

## **Christchurch and East Dorset Community Infrastructure Levies - the funding gap and CIL target**

**September 2015**

### **Introduction**

This document has been produced and published alongside the Christchurch and East Dorset Community Infrastructure Levy Charging Schedules and in accordance with the CIL regulations. It supplements the Christchurch and East Dorset Infrastructure Delivery Plan (2013) and demonstrates a 'funding gap' between infrastructure requirements required to support new development and available funding. The CIL regulations require charging authorities to demonstrate a 'funding gap' in order to introduce CIL.

Through production of the Councils' Core Strategy and Infrastructure Delivery Plan (IDP), the Councils have identified the range of infrastructure that is required to support development over the plan period 2013 – 2028. This document sets out the total cost of infrastructure that is intended to be funded in whole or in part by the Community Infrastructure Levy and through other sources including S106/S278 agreements. The level of secured funding is also set out alongside the aggregate funding gap. The determination of the total / aggregate infrastructure funding gap considers known and expected infrastructure costs and the other sources of funding available to meet these costs. This process identifies the overall CIL infrastructure funding target for Christchurch and East Dorset.

This document also sets out the projected income from CIL over the Christchurch and East Dorset Core Strategy plan period (2013 - 2028). The projected CIL income has been subtracted from the total aggregate funding gap. This demonstrates that the projected income from CIL in Christchurch and East Dorset will not fill the total funding gap but will make a contribution towards reducing the gap alongside other funding sources.

### **Projected CIL Income / CIL Funding Gap**

The Community Infrastructure Levy was introduced in Christchurch and East Dorset in 2015. The projected income from CIL in Christchurch and East Dorset has been calculated from 2015 to the end of the Core Strategy plan period in 2028 which equates to a period of 13 years.

# The Funding Gap and CIL Target

	Core Strategy Target	Less affordable housing @ 35%	Strategic Sites (35% affordable housing)	CS Target - Strategic Sites	Less schemes under 100sqm net increase (nominal 5%)	Sqm per House	Total Sqm	CIL @ £70 per sqm	5% Admin Fees	CIL less Admin fees	Dwellings subject to 15% meaningful allowance	15% meaningful allowance for Parish and Town Councils (capped at £100 a dwelling)	Final Funds Available
15/16	761	495	237	258	245	78.5	19,233	£1,346,310	£67,315.50	£1,278,994.50	245	£24,583	£1,254,411.50
16/17	903	587	345	242	230	78.5	18,055	£1,263,850	£63,192.50	£1,200,657.50	230	£37,580	£1,163,077.50
17/18	860	559	325	234	222	78.5	17,427	£1,219,890	£60,994.50	£1,158,895.50	222	£43,946	£1,114,949.50
18/19	581	378	133	245	233	78.5	18,291	£1,280,370	£64,018.50	£1,216,351.50	233	£40,976	£1,175,375.50
19/20	581	378	133	245	233	78.5	18,291	£1,280,370	£64,018.50	£1,216,351.50	233	£19,734	£1,196,617.50
20/21	571	371	166	205	195	78.5	15,308	£1,071,560	£53,578	£1,017,982	195	£19,734	£998,248
21/22	571	371	166	205	195	78.5	15,308	£1,071,560	£53,578	£1,017,982	195	£19,734	£998,248
22/23	521	339	133	206	196	78.5	15,386	£1,077,020	£53,851	£1,023,169	196	£19,734	£1,003,435
23/24	521	339	133	206	196	78.5	15,386	£1,077,020	£53,851	£1,023,169	196	£19,734	£1,003,435
24/25	471	306	133	173	164	78.5	12,874	£901,180	£45,059	£856,121	164	£19,734	£836,387
25/26	431	280	101	179	170	78.5	13,345	£934,150	£46,707.50	£887,442.50	170	£19,734	£867,708.50
26/27	431	280	68	212	201	78.5	15,779	£1,104,530	£55,226.50	£1,049,303.50	201	£19,234	£1,030,069.50
27/28	431	280	68	212	201	78.5	15,779	£1,104,530	£55,226.50	£1,049,303.50	201	£17,234	£1,032,069.50
<b>Totals</b>	<b>7,634</b>	<b>4,963</b>	<b>2,141</b>	<b>2,822</b>	<b>2,681</b>		<b>210,462</b>	<b>£14,732,340</b>	<b>£736,617</b>	<b>£13,995,723</b>	<b>2,681</b>	<b>£321,691</b>	<b>£13,674,032</b>

Infrastructure Type	Total Cost of IDP Infrastructure (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
Transport	£256,203,500	£17,490,000	£238,713,500
Flood Defences	£16,750,000	£0	£16,750,000
Utilities Provision	To be confirmed	Delivered by service provider.	To be confirmed
Education	£61,327,796	£0	£61,327,796
Community Buildings	£2,100,000	£0	£2,100,000
Heathland Mitigation	To be confirmed	To be confirmed	To be confirmed
Green Infrastructure	£977,000	£399,000	£578,000
Health Facilities	To be Confirmed	NHS / Friends of Victoria Hospital	To be Confirmed
Waste Facilities	To be Confirmed	To be Confirmed	To be Confirmed
Totals:	£337,358,296	£17,889,000	£319,469,296

The projected CIL income over the period 2015 - 2028 is £13,674,032 and the infrastructure funding gap from infrastructure identified in the Core Strategy IDP (where costs have been identified) is £319,469,296. This demonstrates that there remains a funding gap even with the consideration of projected CIL income and therefore, justification for the introduction of CIL in Christchurch and East Dorset.

## Infrastructure Types and Projects

This infrastructure funding gap analysis document deals with the infrastructure types set out in the Christchurch and East Dorset Core Strategy Infrastructure Delivery Plan (2013) as follows:

- Transport
- Flood Defences
- Utilities Provision
- Education
- Community Buildings
- Heathland Mitigation
- Green Infrastructure

- Health Facilities
- Waste Facilities

For each infrastructure category, this document sets out selected infrastructure schemes drawn from the Christchurch and East Dorset Core Strategy Infrastructure Delivery Plan (2013). It is not necessary to list all the infrastructure schemes from the IDP in order to demonstrate a 'funding gap'. Secured funding sources and the remaining funding gap is identified for each of the selected infrastructure schemes (by category) and for the total known cost of all infrastructure (by category) identified in the IDP. This demonstrates that there is a gap between infrastructure requirements and available funding which demonstrates the need to introduce CIL in Christchurch and East Dorset.

## Transport

The Core Strategy Infrastructure Delivery Plan (2013) identifies transport related projects that are required to support development in the plan area of Christchurch and East Dorset districts. The Councils' draft Regulation 123 list sets out transport schemes to be funded wholly or in part by CIL and those to be funded by S106/S278 and other sources. There are a number of strategic transport projects that are eligible to receive CIL funds which include improvements to the A338, B3073, A35 and A31. In order to demonstrate a requirement for introducing CIL it is sufficient to identify a funding gap for a selection of transport schemes drawn from the IDP which are set out in the table below. The funding cost for each scheme and eligibility for CIL or S106/S278 is also set out in the table. The total cost of transport infrastructure in the IDP (where costs have been identified), secured funding and funding gap is set out in the table below. A number of transport schemes have yet to be costed and therefore these schemes are not reflected in the total cost of transport schemes below.

## Funding Sources

In addition to CIL and S106/S278 agreements, the main sources of funding for capital schemes include government sources, such as local major scheme funding through the Department for Transport and Dorset's funding allocation for major transport projects from the Single Growth Fund (awarded to the Dorset Local Enterprise Partnership). Dorset County Council corporate funding is a further source of funding.

Dorset's funding allocation for local major transport projects from within the Single Local Growth Fund is £12.2M. This funding from government is one element of funds being made available to Local Enterprise Partnership (LEP) areas between 2015/16 and 2020/21 through the Local Growth Fund. The Local Transport Authorities of Bournemouth, Dorset and Poole have prioritised this funding and the A338 Spur Road Maintenance scheme (contained in the Christchurch and East Dorset IDP) is identified as the first priority.

Transport Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106 / S278
A35 Fountains Roundabout, Stony Lane Roundabout, Staple Cross junction and potentially	£5,500,000	£0	£5,500,000	CIL

Transport Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106 / S278
Somerford Roundabout improvements (CBC).				
<b>B3073 widening between Blackwater to Chapel Gate junctions (CBC).</b>	£27,000,000	£0	£27,000,000	S106
Quality Bus Corridors Phase 3 extensions to Ferndown, Wimborne and east of Christchurch. (CBC/EDDC).	£6,300,000	£0	£6,300,000	CIL
A31 Trunk Road dualling Ameysford to Merley (EDDC).	£140,000,000	£0	£140,000,000	CIL
Improvements of key Junctions (EDDC).	£8,800,000	£0	£8,800,000	CIL
<b>Parley Cross Junction Improvements &amp; Associated Link Road:</b>	£6,000,000	£0	£6,000,000	
Parley Cross junction improvement				CIL
Parley Cross southern end of western link road at New Road junction				CIL
Parley Cross northern end of western link road and Christchurch Road junction				S106/S278
Parley Cross eastern link road and junctions				S106/S278

Total Cost of IDP Transport Infrastructure (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
£256,203,500	£17,490,000	£238,713,500

## Flood Defences

The Christchurch and East Dorset Core Strategy IDP (2013) identifies strategic flood management, mitigation and defence schemes in order to protect areas at risk in Christchurch. The Council's Regulation 123 list identifies flood risk mitigation schemes which are eligible for CIL funding and those which are eligible for S106 funding. The strategic flood defence improvements set out in the table below are taken from the IDP and are all eligible for CIL funding. The funding cost for each scheme and eligibility for CIL or S106/S278 is also set out in the table below.

## Funding Sources

The strategic schemes set out in the table below are eligible for CIL and other sources of funding will include funding through the Environment Agency and through the Council's own funding. As identified in the table below the funding gap for these strategic flood defences is £16,750,000.

Flood Defence Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
Mudeford Sandbank to Chewton Bunny CP Schemes	£4,340,000	£0	£4,340,000	CIL
Mudeford and Stanpit FAS	£920,000	£0	£920,000	CIL
Christchurch Town Centre FAS	£9,890,000	£0	£9,890,000	CIL
Mudeford Quay / Quayhead FAS	£500,000	£0	£500,000	CIL
Christchurch Bay Beach Replenishment Scheme	£1,100,000	£0	£1,100,000	CIL

Total Cost of IDP Flood Defence Infrastructure (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
£16,750,000	£0	£16,750,000

## Utilities Provision

The Core Strategy IDP identifies the requirement for the delivery of new utilities infrastructure to support new development in Christchurch and East Dorset over the plan period. The provision of utilities including electricity and gas, water supply and sewerage is the

responsibility of the utilities providers. The Councils' draft Regulation 123 list does not identify utilities infrastructure as eligible for CIL or S106. The Council has consulted with the relevant utilities providers and future requirements will be delivered by these providers.

Utilities Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
Christchurch upgrading to Lyndhurst Rd and Somerford Rd Sewage Pumping Station	N/A	N/A	N/A	Delivered by service provider
Christchurch Stony Lane	N/A	N/A	N/A	Delivered by service provider
Upgrading of Brook Road Sewage treatment plant	N/A	N/A	N/A	Delivered by service provider
Waste depot for Christchurch and East Dorset	N/A	N/A	N/A	Delivered by service provider

Total Cost of IDP Utilities Infrastructure (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
N/A	Delivered by service provider	N/A

## Education

The Core Strategy Infrastructure Delivery Plan (2013) identifies education requirements to support new development over the plan period. The Councils' draft Regulation 123 list sets out education provision that would be eligible to be funded wholly or in part by CIL and other sources of funding. The 123 list identifies that education provision for which the Local Education Authority has a statutory responsibility including early years, primary and secondary will be eligible for CIL. In order to demonstrate a requirement for introducing CIL it is sufficient to identify a funding gap for a selection of education infrastructure improvements drawn from the IDP which are set out in the table below. The funding cost for each scheme and eligibility for CIL or S106 is also set out in the table. The total cost of education infrastructure, secured funding and funding gap is set out in the table below.

# The Funding Gap and CIL Target

## Funding

In addition to funding secured through CIL funding may be available through DCC capital budgets.

Education Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
CBC Refurbishment and expansion of Somerford Primary School	£2,100,000	£0	£2,100,000	CIL
CBC – Mudeford Infants and Junior Schools – Combine onto one site and expand.	£5,500,000	£0	£5,500,000	CIL
CBC Secondary school upgrade for three schools combined amount	£11,600,000	£0	£11,600,000	CIL
Relocate and extend the new Wimborne First School to 3FE to cater for development on west side of Wimborne (EDDC).	£5,368,509	£0	£5,368,509	S106
Secondary Education in East Dorset-Provide new Secondary/Upper Level School, Verwood (EDDC)	£19,048,595	£0	£19,048,595	CIL
Rebuild of Lockyers Middle School (EDDC)	£8,183,492	£0	£8,183,492	CIL
First School provided as part of Policy WMC7	To be confirmed	£0	To be confirmed	S106
First School provided as part of Policy WMC8	To be confirmed	£0	To be confirmed	S106

Total Cost of IDP Education Infrastructure (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
£61,327,796	£0	£61,327,796

As identified in the table above the total funding gap for education infrastructure is £61,327,796.

## Community Buildings

The Core Strategy IDP identifies community buildings to be delivered during the plan period and these are set out in the table below. The IDP sets out that the requirement for additional community buildings will be determined with local communities. As these are yet to be defined the costs are currently unknown. The Councils' Regulation 123 list sets out community facilities that will be delivered wholly or in part by CIL and those that will be funded through S106 and other funding sources. Community and public buildings, youth centres / children's facilities will be eligible for CIL funding and community infrastructure related to a particular development will be delivered through S106 and other funding sources. The funding cost for each scheme and eligibility for CIL or S106 is also set out in the table. The total known cost of community building infrastructure, secured funding and funding gap is set out in the table below.

Community Building Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
Burton Village Hall	To be confirmed	To be confirmed	To be confirmed	S106
Replacement of the Allendale Centre	£2,100,000	£0	£2,100,000	EDDC / DCC / Dorset Police

As identified in the table above the funding gap from community building infrastructure (where costs of have been identified) is £2,100,000. The future funding gap for community buildings will be significantly in excess of this figure as additional infrastructure requirements are determined with local communities.

## Heathland Mitigation

The Core Strategy IDP identifies SANG provision for the Christchurch and East Dorset New Neighbourhoods and heathland mitigation schemes to be delivered through the Dorset Heathlands Supplementary Planning Document. The Councils' Regulation 123 list sets out heathland mitigation that will be eligible to be funded wholly or in part by CIL and mitigation that will be funded through S106 agreements. The 123 list sets out that heathland mitigation schemes, including SANGs and strategic cross border mitigation projects will be eligible for CIL. SANGs provided by the Core Strategy New Neighbourhoods and larger sites of more than 40 units will be delivered through S106. Existing mitigation schemes identified in the Dorset Heathlands Planning Framework 2012-2014 will be delivered through S106 agreements. Also S106 agreements will be used to secure the management of site specific SANGs in perpetuity.

The Councils have been working closely with the South East Dorset Local authorities to update the Dorset Heathlands Planning Framework SPD which identifies a revised schedule of mitigation schemes. There will be a number of new heathland mitigation projects to be costed which will increase the total cost for heathland mitigation set out in the table below.

## The Funding Gap and CIL Target

The current cost estimates for SANG delivery and heathland mitigation and funding gap is set out in the table below.

Heathland Mitigation infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
New Neighbourhood SANGS and sites of more than 40 units where a on- site SANG is required (Capital delivery cost)	To be Confirmed.	£0	To be Confirmed.	S106
New Neighbourhood SANGS and sites of more than 40 units where a on- site SANG is required (Management cost)	To be Confirmed.	£0	To be Confirmed.	S106
Ferndown Ford Lane Recreation Ground	£150,000	£0	£150,000	S106
Dorset Heathlands Planning Framework SPD (2015)	To be Confirmed.	To be Confirmed.	To be Confirmed.	S106

Total Cost of IDP Heathland Mitigation (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
To be Confirmed.	To be Confirmed.	To be Confirmed.

### Green Infrastructure

In order to demonstrate a funding gap and a requirement to introduce CIL a selection of green infrastructure projects have been drawn from the IDP and set out in the table below.

Green Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
Urban Street Trees – tree planting scheme in streets	£200,000	£0	£200,000	CIL
Allotments, Allotment Strategy, Local Food, Community Gardens and Allotments project, Walkford Allotments improvements	£70,000	£0	£70,000	CIL

Green Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
Castleman Trailway-improvements in Purbeck, Poole and East Dorset	£250,000	£110,000	£140,000	CIL
Avon Heath Country Park	£250,000	£125,000	£125,000	CIL

Total Cost of IDP GI Infrastructure (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
£977,000	£399,000	£578,000

## Health Facilities

The Core Strategy IDP identifies the requirement for the expansion of the Victoria Hospital in East Dorset. The Councils' draft Regulation 123 list confirms that delivery of health facilities is the responsibility of the health authority and will not be eligible for CIL.

Health Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
Expansion of Victoria Hospital (EDDC)	N/A	N/A	N/A	Delivered by health authority

Total Cost of IDP Health infrastructure (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
N/A	NHS / Friends of Victoria Hospital	N/A

## Waste Facilities

The Core Strategy identifies the requirement for a new depot to serve Christchurch and East Dorset which would be delivered by the Dorset Waste Partnership. The Councils' draft Regulation 123 list states that the provision of waste infrastructure will not be eligible for CIL. Infrastructure costs for the provision of a new waste depot to serve Christchurch and East Dorset have yet to be determined.

## The Funding Gap and CIL Target

Waste Infrastructure	Estimated Cost	Secured Funding	Funding Gap	Eligible for CIL / S106
New depot to serve Christchurch and East Dorset	N/A	N/A	N/A	Delivered by Dorset Waste Partnership

Total Cost of IDP Waste Infrastructure (Where costs identified)	Secured Funding Sources / Anticipated Funding Sources	Funding Gap
N/A	N/A	N/A