

Infrastructure Funding Statement

2020/2021



Executive Summary

Chelmsford City Council receives financial contributions linked to new development and is required to publish, on an annual basis, how much funding it collects and how it uses or intends to use the funding to support the delivery of infrastructure. This is required to be reported in an Infrastructure Funding Statement.

This Infrastructure Funding Statement provides information regarding the Community Infrastructure Levy (CIL) and funding received through S106 agreements (planning obligations) for the financial year 2020/2021.

During the financial year 2020/21, Chelmsford City Council collected a total of £4.49m of CIL from developer contributions. Of this total, £3.76m was for strategic infrastructure. CIL collected in previous years that was available at the start of 2020/21 for the Council to spend on strategic infrastructure was £15.97m. During the year, £81,000 of this was spent.

During the year, £400,000 was collected to spend within the nine unparished wards. CIL collected in previous years that was available to spend in the unparished area was £1.6m. £177,000 was spent or allocated to projects in the unparished area. Parish councils within the Chelmsford administrative area received a CIL allocation of £506,000.

In addition, £6.6m was collected from S106 planning contributions during the year, and £1.68m was spent. At the end of the year, £13m of S106 planning contributions remained unspent. A further £1.57m of future contributions were agreed through S106 agreements made in the year.

1. Introduction

- 1.1. This report provides information on the monetary and non-monetary contributions sought and received from developers for the provision of infrastructure to support development in Chelmsford, and the subsequent use of those contributions by Chelmsford City Council. The report covers the financial year 01 April 2020 – 31 March 2021.
- 1.2. Chelmsford seeks developer contributions through the Community Infrastructure Levy (CIL) and Section 106 agreements (also known as “planning obligations”). Since CIL was implemented in Chelmsford, it has become the only significant means by which Chelmsford City 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.
- 1.3. Amounts reported include any surcharges and interest that have been applied.

2. Community Infrastructure Levy (CIL) 2020/21

- 2.1. 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.
- 2.2. 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.
- 2.3. 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 specified. There were no areas in Chelmsford during the year where a Neighbourhood Plan has been made (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'.
- 2.4. 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.

- 2.5. In the unparished areas of Chelmsford, 15% of CIL receipts must still be spent in the locality of the contributing development. If development takes place in any of the nine unparished wards, 15% of the CIL funding goes into our Community Funding Scheme. The scheme accepts applications from voluntary and community organisations to fund infrastructure within the unparished area.
- 2.6. 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 needing to be issued. Any such re-issued 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 £1,077,305.93.

2.7. **Headline Figures (£)**

	Received in 2020/21 (a)	Retained as at 31 March 2020 (b)	Spent in 2020/21 (c)	Retained as at 31 March 2021 (a + b - c)
TOTAL Broken down as below	4,491,247	18,112,296	826,420	21,777,123
Main CIL fund (table 2)	3,757,495	15,974,356	81,041	19,650,810
Unparished areas (table 3)	400,278	1,641,784	176,908	1,865,154
Parished council areas (table 4)	271,281	350,212	506,278	115,215
Local surplus (table 3)	0	145,944	0	145,944
Administration (1.4% of CIL received in 2020/21)	62,193	n/a	62,193	n/a

Retained' refers to CIL sums remaining unspent and therefore includes sums both 'allocated' and 'unallocated'.

2.8. Main CIL Fund – Excludes CIL reserved for administration costs and local CIL (£)

Receipts	
Cash	3,757,495
Land	0
Amount recovered from parish councils in line with regulation 59(E)	0
TOTAL	3,757,495
Expenditure	
Infrastructure:	
Wayfinding Phase 2	34,136
Cycling Infrastructure	46,905
Applied to repay money borrowed	0
TOTAL	81,041
Allocated but not spent	
Infrastructure:	
Cycling Infrastructure	53,095
Tindal Square Public Realm	1,600,000
Main Road/Hospital Approach Broomfield Junction	97,000
Sutherland Lodge GP Surgery Refurbishment	525,000
Chelmer Waterside Infrastructure	5,050,000
TOTAL	7,325,095
Unallocated on 31 March 2021	12,325,715

'Allocated' means CIL sums retained by the reporting authority which have, or knowingly will be, passed to an internal team to fund a specific infrastructure project or infrastructure type. 'Allocated' also includes sums which will knowingly be passed to an external organisation, but which are yet to be passed.

2.9. The (CIL) Infrastructure List

- 2.9.1. 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")'.
- 2.9.2. Since April 2021, the Council has reviewed its process for allocating and spending strategic CIL. Strategic CIL will be applied to strategic infrastructure that supports the adopted Chelmsford Local Plan to 2036. On an annual basis, and as part of the Council's budget setting process, the Council will create an Infrastructure Priority Schedule that sets out the prioritisation of the spend of CIL alongside other funding streams, to support the delivery of strategic priorities over the medium term to 5 years.
- 2.9.3. This will be reviewed annually and will form part of the Council's Medium Term Financial Strategy. It will take into account projects delivered by the City Council and its external partners.
- 2.9.4. 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.

2.10. Future Intended Spend of CIL

- .2.10.1. In addition to the project spend set out in this Funding Statement, the City Council has also taken decisions that it intends to spend the strategic allocation of the Community Infrastructure Levy on the following projects:

Trinity Road Primary School Improvements - £950,000

Chelmsford Garden Community Multi Modal Bridge - £1,500,000

Wayfinding Phase 2

Wayfinding signs were installed around the city centre to provide information for visitors, ease route legibility, give a consistent image for the city centre and reduce street clutter by consolidating signposts.

The previous black finger posts were 25 years old and had out of date destinations and directions. The updated signage will benefit residents and visitors to Chelmsford city centre as well as businesses and organisations in the city centre, including destination locations such as Chelmsford Museums, the Cathedral, and Essex Record Office. Improved wayfinding signage also provides a confidence boost for investors to premises and businesses in Chelmsford city centre.

The first phase was installed in 2017, and the locations for the third phase will be published on our website when they are available.



Cycling Infrastructure

Strategic CIL funding was granted to maximise the benefit from the cycling infrastructure improvements proposed in the Chelmsford City Growth Package and the Essex Cycling Strategy to increase cycling participation rates in schools, Broomfield Hospital, Anglia Ruskin University and neighbouring areas through the development of cycling infrastructure provisions.

Improved cycling infrastructure should reduce pressure on road space, subsequently reducing carbon dioxide emissions and congestion, while also encouraging physical activity to address key health and wellbeing priorities by tackling factors that increase the risk of poor health.



2.12.Local CIL relating to areas with no parish or town council (CIL Regulation 59(F)) (£)

Infrastructure	Year Allocated	Allocated to project	Spent in 20/21	Spent in Previous Years	Retained at the end 20/21
Police Community Support Officers	18/19	152,000	6,274	111,387	34,339
Forest Drive CCTV	18/19	15,000	2,894	0	12,106
Savernake Road Scout Hut	19/20	4,000	3,325	0	675
Sanctus Education Programme	19/20	5,000	5,000	0	0
Sanctus First Floor Refurbishment	19/20	15,120	14,228	892	0
Sanctus Service Provision	19/20	13,423	13,423	0	0
Admirals Park CCTV	19/20	30,000	14,613	0	15,387
North Avenue Youth Centre Defibrillator	19/20	3,500	3,500	0	0
North Avenue Youth Centre Lighting and Equipment	19/20	14,750	8,250	6,500	0
Havengore CCTV	19/20	6,380	5,901	0	479
Torquay Road CCTV	19/20	6,380	3,684	0	2,696
Byron Road CCTV	19/20	6,380	6,380	0	0
Oaklands Park Neighbourhood Watch CCTV	19/20	3,000	3,000	0	0
Widford Parish Centre - Community Hub	19/20	6,505	6,505	0	0
Moulsham Lodge Community Trust Café Phase Two	19/20	36,931	36,931	0	0
Cool To Be Kind Lockers	19/20	2,925	0	0	2,925
Helping Hands Essex	19/20	71,500	0	30,500	41,000
Sanctus New Premises Refurbishment	20/21	43,000	43,000	0	0
Age Concern Extension	19/20	211,500	0	0	211,500
Age Concern Extension (additional funding)	20/21	25,000	0	0	25,000
Projects completed in previous years	-	317,995	0	317,995	0
Unallocated on 31 March 2021	-	0	0	0	1,519,047
TOTAL	-	990,289	176,908	467,274	1,865,154
Local Surplus					
Chignal Road Junction Landscaping	18/19	11,068	0	9,668	1,400
St Andrews Scout Hut Refurbishment	18/19	80,000	0	200	79,800
Unallocated on 31 March 2021	-	0	0	0	64,744
TOTAL		91,068	0	9,868	145,944

2.13. Local CIL relating to areas with a parish/town council (£)

No notices were served in accordance with Regulation 59(E) to recover CIL previously passed to a parish or town council.

Parish/Town Council	Received in 2020/2	Retained from previous years	Transferred to parish council in 2020/21	Retained at end of 2020/21 (pending transfer in 2021/22)
Boreham	120,273	59,641	179,914	0
Broomfield	0	107,768	107,768	0
Chignal	4,913	28,262	28,262	4,913
Danbury	11,040	8,848	13,004	6,884
East Hanningfield	764	266	1,030	0
Galleywood	2,789	701	701	2,789
Good Easter	0	0	0	0
Great Baddow	1,976	1,859	2,309	1,526
Great Waltham	0	0	0	0
Great & Little Leighs	45,899	57,199	57,199	45,899
Highwood	0	0	0	0
Little Baddow	0	44	44	0
LittleWaltham	2,798	0	1,755	1,043
Margaretting	0	0	0	0
Mashbury	0	0	0	0
Pleshey	0	0	0	0
Rettendon	13,431	4,313	7,265	10,479
Roxwell	7,598	5,346	6,566	6,378
Runwell	6,047	4,969	10,027	989
Sandon	1,860	0	946	914
South Hanningfield	4,163	3,363	4,801	2,725
South Woodham Ferrers	2,023	518	518	2,023
Springfield	8,968	22,876	31,844	0
Stock	22,767	28,125	29,052	21,840
West Hanningfield	2,161	0	873	1,288
Woodham Ferrers & Bicknacre	11,046	13,409	18,932	5,523
Writtle	765	2,703	3,468	0
TOTAL	271,281	350,212	506,278	115,215

3. S106 (Planning Obligations) 2020/21

- 3.1. 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.
- 3.2. 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.
- 3.3. 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.
- 3.4. 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 of £125.58 per new dwelling towards the RAMS since November 2018 from all new qualifying residential development. 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.
- 3.5. We collect some education and highways contributions on behalf of Essex County Council, which are then transferred 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 transfer these 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 on separately by the County Council as obligations entered into with them and are not included in this statement.
- 3.6. Headline figures (£)

Monetary Contributions

Total money to be provided through planning obligations agreed in 2020/21, broken down as below:	184,298
Habitat mitigation (RAMS)	87,298
Tree planting	7,000
Affordable housing	60,000
Waterways	30,000
Total money received through planning obligations (whenever agreed) in 2020/21	1,026,426
Total money received through planning obligations (whenever agreed) spent in 2020/21	3,471,858

Total money received through planning obligations (whenever agreed) retained at the end of 2020/21	11,201,961
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'Spent' includes sums transferred to an external organisation to spend but does not include sums held internally, whether allocated or otherwise to a specific infrastructure project or type. Total money spent includes sums spent on monitoring the delivery of s106 obligations (an estimate is provided if total sum not known, in line with regulations)

'Retained' refers to S106 sums remaining unspent including sums both 'allocated' and 'unallocated'.

Non-Monetary Contributions

Total number of affordable housing units to be provided through planning obligations agreed in 2020/21	0
Total number of affordable housing units which were provided through planning obligations (whenever agreed) in 2020/21	275 estimated completions
Total number of school places for pupils to be provided through planning obligations agreed in 2020/21	Reported by Essex County Council
Total number of school places for pupils which were provided through planning obligations (whenever agreed) in 2020/21	Reported by Essex County Council

- 3.7. During the financial year 2020/21, £1,026,426 of financial contributions from S106 agreements was received but was not yet allocated to a specific project.
- 3.8. 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.
- 3.9. Summary details of the items of infrastructure on which money received through planning obligations (whenever received) has been spent in 2020/21, and the amount of money, received through planning obligations, spent on each item.

Spend	Amount (£)
Education Transferred to Essex County Council to spend on Beaulieu Secondary School	757,883
Highways Transferred to Essex County Council to spend on various highways works	509,039
Strategic Transport Beaulieu Park Station	695,590
Strategic Sports and Recreation Planning and design to progress Runwell Sports and Social Club redevelopment	57,502
Affordable Housing Homelessness initiatives	1,233,309

Public Realm Tindal Square HIF Bridge Stonebridge Lighting Scheme	180,129 11,060 10,589
Public Art Bond Street	15,017
Local Open Space Saltcoats car park	1,740
S106 receipts spent on repaying money borrowed	0
S106 receipts spent on monitoring	0
TOTAL	3,471,858

3.10 Expenditure detail

Beaulieu Secondary School

The early phases of the new Garden Community in Chelmsford have delivered Essex's first all-through school at Beaulieu. The primary phase opened for reception students in September 2018 and the Secondary phase opened in September 2019.

The new buildings and facilities cost £34m and the school has been built to meet the growing demand for primary and secondary school places as a result of the new developments in the Garden Community and surrounding areas.



Beaulieu Station

Beaulieu Station is a key component of the Essex and Chelmsford sustainable transport strategy to support new housing and economic growth in the Garden Community. The S106 for the Beaulieu development provides for £22m of funding, with the remainder of the scheme's funding coming from the South East Local Enterprise Partnership and the Housing Infrastructure Fund.



To date, the S106 funding has been used to develop the Station's design through Network Rail's Governance of Rail Investment Projects (GRIP) stages. The station is programmed to open in December 2025 and will provide Chelmsford's second station and the first new station on the Great Eastern Main Line for 100 years.

Bond Street

In 2020/21, S106 contributions were used to fund and implement public art at Bond Street.

Falcon takes inspiration from *The Peregrine*, a classic of nature writing by Chelmsford author J.A. Baker which was published in 1967.

Flying fast through an abstract landscape it hints at Chelmsford's architecture, tree-lined rivers and electronics heritage.

As a once endangered species, the sculpture celebrates the Peregrine Falcon returning to our local area, symbolising the city's positive aim and ambition with the fastest bird in the world.



- 3.11. The total amount of money, received through planning obligations prior to 2020/21, which had not been allocated (to an infrastructure project or item) by the end of 2020/21: £6,663,463
- 3.12. Summary details of the infrastructure projects or items to which receipts from planning obligations, whenever collected including 2020/21, have been allocated (but not spent) and the amount allocated to each item.

Infrastructure Type	Amount (£)
Habitat Regulations Mitigation Measures (RAMS)	89,617
Local Open Space	469,058
Public Art	118,962
Public Realm City Centre	840,406
Strategic Open Space	436,075
Strategic Sport and Recreation	11,497
Strategic Urban Area Transport - Army & Navy	870
Strategic Urban Area Transport - Widford Park and Ride	12,366
Strategic Urban Area Water Management	937,519
TOTAL	2,916,370

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

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Document published by
Economic Development and Implementation
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March 2022