S106 monetary contributions are secured for specific purposes as determined at the time of the agreement and must be spent in accordance with that regardless of when they are received.
- 2.4. Most sites will now only make a CIL payment, however S106 contributions continue to be used in a limited way for site specific infrastructure including affordable housing. This is normally the case for large strategic housing sites. Some sites will make both a CIL payment and a S106 contribution.
- 2.5. We are one of twelve partner local authorities who are working together, along with Natural England, to implement the Essex Coast Recreational Disturbance Avoidance and Mitigation Strategy (RAMS). The RAMS seeks to avoid and mitigate recreational disturbance on European designated sites along the Essex Coast, from an increasing residential population arising from new housebuilding throughout the County. We have been collecting developer contributions on all new qualifying residential development towards the RAMS since November 2018. The 2022/23 charge per new dwelling was £137.71. Projects that will be funded from this include a Project Delivery Officer and Rangers, providing education and information, installing signage and interpretation boards, new habitat creation and project monitoring.
- 2.6. We collect some education and highways contributions on behalf of Essex County Council, which are then paid to and spent by the County Council as the local education and highway authority. We also collect healthcare contributions on behalf of NHS England as the local healthcare authority and pass these on when the authority is ready to use the money. Section 106 agreements are sometimes signed jointly with Essex County Council, but items which are their responsibility will be reported separately by the County Council as obligations entered into with them and are not included in this statement.
- 2.7. The total amount of money under any planning obligation which was received during 2022/23 was £3,101,997.
- 2.8. Table 7 - S106 monetary contributions to be provided under planning obligations which were entered into during the reported year (£)

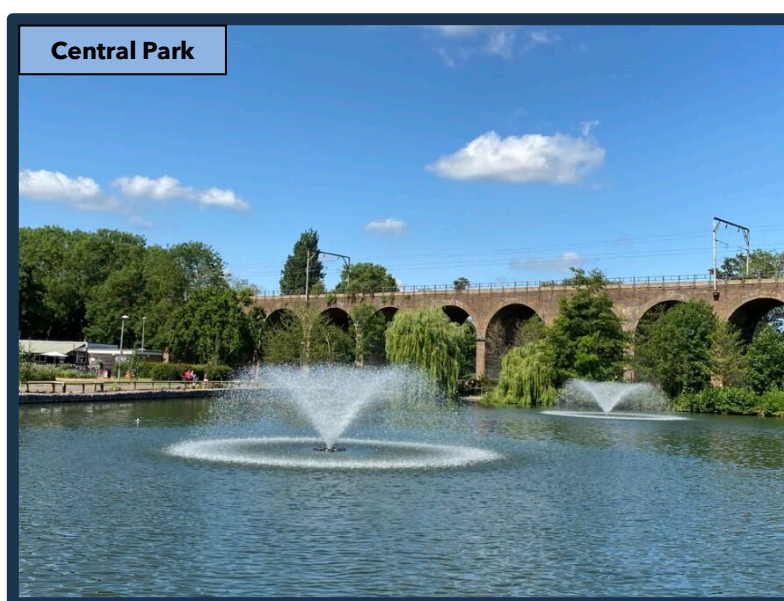
<b>Infrastructure Type</b>	<b>Amount</b>
Affordable Housing	37,050
Habitat Mitigation (RAMS)	77,774
Healthcare	22,777
Local Open Space	109,469
Strategic Open Space	54,027
Monitoring Fees	6,800
<b>TOTAL</b>	<b>307,897</b>



2.9. S106 non-monetary contributions to be provided under planning obligations which were entered into during the reported year comprise 115 units of affordable housing. In April 22 we forecast that there would be 271 AH completions. The actual number delivered was 219. Essex County Council will report in its own IFS on any school places that were agreed and provided in the year.

2.10. Table 8 - Summary details of infrastructure on which money received through planning obligations was spent during the reported year (£)

<b>Infrastructure Type</b>	<b>Amount</b>
Chelmsford Sports and Athletic Centre Track	66,083
Army and Navy	129,712
Runwell Sports and Social Club	60,421
Central Park Lake Improvements	69,148
Chislett Row Play Area	28,500
Melbourne Park Neighbourhood Play Area	31,373
Churchill Rise Play Area	812
Public art - Channels	30,992
Education - Beaulieu secondary school	246,892
Strategic Urban Area Water Management	103,388
Public Realm - Tindal Square	589,737
Public Realm - Stonebridge Lighting	11,933
Beaulieu Pitch Conversion	95,568
Chelmer Waterside Decontamination	185,845
Drakes Lane Travellers Site	612,000
Healthcare - Chelmer Village Surgery	108,000
Healthcare - Forever Active	7,000
S106 receipts spent on repaying money borrowed	0
S106 receipts spent on monitoring	0
<b>TOTAL</b>	<b>2,377,404</b>



2.11. Table 9 - Summary details of the items of infrastructure to which receipts from planning obligations, whenever collected including 2022/23, were allocated but not spent (£)

<b>Purpose</b>	<b>Retained at 31/03/23</b>	<b>Allocated</b>	<b>Unallocated</b>
Art	1,000	1,000	0
Beaulieu Multi-Use Sports Centre	199,568	199,568	0
Community Local Open Space	574,911	162,786	412,125
Community Early Years Education	16,698	0	16,698
Community Local Transport / Highways	227,952	144,574	83,378
Community Primary Education	57,866	0	57,866
Community Public Art	98,288	92,665	5,623
Community Public Realm Central Chelmsford	1,806,764	1,806,764	0
Community Public Realm Moulsham Street	19,079	19,079	0
Community Public Realm West End	788	0	788
Community Other Facilities	16,489	11,489	5,000
Healthcare	552,786	513,540	39,246
Housing	508,680	215,440	293,240
Strategic Urban Area Transport Chelmer Valley Park & Ride	13,958	13,958	0
Strategic North Chelmsford Area Rapid Transport	9,111	9,111	0
Strategic Affordable Housing	4,787,534	4,008,901	778,634
Strategic Borough Open Space	772,131	464,389	307,742
Strategic Borough Wide Sport & Recreation	2,529,944	2,521,084	8,860
Strategic North Chelmsford NE Bypass & Boreham	56,943	56,943	0
Strategic Secondary Education	64,217	0	64,217
Strategic Urban Area Transport - Army & Navy	21,326	21,326	0
Strategic Urban Area Transport - Chelmsford Rail Station	22,295	22,295	0
Strategic Urban Area Transport - Widford Park & Ride	18,474	6,108	12,366
Strategic Urban Area Water Management	833,347	833,347	0
Tree Planting	300	0	300
RAMS	270,015	270,015	0
Beaulieu Park	1,698,209	1,698,209	0
Transport	61,928	0	61,928
<b>Total</b>	<b>15,240,602</b>	<b>13,092,591</b>	<b>2,148,011</b>

2.12. If you have any queries regarding the Infrastructure Funding Statement, please contact us using the details on the final page.

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