

Epping Forest District Local Plan Infrastructure Delivery Topic Paper

October 2018

Table of Contents

1. Introduction	2
1.1 Overview	2
1.2 Purpose of this Topic Paper	3
1.3 Structure of this Topic Paper	3
2. National Policy and Guidance	4
2.1 Infrastructure Delivery	4
2.2 Planning Obligations	5
3. Approach to Apportionment and Pooling	6
3.1 Overview	6
3.2 Essex Developers' Guide to Infrastructure Contributions.....	7
3.3 Principles of Apportionment	7
3.4 Highways	8
3.5 Public Transport.....	9
3.6 Education and Early Years	10
3.7 Health	11
3.8 Open Space, Community Facilities and Green Infrastructure	12
3.9 Sports Facilities.....	12
3.10 Exclusions.....	123
4. External Funding Sources	15
4.1 Overview	15
4.2 External Funding Sources	15
4.3 Other Potential External Funding Sources	20
5. Community Infrastructure Levy	21
5.1 Overview	21
5.2 Work Done to Date.....	21
5.3 Indicative Funds Through CIL	21
5.4 CIL and Section 106.....	23

1. Introduction

1.1 Overview

- 1.1 Epping Forest District Council (EFDC) have prepared a Submission Version Local Plan [EB114] which sets out the strategy for meeting the District's needs from up to 2033. It includes: the Council's vision and objectives for the District; policies to ensure that high quality development; and proposals for the delivery of infrastructure to support this development.
- 1.2 EFDC commissioned the preparation of an Infrastructure Delivery Plan (IDP) [EB1101A and EB1101B], forming part of the evidence base for the Local Plan. The purpose of the IDP is to set out the infrastructure that will be required to deliver the planned level of housing and employment growth in the District over the Plan period to 2033.
- 1.3 The IDP includes a review of existing infrastructure and any shortfalls in provision, informed by consultation with infrastructure and service providers, along with a review of relevant policy documents. From this starting point, the impact of growth over the Plan period has been considered, and new infrastructure requirements identified. Responsibilities for delivery and funding mechanisms have also been identified.
- 1.4 The IDP includes an Infrastructure Delivery Schedule, which pulls together the identified outputs and infrastructure requirements. The purpose of the Schedule is to:
 - Present indicative costs associated with delivering the infrastructure required to support growth.
 - Summarise the potential funding sources that could be used to deliver infrastructure, recognising that developer contributions will be a key part of this.
 - Prioritise the infrastructure interventions according to whether it is considered to be 'critical', 'essential' or 'desirable', and identify when in the Plan period the infrastructure will be required.
 - Identify, where possible, the scale of the funding gap where funding is not fully committed.
- 1.5 IDPs are often thought of as 'live' documents which are updated regularly as information changes. An IDP is a 'snapshot in time'; as different infrastructure providers respond to their own challenges, the information that they provide will date and alter over time, reflecting changing needs.

1.2 Purpose of this Topic Paper

- 1.6 To support the Local Plan Independent Examination and building on the IDP, this topic paper on infrastructure delivery has been produced. The purpose of the paper is to provide more information and certainty on infrastructure delivery, as well as a more general update on the work undertaken since the IDP was published.
- 1.7 The topic paper includes a high level framework for apportionment and pooling arrangements to be taken forward for key infrastructure (highways, public transport, education, health, and open space, sports, green infrastructure and community facilities). The topic paper does not go as far as grouping developments into specific 'pools' given that this level of specificity is not necessarily possible or desirable at this stage. Inevitably, further discussions and negotiations will be required through the production of strategic masterplans, concept frameworks and planning applications, which will determine specific pooling and delivery arrangements as further information becomes available.
- 1.8 As well as a framework for apportionment, this paper provides more information on those external funding sources outlined in the IDP, including the work currently ongoing to progress/secure funding, and any risks of funding not being in place and contingency measures for this. The paper also covers the potential contribution of the Community Infrastructure Levy (CIL) in funding infrastructure delivery, and what might/might not be included on a Regulation 123 infrastructure list.
- 1.9 A separate piece of work is being commissioned and undertaken on infrastructure delivery to support the Harlow & Gilston Garden Town. This topic paper does not cover the Garden Town sites in detail, and instead is concerned with development in the remainder of the District. It should be therefore be read alongside the Garden Town work.

1.3 Structure of this Topic Paper

- 1.10 The remainder of the topic paper is structured as follows:
 - Section 2 summarises the national planning policy and guidance on infrastructure funding and delivery;
 - Section 3 outlines the approach to apportionment and pooling that will be taken for different types of infrastructure;
 - Section 4 provides more information on external funding sources and efforts made to date to secure or progress them; and
 - Section 5 provides an overview of the role that a Community Infrastructure Levy might play in funding infrastructure.

2. National Policy and Guidance

2.1 Infrastructure Delivery

- 2.1 Both the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG) place a responsibility on local planning authorities to plan for the delivery of infrastructure. This includes transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (NPPF Paragraph 156)¹. NPPF Paragraph 157 emphasises the importance of infrastructure in Local Plans, stressing the need to *“plan positively for the development and infrastructure required in the area to meet the objectives, principles and policies of the Framework”*.
- 2.2 The PPG² states that whilst the Local Plan is an opportunity for the authority to set out a positive vision for the area, the Plan should also be realistic about what can be achieved and when, including in relation to infrastructure. This includes identifying what infrastructure is required and how it can be funded and brought on stream at the appropriate time, as well as ensuring that the requirements of the plan as a whole will not prejudice viability. The Local Plan should make clear, for at least the first five years:
- what infrastructure is required;
 - who is going to fund and provide it; and
 - how it relates to the anticipated rate and phasing of development.
- 2.3 For the later stages of the Plan period, less detail may be provided as the position regarding the provision of infrastructure is likely to be less certain.
- 2.4 The PPG also states that where the deliverability of critical infrastructure is uncertain, the Plan should address the implications of this, e.g. possible contingency arrangements and alternative strategies.
- 2.5 More information on the national planning policy and guidance relating to infrastructure delivery can be found in the Part A Infrastructure Delivery Plan [EB1101A].

¹ The draft revised NPPF, published for consultation in March 2018, also includes security and coastal change management in this list, now included in Paragraph 20. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685289/Draft_revised_National_Planning_Policy_Framework.pdf (accessed 13 March 2018)

² PPG paragraph 018, reference 12-018-201403036. Available at <https://www.gov.uk/guidance/local-plans--2> (accessed 13 March 2018)

2.2 Planning Obligations

2.6 Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms. Planning obligations may only constitute a reason for granting planning permission if they meet all the tests set out in Paragraph 204 of the NPPF:

- 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.

2.7 Developers may be asked to provide contributions for infrastructure in several ways. This may be by way of **Community Infrastructure Levy** (CIL) charged, or through **planning obligations** i.e. Section 106 (S106) Agreements and Section 278 (S278) Agreements relating to highways works. Developers will also have to comply with any conditions attached to their planning permission. The PPG³ states that local authorities should ensure that the combined total impact of such requests does not threaten the viability of the sites and scale of development identified in the development plan.

2.8 Where local authorities have a local CIL Charging Schedule in place, local planning authorities must work proactively with developers to ensure they are clear about the authorities' infrastructure needs and what developers will be expected to pay for through which route.

2.9 Under the CIL Regulations 2010 (2014 amendments), there are currently restrictions on the 'pooling' of separate S106 planning obligations, so that authorities cannot pool more than five obligations to pay for a single piece of infrastructure. There are no limits on pooling for S278 Agreements. A consultation document 'Supporting housing delivery through developer contributions' was published by the Government in March 2018. The document includes proposals to remove the pooling restrictions in certain circumstances – where there is an adopted CIL Charging Schedule; where authorities fall under a threshold of the tenth percentile of average new build house prices meaning CIL cannot meaningfully be charged; or where a development is planned on several strategic sites.

2.10 More information on the national policy and guidance relating to planning obligations can be found in Section 5.

³ PPG paragraph 002 Reference ID: 23b-002-20140306. Available at <https://www.gov.uk/guidance/planning-obligations> (accessed 13 March 2018).

3. Approach to Apportionment and Pooling

3.1 Overview

- 3.1 As far as possible in accordance with the relevant regulations, new developments should meet their own infrastructure needs. This is often done through seeking Section 106 contributions to deliver the required infrastructure to support development. As set out in Section 2.2, the CIL Regulations have significantly restricted the use of Section 106 – particularly in relation to the ability to pool contributions.
- 3.2 Given this legislative context, this section provides a high-level framework for the apportionment of infrastructure costs between multiple developments, and how these might be collected under the pooling restrictions. The following types of infrastructure are considered:
- Highways
 - Public transport
 - Education
 - Health
 - Open space, sports, community facilities and green and blue infrastructure
- 3.3 It should be noted that this work is designed to develop a high-level framework for apportionment and pooling, in order to provide more certainty and confidence that the required infrastructure will be deliverable under the current pooling restrictions. The topic paper does not go as far as grouping developments into specific ‘pools’, setting thresholds for contributions etc. – this is because this level of specificity is not necessarily possible or desirable at this stage. Inevitably, further discussions and negotiations will be required through the production of strategic masterplans, concept frameworks and planning applications, which will determine specific pooling and delivery arrangements as further information becomes available. It is anticipated that EFDC development management team will use this framework as a starting point for collecting Section 106 monies as particular developments progress.
- 3.4 This framework does not restrict EFDC or Essex County Council from taking a different approach to apportionment and pooling in the future, so long as it is compliant with the CIL Regulations.

3.2 Essex Developers' Guide to Infrastructure Contributions

3.5 Essex County Council have published a Developers' Guide to Infrastructure Contributions⁴. The purpose of the guide is to explain the scope and range of contributions towards infrastructure which Essex County Council may seek in order to make development acceptable in planning terms.

3.6 As set out in the guide, Essex County Council's approach to collecting developer contributions is as follows:

"Each development will be assessed on its own merits and, where Essex County Council seeks developer contributions, it will provide evidence that the infrastructure is required (in whole or in part) to serve the proposed development. Any appropriate local surplus service capacity will be taken into account before making any request. The level of contribution will always be relative to the need generated by the development in question."

3.7 The guide sets thresholds for certain types of infrastructure where contributions are only likely to be required by larger developments. This threshold is often expressed in terms of the number of houses delivered.

3.8 Essex County Council recognises that there likely to be merit in considering consistency of approach to apportionment and pooling across Essex authorities, and is accordingly reviewing practice across the county on these matters.

3.3 Principles of Apportionment

3.9 In developing a framework for apportionment, the following principles have been followed:

- Infrastructure interventions should be matched to those development(s) which result in that intervention being required.
- Contributions should be equitable between developers, in proportion to their level of impact or generated demand.
- The framework should be compliant with the Section 106 pooling restrictions set out in the CIL Regulations (see Section 2.2).
- The framework should be consistent with the Developers' Guide to Infrastructure Contributions (see Section 3.2) and any other approach taken by Essex County Council. This topic paper has been developed with appropriate consultation with Essex County Council.

There may be a need to take into account instances where one developer has provided land and/or delivered infrastructure which will be used by a number of sites – for instance, there may be a requirement for equalisation agreements between developers to be in place.

⁴ Available at: <https://www.essex.gov.uk/Environment%20Planning/Development-in-Essex/Documents/Developers-guide.pdf>

3.4 Highways

3.10 The approach to apportionment in relation to highways is as follows:

- Highways mitigation schemes will be matched to those developments which result in that mitigation being required. It should be noted that strategic or route-based transport schemes may serve a large number of developments, to different degrees.
- Costs of the mitigation schemes will be apportioned based on the level of impact arising from each development (for example, the number of homes or additional trips generated).
- It will be identified which mitigation schemes are likely to be subject to pooling restrictions – i.e. where schemes would be funded through Section 106 versus where they would be delivered through a Section 278 Agreement or Section 38 Agreement (commuted sum for maintenance following adoption)⁵.
- (It should be noted that the Developers' Guide to Infrastructure Contributions states that Essex County Council generally expects that developers will complete or procure any necessary works to mitigate the impact of their development. Where more than one development in an area generates the need for a specific highways scheme, financial contributions may be secured through Section 106 Agreements – however, this approach will 'only be taken in exceptional circumstances'.)

3.11 If the apportionment of costs in relation to highways results in potential issues around the pooling restrictions, the following approach will be taken:

- Where possible, schemes will be broken down into separate 'projects' that can be phased and delivered independently and for which five or fewer contributions are required. For example, it may be possible to break a junction scheme up into separate 'carriage works', 'signals' and 'pedestrian/cycle realignment' projects.
- If it is not possible for the project to be broken down in this manner, then the method of contribution will be reconsidered – i.e. whether it could instead be delivered through a Section 278 Agreement (which are not subject to pooling restrictions). This should take into account the likelihood of the method of contribution being entered into jointly and the impact of a particular development not coming forward.
- A minimum threshold (in terms of the number of units delivered) for contributions may also be applied to reduce the number of sites which are liable to contribute to such infrastructure. However, this would likely reduce

⁵ Note, Section 38 Agreements are not normally used to deliver mitigation schemes. Any commuted sums for maintenance will be required in accordance with Essex Highways Developer's Construction Manual.

the total amount of monies available for collection and may impact on the deliverability of the infrastructure.

3.5 Public Transport

3.12 The approach to apportionment in relation to public transport is as follows:

- Public transport schemes will be matched to those developments which result in that scheme being required.
- The costs of each scheme will be apportioned based on the level of impact arising from each of these developments (e.g. the number of houses delivered, population generated, or ridership levels generated) – see below.
- It will be identified which upgrade schemes are likely to be subject to pooling restrictions – i.e. where upgrades would be funded through Section 106 versus where they would be delivered through a Section 278 Agreement⁶.

3.13 Consultation with Essex County Council has suggested that there is no simple formula-based way of estimating future ridership levels. Instead, apportionment should be considered on a case-by-case basis, taking into account:

- The scale, location and other characteristics of the proposed development.
- The existing or planned passenger transport services and their proximity, routing, frequency, quality etc., and the opportunity to improve or extend these services or provide new services.
- Any other relevant evidence, such as local car ownership levels.

3.14 If the apportionment of costs in relation to public transport results in potential issues around the pooling restrictions, the following approach will be taken:

- Where possible, schemes will be broken down into separate ‘projects’ that can be phased and delivered independently and for which five or fewer contributions are required. For example, it may be possible to break a new bus route up into separate legs.
- If it is not possible for the project to be broken down in this manner, then the method of contribution will be reconsidered – i.e. whether it could instead be delivered through a Section 278 Agreement (which are not subject to pooling restrictions).
- A minimum threshold (in terms of the number of units delivered) for contributions may also be applied to reduce the number of sites which are liable to contribute to public transport. However, this would likely reduce the

⁶ Many types of public transport enhancements would be expected to be delivered through Section 106 Agreements; however, physical works to highways relating to improved facilities for pedestrians and cyclists, or public transport facilities or infrastructure (e.g. bus gates or shelters) might be delivered through Section 278 Agreements or conditions attached to a planning permission.

total amount of monies available for collection and may impact on the deliverability of the public transport upgrades.

3.6 Education and Early Years

3.15 The approach to apportionment in relation to education and early years is as follows:

- Schemes for new or extended/upgraded education and early years facilities will be matched to those developments which result in that scheme being required.
- The costs of each scheme will be apportioned based on the level of impact arising from each of these developments (i.e. the resulting 'pupil product', as set out in the Developers' Guide to Infrastructure Contributions).
- In those instances where one developer has provided land for and/or delivered an education or early years facility which will be used to meet the demand generated by other sites, this should be taken into account in the apportionment.

3.16 If the apportionment of costs in relation to education and early years results in potential issues around the pooling restrictions, the following approach will be taken:

- Where possible, schemes will be broken down into separate 'projects' that can be phased and delivered independently and for which five or fewer contributions are required. For example, it may be possible to break a new secondary school up into separate phases of development. This aligns with the preferred delivery of such facilities (rather than opening a new school in its entirety where the demand for places is not yet in place).
- A minimum threshold (in terms of the number of units delivered) for contributions may also be applied to reduce the number of sites which are liable to contribute to education. Thresholds for early years places are already applied by Essex County Council, as set out in the Developers' Guide to Infrastructure Contributions. However, this would likely reduce the total amount of monies available for collection and may impact on the deliverability of new and extended/upgraded education and early years facilities.

3.17 Essex County Council's general approach is to identify specific education projects or interventions in terms of additional new capacity. In general, where new schools are needed the first developments will be expected to fund the provision and building of those new schools. Later developments coming forward that require substantial extra capacity and trigger a need for expansion will contribute to that expansion of provision, as a separate project.

3.18 Apportionment and pooling for new secondary schools can be particularly challenging given they are likely to serve demand generated from a large number of sites. In such cases, the Council will seek confirmation from Essex County Council on the approach to be taken, which may consist of a combination of delivery of an initial new school followed by phased extension projects, with contributions from the largest or most directly related developments.

3.19 Where no specific project has been identified, developments over a certain threshold may also be required to make a more general contribution towards education and early years provision. However, these contributions will still need to comply with the pooling restrictions.

3.7 Health

3.20 The approach to apportionment in relation to GP surgeries is as follows:

- Schemes for new or extended/upgraded health facilities will be matched to those developments which result in that scheme being required.
- The costs of each scheme will be apportioned based on the level of impact arising from each of these developments (e.g. the number of houses delivered or the population generated).
- In those instances where one developer has provided land for and/or delivered a facility which will be used to meet the demand generated by other sites, this should be taken into account in the apportionment.

3.21 If the apportionment of costs in relation to GP surgeries results in potential issues around the pooling restrictions, the following approach will be taken:

- Where possible, schemes will be broken down into separate 'projects' that can be phased and delivered independently and for which five or fewer contributions are required. For example, it may be possible to break a new GP surgery into different phases.
- A minimum threshold (in terms of the number of units delivered) for contributions may also be applied to reduce the number of sites which are liable to contribute to such facilities. However, this would likely reduce the total amount of monies available for collection and may impact on the deliverability of new and extended/upgraded surgeries.

3.22 Where no specific project has been identified, developments over a certain threshold may also be required to make a more general contribution towards GP surgery capacity. However, these contributions will still need to comply with the pooling restrictions.

3.23 Secondary healthcare facilities such as hospitals are provided by hospital trusts, which are in turn receive funding from the Department of Health and Social Care. Planning obligations towards secondary healthcare are not regularly sought.

However, land may be required for the relocation of the Princess Alexandra Hospital, and there may be a requirement to seek contributions from larger developments. Further work on this matter is currently being undertaken by the Princess Alexandra Hospital NHS Trust.

3.8 Open Space, Community Facilities and Green Infrastructure

3.24 For some types of open space – particularly amenity greenspace, and in some cases children’s play – the provision of new space to meet newly arising demand will be expected as part of developments. For larger development, more strategic open space as well as community facilities will be expected. In these cases, there is no need for Section 106 pooling as either i) the infrastructure will be delivered directly by the developer, or ii) it is clear that the requirement for the infrastructure is arising from that development. However, there will also be instances where more than one development fuels the requirement for new facilities or open space.

3.25 Where apportionment is required, the following approach will be taken:

- Schemes for this type of infrastructure will be matched to those developments which result in that scheme being required.
- The costs of each scheme will be apportioned based on the level of impact arising from each of these developments (e.g. the number of houses delivered or the population generated).

3.26 If the apportionment of costs in relation to open space, community facilities and green infrastructure results in potential issues around the pooling restriction, the following approach will be taken:

- Schemes will be broken down into separate ‘projects’ that can be phased and delivered independently and for which five or fewer contributions are required.
- A minimum threshold (in terms of the number of units delivered) for contributions may also be applied to reduce the number of sites which are liable to contribute to such infrastructure. However, this would likely reduce the total amount of monies available for collection and may impact on the deliverability of the infrastructure.

3.9 Sports Facilities

3.27 The Council will take a two-pronged approach to ensure the delivery of sports infrastructure through the Local Plan and planning process. For sites that are allocated in the Local Plan Submission Version, all relevant projects have been captured through the Infrastructure Delivery Plan.

3.28 The Infrastructure Delivery Plan (IDP) took specific projects from the Playing Pitch Strategy (PPS) and Built Facilities Strategy (BFS), both completed in 2017/2018. The studies identified future projects and investment opportunities recommended to be implemented to address the increase in demand generated by the Local Plan allocations. These projects were then reviewed and entered into the relevant

sections of the IDP Schedule⁷. This process included some rationalisation as to whether the projects identified could be implemented through the planning process and were suitable for inclusion in the schedule. Projects were also sourced from discussions with the County Council and Town and Parish Councils. For the Garden Town sites, the provision of sports facilities will be defined through the Garden Town IDP.

- 3.29 The approach for allocated sites will therefore be to review the projects included in the IDP against the number of allocated sites in each settlement and set out which sites will be expected to contribute to what infrastructure, culminating in a framework for the apportionment and pooling of contributions to the projects. For the Garden Town sites, this process will be undertaken through the Garden Town IDP and discussions with the site promoters through the Strategic Masterplan process.
- 3.30 For non-allocated sites, the Council is developing a standard methodology in partnership with Sport England for the calculation of developer contributions towards sports infrastructure to inform planning applications and s106 agreements.
- 3.31 Both the framework for allocated sites and the standard methodology for non-allocated sites will be published in due course as an addendum to this Topic Paper.
- 3.32 If the apportionment of costs in relation to sports facilities results in potential issues around the pooling restrictions, the following approach will be taken:
- Schemes will be broken down into separate 'projects' that can be phased and delivered independently and for which five or fewer contributions are required.
 - A minimum threshold (in terms of the number of units delivered) for contributions may also be applied to reduce the number of sites which are liable to contribute to such infrastructure. However, this would likely reduce the total amount of monies available for collection and may impact on the deliverability of the infrastructure.

3.10 Exclusions

- 3.33 The following types of infrastructure have not been considered as part of this framework for apportionment and pooling:
- **Dentists** – dental services are provided by independent practitioners, with the addition of NHS funding to subsidise provision for NHS patients. It would not normally be the case for Section 106 contributions to be sought for new dental capacity, unless part of a wider co-located health development.
 - **Pharmacies** – pharmacists are private practitioners, who receive NHS funding to provide free prescriptions to those qualifying, and additional NHS

⁷ One project was not included as it was added to the Playing Pitch Strategy following the publication of the Infrastructure Delivery Plan. This project will be included when looking at allocated sites. The project is improvements to the facilities at Loughton Rugby Club to increase their capacity.

health services. It would not normally be the case for Section 106 contributions to be sought for new pharmacy capacity, unless part of a wider co-located health development.

- **Utilities** – most types of strategic utilities upgrades subject to separate charging regimes for the connection of new development. It is anticipated that providers will meet the costs of strategic upgrades.
- **Broadband** – off-site broadband upgrades are coordinated by Superfast Essex (co-ordinated by Essex County Council), and are not normally expected to be funded through S106.
- **Flood defence** – where specific measures (including SuDS) are required to support development, these would be funded by developers (either as a Section 106 contribution or as works). More strategic flood defence investment is available from Defra, the Environment Agency and water and wastewater utility providers, rather than through a general Section 106 contribution.

4. External Funding Sources

4.1 Overview

4.1 The Infrastructure Delivery Plan (IDP) includes reference to a number of external funding sources (that is, outside of EFDC, Essex County Council, and contributions expected from developers). This section sets out the external funding sources outlined in IDP⁸, and outlines:

- an overview of the funding source;
- its application to planned growth in Epping Forest District;
- actions which have been taken or will be taken to secure or progress the funding; and
- any risks associated with the funding and what contingency measures are in place.

4.2 The Local Plan Submission Version and its supporting IDP gives the certainty required around infrastructure needs to continue working in partnership with relevant funding partners and other organisations, agencies, and stakeholders to seek to maximise external funding opportunities. As highlighted in this section, there is a realistic expectation that external funding will be secured where required, that the necessary steps have been taken to secure or progress this funding, but that growth will still be deliverable if funding turns out not to be forthcoming.

4.2 External Funding Sources

Highways

Funding source

Roads Investment Strategy 1

Overview

The first 'Road Investment Strategy' (RIS 1) is a long-term programme for motorways and major roads across England. It includes a multi-year investment plan, allocating around £15.2 billion invested in over 100 major schemes to enhance, renew and improve the network. RIS 1 was announced by the government in December 2014.

Application to Epping Forest District

M11 Junction 7a delivery. The works include:

- Widening of Gilden Way to create a three lane road
- A new road to the east to replace part of the existing road, to link the improved Gilden Way to the M11 via a new Sheering Road roundabout
- A new stretch of road to reconnect to Sheering Road
- From the new Sheering Road roundabout, the link will continue in a north easterly direction to a second roundabout located south of Pincey Brook
- Two new roundabouts on either side of the M11 and connected by a new bridge over the M11
- Slip roads on and off the M11 for both north-bound and south-bound traffic

⁸ Whilst the focus of this topic paper is on non-Garden Town sites, some of the external funding sources included in this section relate to the delivery of these sites.

Junction 7a is required to reduce congestion on the key routes through Harlow and towards Junction 7, and provide opportunities for new homes and economic growth – particularly at East of Harlow strategic site but also in other locations in the District.

Actions to secure or progress funding

Funding of up to £50million has been secured for Junction 7 has already been secured. This funding has instead been allocated to Junction 7a to provide greater capacity gains in the short term. (Junction 7 is on the list of schemes to be taken forward under RIS 2 – see below.)

Key risks and contingency

N/A

Funding source

Roads Investment Strategy 2

Overview

The second ‘Road Investment Strategy’ (RIS 2) is, like RIS 1, a long-term programme for motorways and major roads across England. It covers the period from 2020 to 2025. Funding of specific projects has not yet been announced; however, RIS 1 identified 15 projects which should be included in RIS 2, and Highways England has been undertaking strategic studies on six specific packages to address complex problems about the future of the road network.

Application to Epping Forest District

Minor upgrades to Junction 7 to provide access to the Latton Priory strategic site.

Actions to secure or progress funding

It is anticipated that £5m of funding is required for these works. Essex County Council have submitted the scheme to RIS 2

Key risks and contingency

If funding is not available from RIS 2 then it is possible for the scheme to be submitted into the next round of funding (RIS 3). If funding is not available, the cost will need to be borne by developers. It is expected that the improvements will involve some contributions from developments (including Latton Priory and other sites), even in the case of external funding. There is a potential opportunity for interim minor upgrades to Junction 7 to allow for the commencement of development on the Latton Priory strategic site. The cost of such upgrades are expected to be in the region of £5million⁹.

A Memorandum of Understanding¹⁰ has committed relevant parties (Epping Forest, Harlow, Uttlesford, East Hertfordshire, Essex County Council, Hertfordshire County Council and Highways England) to work together to resolve key highways issues, including improvements to M11 Junction 7.

Funding source

Housing Infrastructure Fund

Overview

The Housing Infrastructure Fund (HIF) is a government capital grant programme of initially up to £2.3 billion, awarded to local authorities on competitive basis. The purpose of the fund is to providing grant funding for new infrastructure that will unlock new homes in areas of greatest housing demand. It is broken into two categories: smaller (up to £10m) gap funding grants under the Marginal Viability Funding; and larger (up to £250m) grants for strategic

⁹ Further work is being undertaken to refine this cost element.

¹⁰ Memorandum of Understanding on Highways & Transportation Infrastructure for the West Essex/East Hertfordshire Housing Market Area (2017)

infrastructure under Forward Funding. Authorities were invited to bid in 2017 – for the larger Forward Funding, bids were in the form of an expression of interest, following which more detailed business cases should be produced.

Application to Epping Forest District

A new (second) Stort Crossing to the east of the existing crossing, comprising of an additional dual road crossing. Whilst this scheme falls outside of Epping Forest District, it is necessary to deliver the north-south sustainable transport corridor which would serve the Latton Priory strategic sites.

Actions to secure or progress funding

A total of £151 million is being sought from the HIF for improvements to the central Stort Crossing, delivery of a second Stort Crossing, and the first part of the sustainable transport corridor (between Harlow Town Centre and Eastwick). The bid (expression of interest) was submitted in September 2017 by Hertfordshire County Council and in March 2018 it was announced that the bid had been shortlisted for the next stage of consideration (business case). The timescales for final decision-making and awards of monies have not yet been announced.

Key risks and contingency

If funding is not available from the HIF the cost will need to be borne by developers. This may impact on the programme for delivering the works, and the wider programme for delivering the sustainable transport measures within the Harlow and Gilston Garden Town.

Funding source

Local Growth Fund

Overview

The Local Growth Fund (LGF) is government funding of at least £2bn a year from 2015/16 to 2020/21. Most of the funding is allocated through a competitive process, administered by the South East Local Enterprise Partnership (SELEP).

Through Growth Deals, Local Enterprise Partnerships can seek freedoms, flexibilities and influence over resources from Government, and a share of the Local Growth Fund to target their identified growth priorities. This includes putting forward activity and projects led by partners as part of a package bid.

Application to Epping Forest District

LGF funding has the potential to provide some or all of the funding required for transport mitigation measures, including improvements to Wake Arms roundabout, A104 Epping New Road (Robin Hood) roundabout, and the A121 Woodriven Hill/Woodgreen Road junction.

Actions to secure or progress funding

In recent years, the following schemes in or in proximity to the District have been successful in gaining funds from the LGF:

- A414 (Harlow to Chelmsford upgrades) – £3.66m LGF funding
- Harlow Gildea Way upgrading – £5m LGF funding
- M11 Junction 8 upgrading – £2.73m LGF funding

Essex County Council will continue to seek funding from the LGF as and when they are announced.

Key risks and contingency

If funding is not available from the LGF, costs will need to be borne by developers.

Education

Funding source
Working Parents Allowance
Overview
The government provides a certain level of free childcare to parents: <ul style="list-style-type: none">• All 3 to 4-years olds receive 570 hours of free education and childcare per year• Some 3 to 4-year olds receive an addition 570 hours (1,140 hours in total) of free education and childcare per year, depending on eligibility criteria• Some 2-year olds are also entitled to free education and childcare, depending on eligibility criteria
Application to Epping Forest District
Whilst free childcare is not a capital funding source per se, it may have the impact of increasing childcare places in the District through inducing additional demand for places. In particular, it may increase the number of places made available through childminders.
Actions to secure or progress funding
N/A
Key risks and contingency
N/A

Funding source
Basic Need Allocations
Overview
Basic Need Allocations is the capital funding given to education authorities by the Department for Education to help fulfil the duty to make sure there are enough school places for children in each local area. Essex County Council received over £38m in funding for 2019-20, and around £9m for 2020-21, across the county as whole. Whilst allocations for subsequent years have not been announced, it is expected that a similar system will continue.
Application to Epping Forest District
It is anticipated that developer contributions will fund the delivery of additional school capacity in its entirety. However, if there is a situation where there is a gap in funding, Basic Need Allocations could form part of the funding of such infrastructure. However, it should be noted that future allocations are expected to be comparatively small and will not therefore provide substantive funding to support newly arising educational requirements.
Actions to secure or progress funding
It is too early in the process to allocate funding from the Basic Need Allocations.
Key risks and contingency
In the case that Basic Needs Allocations is required and is applied for, there is no guarantee that the amount awarded by the Department for Education would be sufficient to fund the additional school places needed. Risks associated with Basic Funding include shortfalls in funding and time lag before funding is received.

Flood Defence

Funding source
Environment Agency
Overview
Funding for strategic flood defence and management works ¹¹ is usually directed by the Environment Agency.
Application to Epping Forest District
To deliver the Shonks Mill flood storage area
Actions to secure or progress funding
Shonks Mill flood storage area will be an Environment Agency-funded and delivered intervention. The intervention is one of the recommendations of the Roding Flood Risk Management Strategy (adopted by the Environment Agency 2012), proposed to reduce flood risk to properties in the lower Roding catchment. To date, EFDC has engaged with the Environment Agency through a series of meetings.
Key risks and contingency
There is a reasonable level of certainty that the scheme will be delivered; no additional contingency measures are therefore considered necessary.

Sports Facilities

Funding source
Various
Overview
The Epping Forest Playing Pitch Strategy (2017) identifies a number of external funding sources for the delivery of playing pitches and sports facilities. They include: <ul style="list-style-type: none">• Football Foundation• Essex County Football Association• England and Wales Cricket Board• Essex County Cricket Club• Rugby Football Union• Corporation of London• Local clubs, schools and town and parish councils
Application to Epping Forest District
To support the delivery of a range of new and upgraded playing pitches and sports facilities across the District.
Actions to secure or progress funding
Funding from these sources will be sought as specific proposals are progressed.
Key risks and contingency
If funding is not available these sources, then costs will need to be met through developer contributions.

¹¹ Where specific measures are required to support individual sites, these would be funded by developers. Contributions may be sought for flood risk management measures, including alleviation, storage and related environmental enhancement.

4.3 Other Potential External Funding Sources

4.3 In addition, there are a number of other external funding sources which have not been identified in the IDP but may offer opportunities to deliver the infrastructure required.

- **Home Building Fund.** This is a government funding source designed to accelerate the delivery of new homes through both funding infrastructure and providing development finance to help SMEs. Finance is available to all private sector organisations involved in delivering new homes and the provision of enabled sites ready for residential-led schemes. Applicants must demonstrate that without funding the scheme would not progress as quickly, or at all.
- **General Practice Forward View.** This is an overarching programme from NHS England designed to help for struggling GP practices, plan for workforce changes, invest in technology and estates, and speed up transformation of services. Part of the programme is the Estates and Technology Transformation Fund, which includes funding for new consulting and treatment rooms, improved reception and waiting areas, and building new centres with a greater range of services in one place.
- **Primary Care Transformation Fund (or similar).** The Primary Care Transformation Fund is a historic funding source from NHS England to help GP practices increase their clinical capacity. The last round of funding ran in 2015 – however, there may be opportunities to bid for similar funding in the future.
- **Capital funding from public transport providers.** There may be opportunities for some capital works, such as station upgrades, bus gates or real-time information systems, from public transport providers.
- **Forward funding or finance from EFDC.** EFDC have a positive intention to explore the option of providing forward funding or finance (rather than grant funding) to support key infrastructure, for example the relocation of Princess Alexandra Hospital.
- **Additional support from SELEP.** There may be opportunities to bid for and receive additional funding and support from SELEP in the future.
- **Additional support from other public sector organisations.** There may be opportunities to utilise funding from other national and local government sources or other public sector organisations.

5. Community Infrastructure Levy

5.1 Overview

5.1 EFDC do not currently have a CIL Charging Schedule. This section provides an update on the work done to date on CIL, as well as an overview of the role that CIL might play in funding infrastructure over the Plan period.

5.2 Work Done to Date

5.2 To date, two main pieces of work have been undertaken to understand the viability of affordable housing, CIL and the Local Plan more generally. The Stage 1 assessment reviewed viability at a high level and introduced potential options for policy development (including on the proportion of affordable housing and affordable housing thresholds) and broad parameters for viable levels of CIL. The Stage 2 assessment updates and refines this work. Overall, the work:

- provides the viability evidence base to inform the Local Plan as well as potential options for the delivery of the CIL;
- provides recommendations for appropriate levels of affordable housing and CIL whilst ensuring development is viable; and
- assess the viability of development site typologies.

5.3 Indicative Funds Through CIL

5.3 CIL is payable on development which creates net additional floorspace, where the gross internal area of the new build is 100sqm or greater (or on dwellings of any size). However, there are some exemptions, which include¹²:

- Houses, flats, residential annexes and extensions built by 'self-builders'.
- Social housing.
- Charitable development.
- Specified types of development which local authorities have decided should be 'zero rated' and are specified as such in their CIL Charging Schedule.
- Vacant buildings brought back into the same use.

5.4 The viability work suggests minimum and maximum charges for different types of development and different locations, as shown in Table 1.

¹² Note, this list is not exhaustive – the full list is set out in in the Planning Practice Guidance.

Figure 1 Indicative CIL charges

Type of development	Indicative charge (minimum)	Indicative charge (maximum)
Residential development – Waltham Abbey ¹³ and Harlow strategic sites	£80sqm	£100sqm
All other residential development	£150sqm	£225sqm
Retail development	£80sqm	£100sqm
All other development uses	£0sqm	£0sqm

5.6 For comparison, Chelmsford’s Charging Schedule is set at £164 for residential and £197 for A1 retail and £114 for other retail¹⁴, whilst Brentwood’s Draft Charging Schedule set rates for consultation at £200 for residential, £200 for food supermarket, and £125 for all other retail¹⁵.

5.7 In order to estimate the number amount of CIL monies that might be collected, the following assumptions have been used:

- It has been assumed that all the allocations included in the Local Plan Submission Version will come forward, as per the trajectory. It also includes a level of windfall residential development (35 dwellings per year from 2022/23 onwards), consistent with the Local Plan Submission Version.
- The calculation excludes commitments which already have a planning permission in place.
- It is assumed that a level of 40% affordable housing on all sites of 11 or more units (as per Policy H2 in the Local Plan Submission Version). Affordable housing has not been applied to the windfall element on the assumption that the majority of windfall development will be on small sites.
- It is assumed CIL Charging Schedule will not be in place until April 2021, therefore development expected before this time has been assumed to not deliver CIL monies.
- An average dwelling size of 100sqm has been used (equivalent to around a 3-bed semi-detached property). In reality, the floorspace delivered will differ from site to site.

¹³ The viability work states that this lower charge should be considered unless on small-scale greenfield sites with minimal strategic infrastructure requirements, where no significant established / alternative use value applies. For the purposes of this assessment, the lower charge has been applied to all sites within Waltham Abbey.

¹⁴ <https://www.chelmsford.gov.uk/planning-and-building-control/community-infrastructure-levy/> (accessed 26/03/2018)

¹⁵ <http://www.brentwood.gov.uk/index.php?cid=2457> (accessed 26/03/2018)

- Given that none of the allocations are explicitly allocated for retail development, no development of this type has been included in the calculation. In reality, such type of development is likely to come forward as part of mixed use development on some of the sites, and so the indicative figures below are conservative.
- It has been assumed that there is no existing floorspace which must be discounted from the calculations. On a very limited number of sites there may be some existing floorspace within the same use, but this is very minimal.

5.8 Based on the indicative charges outlined in the viability work and the assumptions outlined below, it is possible that **between £67.6 million and £95.7 million** might be generated through CIL in the future. It should be stressed that this represents a 'best case' scenario, though reasonable assumptions have been used.

5.4 CIL and Section 106

5.9 CIL is intended to provide infrastructure to support the development of an area, rather than making individual planning applications acceptable in planning terms. Some site-specific infrastructure or impact mitigation may still be necessary in order for a development to be granted planning permission. Whilst some of these needs may be provided for through CIL, others may not (e.g. if they are very local in their impact). There is therefore still a requirement for other planning obligations alongside CIL¹⁶.

5.10 Where a CIL Charging Schedule is in place, Section 106 will still be used to fund infrastructure when it is specifically required to facilitate development of the site – for example: any works necessary for access and/or public transport on or adjacent to the site; dedicated early years and education provision to serve the site; dedicated health facilities to serve the site; on-site open space; and site-specific provision and maintenance of flood defences and water management (e.g. SuDS). Section 106 will also be used to deliver affordable housing.

5.11 However, it is important that the local use of CIL and planning obligations do not overlap. The Regulations restrict the use of local planning obligations (such as Section 106) to ensure that individual developments are not charged for the same items twice. Where the local planning authority has indicated that it intends to fund an item of infrastructure through CIL, it cannot also seek money through Section 106 for the same thing.

5.12 In accordance with Regulation 123 of the CIL Regulations 2010 (as amended), a Regulation 123 infrastructure list sets out a list of those projects or types of infrastructure that it intends to fund (or may fund) through CIL. By omission, the infrastructure list also provides clarity on what is expected to be funded through planning obligations. A Regulation 123 infrastructure list will be produced as part of

¹⁶ Planning Practice Guidance Paragraph: 094 Reference ID: 25-094-20140612. Available at: <https://www.gov.uk/guidance/community-infrastructure-levy> (accessed 13 March 2018).

any progression of a CIL Charging Schedule and will be updated periodically once CIL is in place locally.

- 5.13 The Regulation 123 list can be changed by the charging authority without the need for examination, and so can be reviewed as the infrastructure needs change. As the charging authority, it will be at the discretion of the District as to how changes are consulted. However, a list will need to be provided as part of the CIL Charging Schedule Independent Examination in order to show the balance between Section 106 and CIL.