

# Infrastructure Funding Statement

2019 / 2020



## 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 set out within an Infrastructure Funding Statement.

This Infrastructure Funding Statement is the first one published by the City Council and provides information regarding the Community Infrastructure Levy (CIL) and funding received through S106 agreements for the financial year 2019/2020.

During the financial year 2019/20, Chelmsford City Council collected a total of £8.13m of CIL from developer contributions. CIL collected in previous years that was available for the Council to spend on strategic infrastructure was £9.3m. During 2019/20, £40,000 was spent on strategic infrastructure.

During the year, £520,000 was collected to spend within the nine unparished wards. CIL collected in previous years that was available to spend in the unparished areas was £1.3m. £900,000 was spent or allocated to projects in these areas. Parish councils within the Chelmsford administrative area received CIL totalling £580,000.

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 2019 – 31 March 2020.
- 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)

- 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 are no areas in Chelmsford at present 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. We have grouped these wards into four neighbourhood groups. The scheme accepts applications from voluntary and community organisations to fund infrastructure within the four neighbourhoods.

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; 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 £1,555,785.

## 2.7. CIL Reports 2019/20 (£)

Table 1: Headline Figures

	Received in 2019/20 (a)	Retained as at 31 March 2019 (b)	Spent in 2019/20 (c)	Retained as at 31 March 2020 (a+b-c)
<b>TOTAL</b>				
<b>Broken down as below:</b>	<b>8,133,202</b>	<b>10,989,115</b>	<b>1,010,021</b>	<b>18,112,296</b>
Main CIL fund (table 2)	6,704,906	9,312,814	43,364	15,974,356
Unparished areas (table 3)	519,285	1,300,035	177,536	1,641,784
Parish council areas (table 4)	643,400	287,370	580,558	350,212
Local surplus (table 3)	59,619	88,896	2,571	145,944
Administration (2.5% of CIL received in 2019/20)	205,992	n/a	205,992	n/a

Table 2: Main CIL Fund – Excludes CIL reserved for administration costs and local CIL

<b>Receipts</b>	
Cash	6,704,906
Land	0
Amount recovered from parish councils in line with regulation 59(E)	0
<b>TOTAL</b>	<b>6,704,906</b>
<b>Expenditure</b>	
Infrastructure:	
Wayfinding Phase 2	43,364
Applied to repay money borrowed	0
<b>TOTAL</b>	<b>43,364</b>
<b>Committed in previous years but not yet spent</b>	
Infrastructure:	
Wayfinding Phase 2	34,136
Cycling Infrastructure	100,000
Tindal Square Public Realm	1,600,000
Main Road/Hospital Approach Broomfield Junction	97,000
Sutherland Lodge GP Surgery Refurbishment	525,000
<b>TOTAL</b>	<b>2,399,500</b>

Table 3: Local CIL relating to areas with no parish or town council (CIL neighbourhoods) (CIL Regulation 59(F)) - expenditure

Infrastructure	Year committed	Amount committed	Amount spent in 19/20
<b>Central (Marconi, Moulsham &amp; Central, Waterhouse Farm)</b>			
Savernake Road Scout Hut	19/20	4,000	0
Langton Community Centre	19/20	47,000	47,000
Helping Hands George Street	19/20	71,500	30,500
CHESS Day Centre	19/20	300,000	0
Sanctus Education Programme	19/20	5,000	0
Sanctus First Floor Refurbishment	19/20	15,120	892
Sanctus First Floor Refurbishment Service Provision	19/20	13,423	0
CCTV Admirals Park	19/20	30,000	0
North Avenue Youth Centre Defibrillator	19/20	3,500	0

North Avenue Youth Centre Lighting and Equipment	19/20	14,750	6,500
Age Concern First Floor Extension	19/20	211,500	0
Meadows Car Park Additional Streetlight	19/20	5,000	0
Chelmsford Community Transport Minibus	19/20	29,495	29,495
Cool to be Kind Locker Project	19/20	2,925	0
Oaklands Park Neighbourhood Watch CCTV	19/20	3,000	0
Sanctus Kitchen Refit	19/20	7,530	0
Widford Parish Centre - Community Hub	19/20	6,505	0
Police Community Support Officers	18/19	152,000	42,566
<b>TOTAL</b>		<b>922,248</b>	<b>156,953</b>
<b>North East (The Lawns, Trinity)</b>			
Havengore CCTV	19/20	6,380	0
Torquay Road CCTV	19/20	6,380	0
Byron Road CCTV	19/20	6,380	0
Additional Police Controls Springfield	19/20	7,000	4,000
Coronation Park Basketball Court	19/20	5,500	0
Springfield Youth Centre	19/20	2,000	2,000
<b>TOTAL</b>		<b>33,640</b>	<b>6,000</b>
<b>North West (St. Andrews, Patching Hall)</b>			
Langton Community Centre	19/20	5,000	5,000
<b>South (Goat Hall, Moulsham Lodge)</b>			
Moulsham Lodge Community Trust Café	19/20	9,583	9,583
Moulsham Lodge Community Trust Café Phase 2	19/20	36,931	0
<b>TOTAL</b>		<b>46,514</b>	<b>9,583</b>
<b>Local Surplus</b>			
Chignal Road Junction Landscaping	18/19	11,068	2,371
St. Andrews Scout Hut	18/19	80,000	200
<b>TOTAL</b>		<b>91,068</b>	<b>2,571</b>

Table 4: Local CIL relating to areas with a parish or town council – summary

Parish/Town Council	Received in 2019/20	Retained from previous years	Transferred to parish council in 2019/20	Retained at end of 2019/20 (pending transfer in 20/21)
Boreham	122,064	26,677	89,100	59,641
Broomfield	169,101	64,578	125,910	107,768
Chignal	28,396	26,188	26,322	28,262
Danbury	15,020	4,377	10,548	8,848
East Hanningfield	539	0	273	266
Galleywood	7,017	0	6,315	701
Good Easter	1,282	0	1,282	0
Great Baddow	6,319	7,219	11,678	1,859
Great Waltham	15,302	981.41	16,283	0
Great & Little Leighs	118,967	62,244	124,012	57,199
Highwood	0	0	0	0
Little Baddow	4,258	0	4,213	44
Little Waltham	1,770	1,770	3,541	0
Margaretting	0	902.51	903	0
Mashbury	0	0	0	0
Pleshey	0	1,561	1,561	0
Rettendon	4,313	4,300	4,300	4,313
Roxwell	11,131	4,755	10,540	5,346
Runwell	20,336	6,041	21,409	4,969
Sandon	4,613	0	4,613	0
South Hanningfield	4,224	0	861	3,363
South Woodham Ferrers	7,672	14,323	21,477	518
Springfield	45,681	37,789	60,594	22,876
Stock	30,182	10,707	12,764	28,125
West Hanningfield	0	3,584	3,584	0
Woodham Ferrers & Bicknacre	21,854	3,973	12,419	13,409
Writtle	3,359	5,400	6,056	2,703
<b>TOTAL</b>	<b>643,400</b>	<b>287,370</b>	<b>580,558.49</b>	<b>350,212</b>



### 3. S106

- 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. The RAMS contributions have not been included in this Funding Statement.
- 3.5. S106 (Planning Obligations) Reports 2019/20 (£)

Table 5: Headline figures

Monetary contributions	
Total money to be provided through planning obligations agreed in 2019/20, broken down as below:	1,569,331
Local parking controls	9,000
Pedestrian/cycle improvements	15,000
Local healthcare	49,480
Travel plan monitoring	5,000
Affordable housing	1,490,651
Total money received through planning obligations (whenever agreed) in 2019/20	6,598,709
Total money, received through planning obligations (whenever agreed), spent in 2019/20 (see table 6)	1,676,849
Total money, received through planning obligations (whenever agreed), retained at the end of 2019/20	13,009,554



Non – monetary contributions	
Total number of affordable housing units to be provided through planning obligations agreed in 2019/20	254
Total number of school places for pupils to be provided through planning obligations agreed in 2019/20	Data with ECC
Other non-monetary contributions agreed in 2019/20: Public art CCTV Car club	

During the financial year 2019/20, £4,742,948 of financial contributions from S106 agreements was received but was not yet allocated to a specific project.

We collect some education and highways contributions on behalf of Essex County Council (ECC), which are then transferred to and spent by ECC 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. The amounts reported below include transfers to ECC and NHS England.

Table 6: Expenditure

Note: 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.

Purpose	Amount
<b>Public Art</b>	<b>47,248</b>
Bond Street	3,738
Mill Yard Gateway	37,250
Channels	6,260
<b>Beaulieu Multi-Use Sports Centre</b>	<b>938,492</b>
<b>Local Open Space</b>	<b>207,552</b>
Bell Meadow Bridge	6,365
Oaklands Park Footpath	1,224
Andrews Park Improvements and Copperfield Road Play Area	155,351
Dawson Memorial Field Improvements	19,531
Allotment Improvements	67
Central Park Signage	2,519
Sky Blue Pasture Play Area	18,617
Hylands Park Improvements	3,879
<b>Public Realm Moulsham Street</b>	<b>3,025</b>
Stone Bridge and River Can Lighting	3,025
<b>Strategic Open Space</b>	<b>84,876</b>
Andrews Park Improvements	10,071
Hylands Park Improvements	18,750
Oaklands Park Footpath	9,098
Bell Meadow Bridge	11,237
Museum Tree Base	9,720

<b>Strategic Sports &amp; Recreation</b>	<b>34,063</b>
Beaulieu Sports Centre	34,063
<b>Education</b>	<b>271,120</b>
<b>Healthcare</b>	<b>77,000</b>
South Woodham Ferrers Bus Service Extension to Health Facility	77,000
<b>Runwell Sports and Social Club</b>	<b>13,471</b>
<b>S106 receipts spent on repaying money borrowed</b>	<b>0</b>
<b>S106 receipts spent on monitoring</b>	<b>0</b>
<b>TOTAL</b>	<b>1,676,847</b>

Table 7: Amount (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure

Note: 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.

Purpose	Amount
<b>Public Art</b>	<b>137,735</b>
Bond Street	40,261
Mill Yard Gateway	3,734
Channels	93,740
<b>Local Open Space</b>	<b>469,310</b>
<b>Public Realm Central Chelmsford</b>	<b>197,846</b>
Half Moon Square	2,500
Tindal Square	158,190
Stone Bridge and River Can Lighting	37,156
<b>Public Realm Moulsham Street</b>	<b>19,079</b>
Stone Bridge and River Can Lighting	19,079
<b>Public Realm West End</b>	<b>229,699</b>
Mill Yard	788
Tindal Square	228,911
<b>Strategic Open Space</b>	<b>437,815</b>
<b>Strategic Sports &amp; Recreation</b>	<b>11,497</b>
<b>Strategic Urban Area Transport - Army &amp; Navy</b>	<b>870</b>
<b>Strategic Urban Area Transport - Widford Park &amp; Ride</b>	<b>12,366</b>
<b>Strategic Urban Area Water Management</b>	<b>937,519</b>
<b>TOTAL</b>	<b>2,453,736</b>

S106 spending allocations are reviewed on an ongoing basis. The above allocations were updated in September 2020. The report can be viewed on our website at <https://www.chelmsford.gov.uk/resources/assets/inline/full/0/4723574.pdf>.

This is the first Infrastructure Funding Statement produced by the City Council and future Statements will be kept under review based on government guidance. If you have any queries regarding the Infrastructure Funding Statement, please contact us using the details on the final page.

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