

# Infrastructure Funding Statement

2021/2022



Executive Summary.....	1
Financial Report for 2021/22.....	2
1. Community Infrastructure Levy (CIL) 2021/22 .....	2
2. S106 (Planning Obligations) 2021/22 .....	7

## 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 2021/2022.

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 will be, passed to an internal team to fund a specific infrastructure project or type, or will be passed to an external organisation to spend

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

## Financial Report for 2021/22

Chelmsford City Council collected a total of £3.04m of CIL from developer contributions. Of this, £2.47m was for strategic infrastructure. £52,530 of this was spent in the year on the renovation of Chelmsford Theatre, leaving a total of £22.07m available to spend on strategic infrastructure in future years.

Local communities benefitted from £208,000 of CIL which was transferred to the parish councils to support development in their areas.

Within the nine unparished wards £253,000 was collected to spend, adding to the £1.62m of CIL already retained from previous years. Various projects were approved in the year to deliver infrastructure intended to support the growth of the city, and £603,000 of the available fund was spent. At the end of the year, £1.17m of the neighbourhood CIL remained unallocated.

S106 monetary contributions collected in the year totalled £2.14m, and £0.5m was spent. Further S106 contributions totalling £1.25m were secured in the year.

## 1. Community Infrastructure Levy (CIL) 2021/22

- 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 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'.
- 1.4. 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.

- 1.5. 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 (the Neighbourhood CIL) goes into our Community Funding Scheme. The scheme accepts applications from voluntary and community organisations to fund infrastructure within the unparished area.
- 1.6. 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.
- 1.7. 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 £1,930,851.
- 1.8. Amounts reported include any surcharges and interest that have been applied.

1.9. Table 1: CIL Headline Figures (£)

	Retained from previous years (a)	Received in reported year (b)	Spent in reported year (c)	Retained at end of reported year (a+b-c)
Main CIL fund – strategic CIL (table 2 - 3)	19,657,828	2,467,199	52,530	22,072,497
Unparished areas (table 4)	1,622,729	253,362	603,444	1,272,647
Parish council areas (table 6)	115,212	200,604	207,760	108,056
Local surplus (table 5)	145,944	0	0	145,944
Administration (4% of CIL received in 2021/22)	n/a	120,436	120,436	n/a
<b>TOTAL</b>	<b>21,541,713</b>	<b>3,041,601</b>	<b>984,170</b>	<b>23,599,144</b>

1.10. Table 2: Main CIL Fund – strategic CIL spent in the reported year (£)

Infrastructure Type	Amount
Chelmsford Theatre	52,530
Applied to repay money borrowed	0
<b>TOTAL</b>	<b>52,530</b>

1.11. Table 3: Main CIL Fund – strategic CIL allocated in the reported year but not spent (£)

Infrastructure Type	Amount
Cycling Infrastructure	53,095
Tindal Square Public Realm	2,243,000
Main Road/Hospital Approach Broomfield Junction	97,000
Sutherland Lodge GP Surgery Refurbishment	525,000
Chelmer Waterside Infrastructure	7,050,000
Trinity Road Primary School	950,000
North East Chelmsford Garden Community Bridge	1,500,000
<b>TOTAL</b>	<b>12,418,095</b>

1.12. The (CIL) Infrastructure List

1.12.1. 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”)’.

1.12.2. In addition to the project spend set out in this Funding Statement, the City Council has also taken decisions in 2022/23 that it intends to spend the strategic allocation of the Community Infrastructure Levy on the following projects:

Army and Navy Sustainable Transport Package: £4m

East Chelmsford Cycle Links: £1.5m

1.12.3. 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.

1.13. Table 4: Neighbourhood CIL relating to areas with no parish or town council (CIL Regulation 59(F)) (£)

Infrastructure	Year allocated	Allocated to project <sup>1</sup>	Spent in 21/22	Retained at end of 21/22
Helping Hands George Street	19/20	71,500	41,000	0
Chess Day Centre	19/20	300,000	300,000	0
Torquay Road CCTV	19/20	6,380	0	1,200
Age Concern - First Floor Extension	19/20	211,500	211,500	0
Cool To Be Kind - Locker Project	19/20	2,925	2,694	0
Age Concern - Additional Extension	20/21	25,000	25,000	0
Age Concern - Extension Top Up	21/22	10,000	10,000	0
Chelmsford Society of Model Engineers - Toilets	21/22	5,000	0	5,000
Coronation Park Basketball Court (now Lionmede)	19/20	5,500	0	412
Meadows Car Park - Additional Streetlight	19/20	5,000	0	5,000
Greener Chelmsford Grant (see table 6 for details)	21/22	100,000	13,250	86,750
Unallocated on 31 March 2022	-	-	-	1,174,285
<b>TOTAL</b>	-	<b>742,805</b>	<b>603,444</b>	<b>1,272,647</b>

1.14. Table 5: Local surplus

Infrastructure	Year allocated	Allocated to project	Spent in 21/22	Retained at end of 21/22
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 – details of approved schemes

Infrastructure	Year allocated	Allocated to project	Spent in 21/22	Retained at end of 21/22
Chignal Parish Council – Trees	21/22	3,750	3,750	0
Marconi Ponds Management Group - New Wall and Fence	21/22	9,500	9,500	0
Mid Essex Friends of The Earth Climate Action Group - St Margaret's Green Trees	21/22	1,500	0	1,500
St Andrew's Church - Garden and meadow	21/22	8,000	0	8,000
<b>TOTAL</b>	-	<b>22,750</b>	<b>13,250</b>	<b>9,500</b>

<sup>1</sup> Total amount of neighbourhood CIL allocated to a project that was incomplete at the start of the year. The figure does not deduct spend in this or previous years, or amounts no longer required.

1.16. Table 7: 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 2021/22	Retained from previous years	Transferred to parish council in 2021/22	Retained at end of 2021/22 (allocated to transfer in 2022/23)
Boreham	0	0	0	0
Broomfield	13,305	0	0	11,992
Chignal	2,330	4,913	1,312	2,330
Danbury	12,022	6,884	4,913	4,426
East Hanningfield	2,246	0	14,479	476
Galleywood	6,597	2,789	1,770	4,092
Good Easter	5,406	0	5,293	3,742
Great Baddow	23,649	1,526	1,663	6,253
Great Waltham	0	0	18,922	0
Great & Little Leighs	1,695	45,899	0	1,695
Highwood	0	0	45,899	0
Little Baddow	0	0	0	0
Little Waltham	13,607	1,044	0	5,125
Margaretting	0	0	9,526	0
Mashbury	0	0	0	0
Pleshey	0	0	0	0
Rettendon	6,093	10,478	0	6,093
Roxwell	0	6,378	10,478	0
Runwell	4,886	989	6,378	1,238
Sandon	4,036	914	4,637	1,586
South Hanningfield	13,595	2,724	3,364	0
South Woodham Ferrers	10,117	2,023	16,319	2,631
Springfield	1,674	0	9,509	1,163
Stock	59,764	21,840	511	40,304
West Hanningfield	2,323	1,288	41,301	0
Woodham Ferrers & Bicknacre	8,553	5,523	3,611	6,204
Writtle	8,706	0	7,872	8,706
<b>TOTAL</b>	<b>200,604</b>	<b>115,212</b>	<b>207,760</b>	<b>108,056</b>

## 2. S106 (Planning Obligations) 2021/22

- 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 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.
- 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 2021/22 was £2,143,515.



2.8. Table 8: S106 monetary contributions to be provided under planning obligations which were entered into during the reported year (£)

Infrastructure Type	Amount
Affordable Housing	694,560
Specialist Residential Accommodation	90,128
Habitat Mitigation (RAMS)	48,424
Biodiversity Offsetting	71,190
Healthcare	39,444
Local Open Space	106,103
Strategic Open Space	78,246
Highways	99,645
Monitoring Fees	18,100
<b>TOTAL</b>	<b>1,245,840</b>

2.9. S106 non-monetary contributions to be provided under planning obligations which were entered into during the reported year comprise 63 units of affordable housing. There were 133 estimated completions of affordable housing units in the year. Essex County Council will report in its own IFS on any school places that were agreed and provided in the year.

2.10. Table 9: Summary details of infrastructure on which money received through planning obligations was spent during the reported year (£)

Infrastructure Type	Amount
Affordable Housing - Drakes Farm Gypsy and Traveller Site	360,000
Public Art - Bond Street	19,622
Public Art - Channels	7,794
Local Open Space - Sandon Parish Council (equipment for open space maintenance)	1,607
Strategic Open Space - Saltcoats Park Play	72,830
Strategic Open Space - Saltcoats Car Park	41,170
S106 receipts spent on repaying money borrowed	0
S106 receipts spent on monitoring	0
<b>TOTAL</b>	<b>503,023</b>

2.11. Table 10: Summary details of the items of infrastructure to which receipts from planning obligations, whenever collected including 2021/22, were allocated but not spent (£)

Infrastructure Type	Total Retained	Allocated	Unallocated
Local Transport	414,279	0	414,279
Local Open Space	628,381	469,058	159,323
Education: Beaulieu Secondary School	246,892	0	246,892
Public Art	130,280	95,280	35,000
Healthcare	625,780	0	625,780
Public Realm: West End	234,661	234,661	0
Public Realm: Moulsham Street	19,079	19,079	0
Public Realm: Central Chelmsford	2,087,356	2,087,356	0
Strategic Sport & Recreation	1,516,365	11,497	1,504,868
Strategic Open Space	810,413	322,741	487,672
Water Management	933,661	933,661	0
Strategic Transport: Army & Navy	21,326	870	20,456
Strategic Transport: Rail Station	22,295	0	22,295
Strategic Transport: Widford Park & Ride	18,474	12,366	6,108
Strategic Transport: Chelmer Valley Park & Ride	13,958	0	13,958
Affordable Housing	4,555,911	4,555,911	0
Multi-use Sports Centre	265,602	0	265,602
Beaulieu Park Station	1,698,209	1,698,209	0
Commuted sums	0	0	0
<b>TOTAL</b>	<b>14,242,922</b>	<b>10,440,689</b>	<b>3,802,233</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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