

MALDON DISTRICT COUNCIL

# INFRASTRUCTURE FUNDING STATEMENT

2021/22 (Updated)

1<sup>st</sup> April 2022

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## 1.0 Introduction

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- 1.1 Government guidance requires Maldon District Council to produce a yearly Infrastructure Funding Statement (IFS) not later than 31 December each year. The Council last produced an IFS in December 2021 but sees the advantages of realigning its statements to the end of each financial year. This is so that it is easier to understand in the context of the District and aligns with the Council's own financial and development monitoring systems. This report therefore relates to the financial year 2021/2022.
- 1.2 Planning Obligations or S106 agreements are legal agreements entered into with developers and landowners to mitigate the impacts of a development proposal; they are also called Developer Contributions. Planning obligations can be agreed to mitigate the impact of unacceptable development to make it acceptable in planning terms. However, planning obligations must meet the following three legal tests if they are to constitute a reason to grant planning permission.
  - necessary to make the development acceptable in planning terms;
  - directly related to the development;
  - and fairly and reasonably related in scale and kind to the development.
- 1.3 Local authorities can, in turn, decide whether to set a Community Infrastructure Levy (CIL) for their area, which is a fixed charge levied on new development to help fund required infrastructure. At the present time Maldon District Council does not operate a CIL Charging Schedule, so the IFS will only be reporting on S106 obligations.
- 1.4 Income from developer contributions is used to help fund the infrastructure needed alongside new development and this helps to maximise the benefits and opportunities from growth in the District. Infrastructure includes the delivery of affordable homes and other community facilities such as play parks, open space and youth facilities. The district also negotiates in conjunction with the Mid Essex NHS Clinical Commissioning Group to achieve contributions towards health infrastructure improvements.
- 1.5 Essex County Council are responsible for collecting planning obligations for some of the other elements of the District's infrastructure such as:
  - Early learning and primary schools
  - Secondary schools
  - Highway improvements<sup>1</sup>
  - Transport planning
  - Improvements to cycling and walking routes – sometimes shared with Maldon District Council

Essex County Council are responsible for producing their own Infrastructure Funding Statement for anything which they collect and spend directly. Set out at Appendix A for information only regarding Essex County Councils S106 funding for Maldon District.

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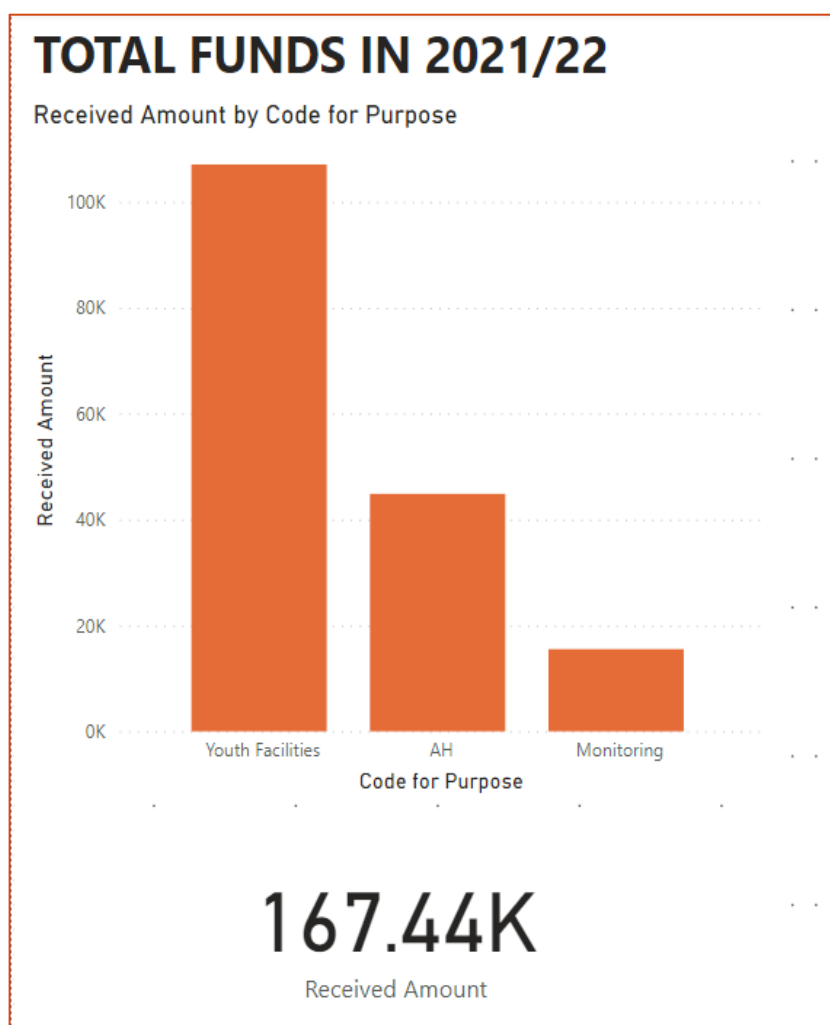
<sup>1</sup> Via Section 278 Agreements

- 1.6 Set out at Appendix B are details of all the S106 agreements relating to Maldon District.

## 2.0 Section 106 Income for 2021/22

- 2.1 S106 agreement income is collected with a view to delivering Maldon District's Infrastructure Delivery Plan<sup>2</sup>, which accompanies the 2017 approved Maldon District Local Development Plan (LDP). The LDP can be found: [www.maldon.gov.uk/ldp](http://www.maldon.gov.uk/ldp).

Set out below is the total amount of funding received into the Council for the financial year 2021/22.



Purpose	Received Amount
Affordable Housing	£44,850
Youth Facilities	£107,058.82
S106 Monitoring	£15,527.69

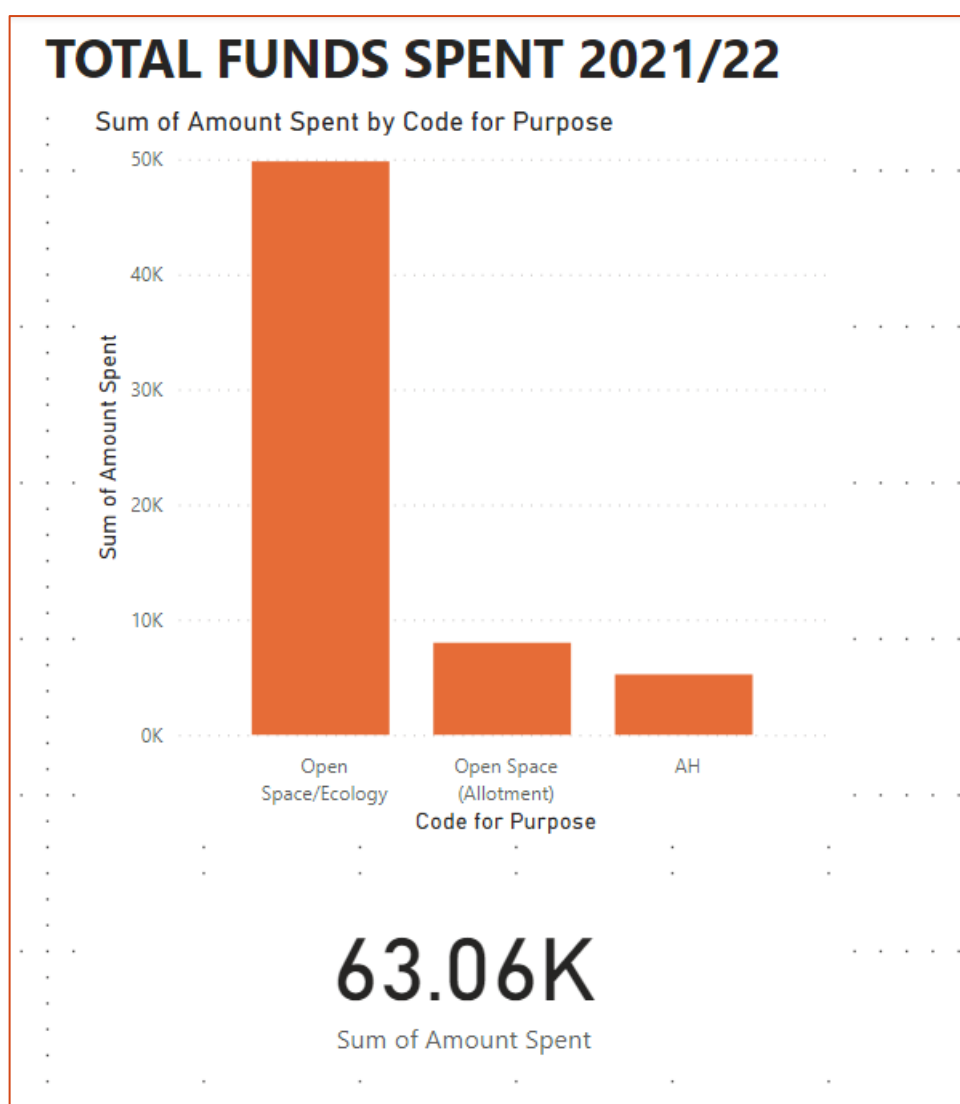
<sup>2</sup> [https://www.maldon.gov.uk/info/7050/planning\\_policy/9810/infrastructure\\_delivery](https://www.maldon.gov.uk/info/7050/planning_policy/9810/infrastructure_delivery)

TOTAL	£167,435.89

### 3.0 Section 106 Expenditure for 2021/22

- 3.1 The Council holds the funding from S106 agreements until it is either called for by a third-party organisation that needs it to invest in infrastructure within their control, or the Council is in a position to spend the funding directly; this would normally be when all the contributions have been collected. The Council does not have freedom over where this funding can be spent. The funding can only be spent on projects if they align with the terms of the relevant legal agreements.

Set out below is the total amount of S106 funding spent during the financial year 2021/22.

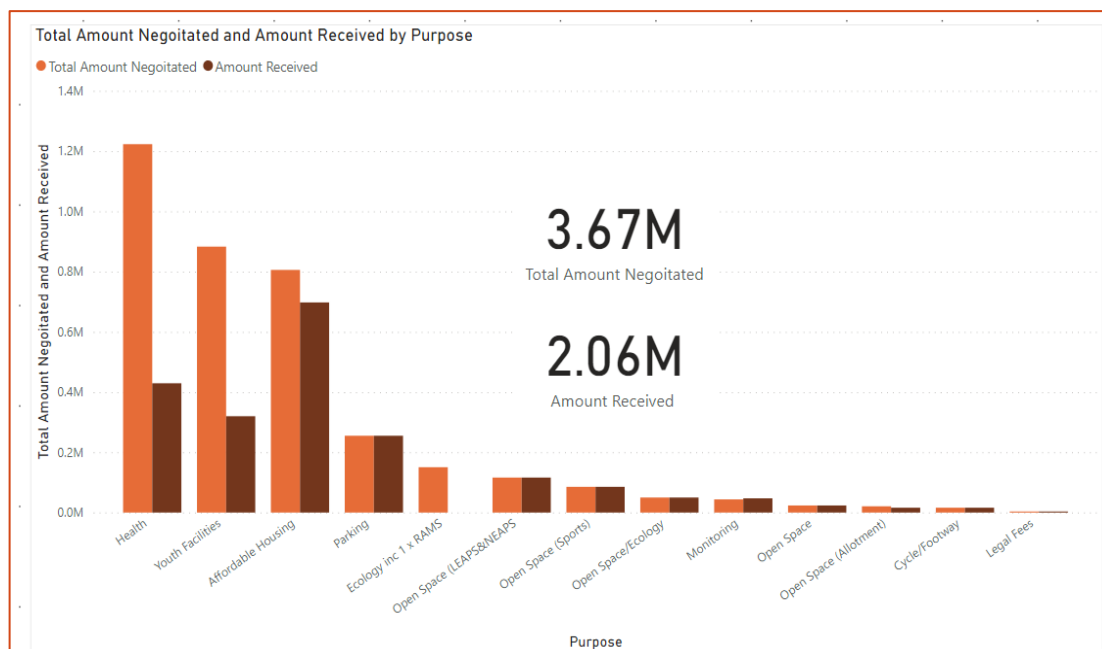


Purpose	Amount Spent	Expenditure Purpose
Open Space (Allotment)	£8,000.00	Passed to Burnham Town Council for investment in allotments
Open Space/Ecology	£49,808.45	To be spent within the Blue House Farm Nature Reserve in North Farnbridge
Affordable Housing	£5,250.00	Spent on preliminary investigations/valuations of land for affordable housing development in the District.
<b>TOTAL</b>	<b>£63,058.45</b>	

## 4.0 Total Funding Negotiated, Received and Spent Since 1992

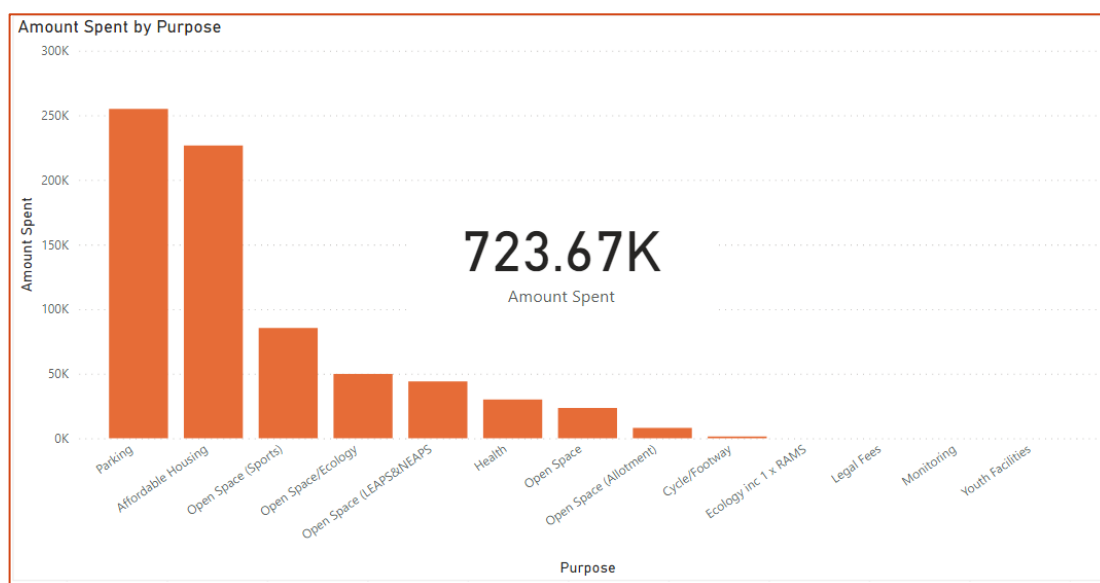
- 4.1 The Council has, since 1992, negotiated a substantial amount of funding through S106 agreements and this section sets out how much has been negotiated, how much has been received and how much has been spent. It also sets out for what purpose that funding has been used for.

Set out below is the total amount of funding negotiated since 1992 compared with the total amount of funding received to date.



Purpose	Total Amount Negotiated	Amount Received
Affordable Housing	£805,622.72	£697,622.72
Cycle/Footway Improvements	£16,000.00	£16,000.00
Ecology inc 1 x RAMS	£150,478.40	£0.00
Health	£1,223,150.53	£429,204.53
Legal Fees	£200.00	£200.00
Monitoring	£43,644.69	£47,144.69
Open Space	£23,440.00	£23,440.00
Open Space (Allotment)	£20,719.41	£15,999.41
Open Space (LEAPS&NEAPS)	£116,121.62	£116,121.62
Open Space (Sports)	£85,375.00	£85,375.00
Open Space/Ecology	£49,808.45	£49,808.45
Parking	£255,000.00	£255,000.00
Youth Facilities	£882,993.69	£319,793.60
<b>Total</b>	<b>£2,789,560.82</b>	<b>£1,735,916.42</b>

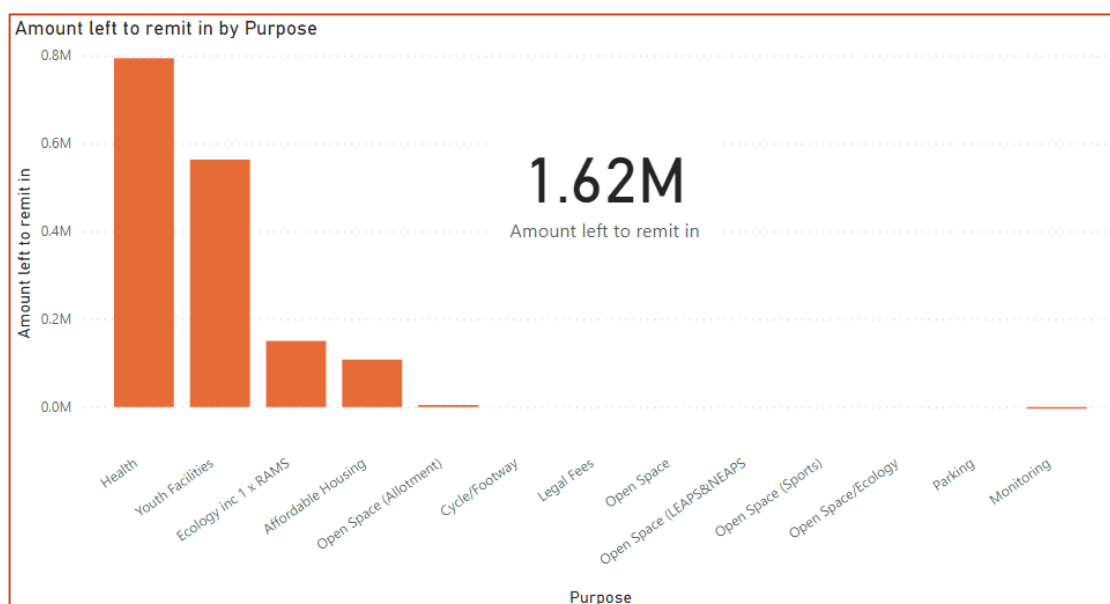
Set out below is the total amount of funding spent since 1992.



## APPENDIX 1

Purpose	Amount Spent
Open Space (LEAPS&NEAPS)	£44,000.00
Health Facilities	£30,001.44
Open Space	£23,440.00
Parking	£255,000.00
Open Space (Allotment)	£8,000.00
Affordable Housing	£226,674.00
Monitoring	£0.00
Open Space/Ecology	£49,808.45
Open Space (Sports)	£85,375.00
Legal Fees	£0.00
Ecology inc 1 x RAMS	£0.00
Cycle/Footway Improvements	£1,368.99
Youth Facilities	£0.00
<b>Total</b>	<b>£723,667.88</b>

Set out below is the amount of funding still to be paid by developers for infrastructure in Maldon District.





Purpose	Amount left to remit in
Affordable Housing	£108,000.00
Ecology inc 1 x RAMS	£150,478.40
Health Facilities	£793,946.00
Monitoring	-£3,830.00 (this is a developer overpayment)
Open Space (Allotment)	£4,720.00
Youth Facilities	£563,200.09
<b>Total</b>	<b>£1,053,314.40</b>

In the financial year 2021/22 the Council did not have to refund any funding to developers regarding S106 clauses going out of time.

## 5.0 Affordable Homes

- 5.1 The Council's LDP Policy H1 encourages developers to build between 25% and 40% of their development in the District as affordable homes. The actual percentage will depend on the specific location of the development in the district and the viability of the scheme in financial terms. The Council encourages the affordable homes to be delivered on the individual development sites wherever possible, where they can be dedicated to households that need them. In some circumstances, this may not be possible and then an agreed financially equivalent sum of money (the amount paid for an Affordable Unit that is of the greatest demand by Strategic Housing at that point in time) may be paid as a contribution.

This important aspect of on-site provision represents a significant contribution to the number of new homes provided to meet the affordable housing need of the District.

What is meant by an "Affordable Home" is defined in the LDP and in the Annex 2 of the [National Planning Policy Framework](#)<sup>3</sup>.

In the financial year 2020/21, the Council was informed and verified through site visits and related datasets that the following new affordable homes were delivered in the District, as set out in the table below.

Sites	Rented	Shared Ownership
Theedhams Farm, Southminster	7	
Maldon Road, Burnham on Crouch	16	8
Handley Gardens, Maldon	24	
Kings Road, Southminster	6	
Wyke Place, Maldon	17	4
North Fambridge	8	
Southminster Road, Burnham on Crouch	3	2
<b>Total</b>	<b>81</b>	<b>14</b>

<sup>3</sup> Since the introduction of the Government's First Homes Scheme in May 2021, the term may also include homes that are made available on the free market with a government subsidy for the first owners of new homes.

- 5.2 The total number of housing completions in 2021/22 was 330. Therefore, the 95 affordable housing completions represents approx. 28% per cent of the total number of new homes completed for the period and provided approximately £25,200,000 worth<sup>4</sup> of new housing stock to the identified Registered Providers who will manage and maintain them for current and future residents of the District who are in affordable housing need.

## 6.0 Governance

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- 6.1 In 2021, the Mid and South Essex NHS Clinical Commissioning Group (CCG) appointed its first Planning Officer who now supports Councils in the CCG area and vice-versa with the delivery of health-related projects that have benefited from s106 contributions. Although no monies were drawn down in 2021/2022, the collaboration between the council and CCG has been significantly improved, with meetings now taking place every 6-8 weeks with a project action log tracking progress.
- 6.2 The Council is also liaising with Essex County Council on the delivery of its infrastructure (primary and secondary schools' expansion, early-years facilities, highways, etc.) to establish a better understanding of infrastructure upgrades and project delivery timetables. This will not only provide a clearer picture of delivery but will assist in planning for new infrastructure within the LDP Review. Officers meet with ECC on a 6-weekly cycle and ensure that liaison is occurring when there is potential for combined or overlapping health and ECC infrastructure.
- 6.3 Although the Council's own projects, which are seeking to invest s106 contributions have been delayed during 2020/2021, primarily owing to the Covid-19 pandemic, the Council will continue to progress with delivery during 2022/2023 with a view to project delivery expenditure taking place in future years.
- 6.4 In the interests of transparency, alongside this IFS and available to download from our website, is an MSEXcel spreadsheet of all the S106 agreements relating to the District. The spreadsheet sets out the funding due-in, received and spent and what each clause in the agreements relate to.

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<sup>4</sup> This figure is based on a sample of homes valued at the point of handover to a Registered Provider in Oct. 2020 with an uplift for inflated build costs.

## Appendix A – Essex County Council S106 Funding Details

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Please note this information was provided by ECC and is accurate to 31 March 2022.

CODE For Purpose	Total Amount Due In	Amount Received	Amount Spent	Amount left to remit in
Education	£15,752,488.48	£10,057,029.68	£77,277.36	£5,695,458.80
Highways	£9,252,661.08	£2,718,487.12	£338,481.19	£6,534,173.96
Public Transport	£1,521,283.59	£440,539.93	£263,362.42	£1,080,743.66
Travel Plan	£9,000.00	£3,000.00	£0.00	£6,000.00
Education/Transport	£519,221.87	£141,894.32	£41,694.37	£377,327.55
<b>Total</b>	<b>£27,054,655.02</b>	<b>£13,360,951.05</b>	<b>£720,815.34</b>	<b>£13,693,703.97</b>

The funding has been spent on the following:

- Maintenance to Toucan Crossings in Maldon
- Improvements to public transport services Maldon/Heybridge
- Primary School Transportation
- Burnham-on-Crouch Primary School
- All Saints Primary School, Maldon
- Improvements works on the junction of B1010 and the B1021
- Various minor highway and public transport improvements.

The County Council are presently preparing to deliver a new primary school in Maldon/Heybridge, an expansion of both the Plume Academy in Maldon and Ormiston Rivers Academy in Burnham on Crouch. They are still waiting for the relevant triggers to be met and funding to be remitted for highway works in Maldon/Heybridge.