

# Bexley Infrastructure Funding Statement 2021/2022

## Bexley's Approach to Securing Contributions from Development December 2022

This Infrastructure Funding Statement has been produced in compliance with Regulation 62 of the Community Infrastructure Levy Regulations 2010 (as amended).

The London Borough of Bexley's Charging Schedule was approved by the Council on 2 March 2015 and came into effect on 30 April 2015.

Further information on the Community Infrastructure Levy (CIL) is available on the London Borough of Bexley's website: <https://www.bexley.gov.uk/services/planning-and-building-control/community-infrastructure-levy-cil/what-community-infrastructure-levy>

## Introduction

- 1.1. This Bexley Infrastructure Funding Statement 2021/22 sets out the income and expenditure relating to the community infrastructure levy (CIL) and section 106 (S106) agreement contributions that the Council has received for 2021/2022.
- 1.2. Its purpose is to help local communities and developers see how contributions have been spent and understand what future funds will be spent on, ensuring a transparent and accountable system.
- 1.3. The Council is required to produce an infrastructure funding statement at least annually, in accordance with the Community Infrastructure Levy Regulations.

## Community Infrastructure Levy – Collection and Expenditure

### Community Infrastructure Levy (CIL)

- 1.4. The Community Infrastructure Levy (CIL) is one mechanism that the Council, as local planning authority, can use to capture funds from new development to deliver infrastructure. The CIL mechanism was established through the Planning Act 2008 and came into force under the Community Infrastructure Levy Regulations 2010. CIL enables Councils to use developer contributions more flexibly (e.g. several developments sharing the cost of a specific piece of infrastructure; or saving funds towards a specific long-term project investment).
- 1.5. The aim of CIL is to reduce uncertainty around the timetable for the planning application process – especially for larger developments – because of the sometimes long and tortuous negotiations associated with s106 agreements. CIL enables a single payment to be made by the developer to cover a range of infrastructure needs; and it allows pooling of contributions over time from different developments towards a single major infrastructure project that no one development could afford on its own.
- 1.6. Bexley’s Community Infrastructure Levy (CIL) scheme came into effect from April 2015, replacing elements of the Council’s previous policies on developer contributions through s106 agreements.
- 1.7. The Council’s allocation of CIL is undertaken as part of the Council’s capital programme bidding process. The Council evaluates any bids against strategic priorities, having regard to the CIL regulations.
- 1.8. This process was previously informed by the Council’s Regulation 123 List, which specified the sorts of infrastructure the Council would spend CIL receipts on. However, as a result of changes to the regulations this statement effectively replaces the Regulation 123 list. CIL receipts will be allocated on an annual basis to support the delivery of infrastructure projects in line with the borough’s capital programme

- 1.9. The need for infrastructure to support development is confirmed in the Council's Core Strategy - <https://www.bexley.gov.uk/sites/default/files/2020-05/Bexley-Core-Strategy.pdf> and infrastructure priorities are set out in the Council's latest Infrastructure Delivery Plan (<https://www.bexley.gov.uk/sites/default/files/2022-01/SD21-infrastructure-delivery-plan-IDP.pdf>), together with the funding gap which justifies the collection of CIL. Infrastructure priorities include the following:
- a. Transport improvements such as bus priority schemes and enhancements to walking and cycling facilities
  - b. Education, cultural, health and community facilities such as new library provision and the expansion of primary, secondary and SEN school places
  - c. Environmental and green infrastructure and public realm improvements such as park enhancements and tree planting programmes
  - d. Sport and recreational facilities such as new and improved play equipment and sports pitches.
- 1.10. It is currently estimated that over the plan period the total borough CIL receipts would amount to approximately £13m.
- 1.11. Unlike section 106 agreements, the rate of CIL payable is both mandatory and non-negotiable. CIL is charged per square metre (gross floorspace) and must be paid once the development commences. The amount of CIL payable depends on where the development is located within the borough and the type of development.
- 1.12. The Borough's Annual CIL Rate Summary is set out at paragraphs 1.38 to 1.40 below. The Bexley CIL Charging Schedule and map of the charging zones are available to view at: <https://www.bexley.gov.uk/sites/default/files/2020-09/Bexley-CIL-charging-schedule.pdf>.

## Bexley CIL Income 2021/22

Table 1.1: CIL Income 2021/22

Financial Year	Borough CIL (80%)	Neighbourhood CIL (15%)	CIL Admin (5%)	Total CIL Collected
2021/22 Qtr. 1	281,686.53	52,527.66	17,590.22	351,804.41
2021/22 Qtr. 2	103,690.94	19,442.05	6,480.68	129,613.67
2021/22 Qtr. 3	690,896.07	129,543.00	43,181.00	863,620.07
2021/22 Qtr. 4	135,583.76	25,421.97	8,473.99	169,479.72
<b>2021/22 Total</b>	<b>1,211,587.30</b>	<b>226,934.68</b>	<b>75,725.89</b>	<b>1,514,247.87</b>

1.13. In 2021/22, the largest amount of Bexley CIL received came from the following developments:

- Land at Southmere Village, Harrow Manorway and Yarnton Way - £512,373.29
- Land at Burts Wharf, Crabtree manorway North, Belvedere - £182,580.20
- Land at Southmere Village, Phase 1A Thamesmead - £181,359.71
- Erith Quarry, Fraser Road - £94,066.05
- Former 45 Sidcup Hill. Sidcup - £89,999.80

1.14. The total value of CIL set out in all demand notices issued in 21/22 = £2,542,615.89.

1.15. Tables 1.2 to 1.6 provide a breakdown of combined Bexley CIL receipts over the last five financial years. The 2018/19 figure represents the highest Bexley CIL income recorded since its adoption.

Table 1.2: CIL Income 2016/17

Financial Year	Borough CIL (80%)	Neighbourhood CIL (15%)	CIL Admin (5%)	Total CIL Collected
2016/17 Qtr. 1	£205,623	£38,554	£12,851	£257,029
2016/17 Qtr. 2	£35,710	£6,696	£2,232	£44,637
2016/17 Qtr. 3	£399,573	£74,920	£24,973	£499,466
2016/17 Qtr. 4	£406,239	£76,170	£25,390	£507,798
<b>2016/17 Total</b>	<b>£1,047,145</b>	<b>£196,340</b>	<b>£65,447</b>	<b>£1,308,931</b>

Table 1.3: CIL Income 2017/18

Financial Year	Borough CIL (80%)	Neighbourhood CIL (15%)	CIL Admin (5%)	Total CIL Collected
2017/18 Qtr. 1	£73,276	£13,739	£4,580	£91,596
2017/18 Qtr. 2	£68,567	£12,856	£4,285	£85,709
2017/18 Qtr. 3	£32,781	£6,146	£2,049	£40,976
2017/18 Qtr. 4	£186,997	£35,062	£11,687	£233,747
<b>2017/18 Total</b>	<b>£361,621</b>	<b>£67,804</b>	<b>£22,601</b>	<b>£452,026</b>

Table 1.4: CIL Income 2018/19

Financial Year	Borough CIL (80%)	Neighbourhood CIL (15%)	CIL Admin (5%)	Total CIL Collected
2018/19 Qtr. 1	£121,885	£22,853	£7,618	£152,356
2018/19 Qtr. 2	£536,622	£100,617	£33,539	£670,777
2018/19 Qtr. 3	£1,555,484	£291,653	£97,218	£1,944,355
2018/19 Qtr. 4	£222,653	£41,748	£13,916	£278,317
<b>2018/19 Total</b>	<b>£2,436,644</b>	<b>£456,871</b>	<b>£152,290</b>	<b>£3,045,805</b>

Table 1.5: CIL Income 2019/20

Financial Year	Borough CIL (80%)	Neighbourhood CIL (15%)	CIL Admin (5%)	Total CIL Collected
2019/20 Qtr. 1	1,497,159	280,717	93,572	1,871,449
2019/20 Qtr. 2	340,526	63,849	21,283	425,658
2019/20 Qtr. 3	234,749	44,015	14,672	293,437
2019/20 Qtr. 4	95,699	17,944	5,981	119,623
<b>2019/20 Total</b>	<b>2,168,133</b>	<b>406,525</b>	<b>135,508</b>	<b>2,710,167</b>

Table 1.6 CIL Income 2020/21

Financial Year	Borough CIL (80%)	Neighbourhood CIL (15%)	CIL Admin (5%)	Total CIL Collected
2020/21 Qtr. 1	107,288	20,116	6,705	134,110
2020/21 Qtr. 2	325,342	61,002	20,334	406,678
2020/21 Qtr. 3	235,341	44,126	14,709	294,176
2020/21 Qtr. 4	500,859	93,911	13,304	626,073
<b>2020/21 Total</b>	<b>1,168,829</b>	<b>219,156</b>	<b>73,052</b>	<b>1,461,037</b>

## Mayoral CIL

- 1.16. In addition to local CIL, the Mayor of London also has powers to raise CIL. The Mayor's Community Infrastructure Levy (MCIL1) was introduced in 2012 to help finance Crossrail, the major new rail link that would connect central London to Reading and Heathrow in the West and Shenfield and Abbey Wood in the East. The Mayor adopted a new charging schedule MCIL2 to help pay for Crossrail 1 (the Elizabeth Line) and Crossrail 2; it came into effect on 1 April 2019 and superseded MCIL1.
- 1.17. The Total Mayoral CIL received in 2021/22 = £1,319,604.97. The largest amount of Mayoral CIL received came from the following developments:
- Land at Southmere Village, Harrow Manorway and Yarnton Way - £322,780.45
  - Land at Burts Wharf, Crabtree manorway North, Belvedere - £422,472.56
  - Land at Southmere Village, Phase 1A Thamesmead - £109,163.37
  - Axion, 1 Picardy Manorway, Belvedere - £71,330.11
  - Erith Quarry, Fraser Road - £45,964.09

## CIL Expenditure for 2021/22

- 1.18. The Regulations state that a Local Planning Authority's CIL receipts should be allocated as follows:
- 80% for large infrastructure projects (Borough CIL or BCIL);
  - 15% for "Neighbourhood CIL" (NCIL) for smaller, more local projects. In other Council areas, this needs to be allocated direct to Neighbourhood Planning Forums or Parish Councils – neither of which applies to Bexley; and
  - up to 5% to offset the costs of administering the scheme.
- 1.19. Up to September 2019 when considering on what infrastructure projects CIL income could be spent, authorities needed to publish a 'Regulation 123 List' with details of the individual projects and project themes for CIL spend. To avoid double-charging, authorities could not seek additional developer contributions through s106 agreements for the projects or project themes on the Reg 123 List. The List applied solely to the 80% BCIL; the 15% NCIL was not subject to the same spending restrictions and could be used for any project benefitting (and supporting development of) the relevant local area. NCIL may be used to contribute towards BCIL projects, but not the other way around.
- 1.20. For NCIL (but not BCIL), local authorities must consult with the public on priorities for projects in their area that could be paid for through NCIL.
- 1.21. Table 1.7 below sets out the total CIL expenditure on allocated projects for the reporting year and is followed by detail on the nature of these projects

Table 1.7: CIL Expenditure 2021/22

Project	CIL Expenditure 2021/22
Birkbeck School Expansion	£168,503
Cornerstone SEN School	£454,678
Playground Improvement Programme	£69,965
Erith Regeneration – Pier Square and Erith Riverside Centre	£361,516
Sidcup Cinema and Library	£2,440,854
Flood Risk Management Schemes	£171,264
Thamesmead Library	£539,871
<b>Total</b>	<b>£4,206,651</b>

- 1.22. **Birkbeck School Expansion** – The school was expanded from 2 to 3 form entry as part of the Council's school expansion programme to meet the current and future demand for primary school places in the Sidcup area and to ensure the Council meets its statutory duties.
- 1.23. **Cornerstone SEN School** – The provision of a new Special Educational Needs (SEN) Free School on part of the site previously occupied by Woodlands School, Halt Robin Road, Belvedere. The new school provides 90 new places for pupils of secondary school age with high functioning ASD and SEMH needs.
- 1.24. **Playground Improvement Programme** – rolling programme of renewal and replacement of playground equipment at a number of parks.
- 1.25. **Erith Regeneration** – Incorporating both the creation of Pier Square which included remodelled public realm, new planting and hard landscaping and the refurbishment of a vacant unit in the shopping centre to provide a new employment and skills facility as well as associated public realm improvements on Erith High Street,
- 1.26. **Sidcup Cinema and Library** - New four storey building on the former Blockbuster store, at the junction of Sidcup High Street and Elm Road, providing 3 screen cinema, studio space, library, cafe and bar as well as 9 residential flats.
- 1.27. **Flood Risk Management Schemes** - The development of a series of schemes in areas which flood most frequently and cause the greatest impact including an innovative rain garden in Bowness Road, the commencement of an improvement scheme at Battle Road and Pembroke Road in Erith in

partnership with the Environment Agency, network Rail and Thames Water and sewer investigations at Fairford Avenue, Barnehurst and the Oval, Sidcup

- 1.28. **Thamesmead Library** – A new library brought forward as part of the redevelopment of the former Tavey Bridge residential area and adjacent to Southmere Lake.
- 1.29. Table 1.8 below sets out the amount of CIL receipts which were allocated but not spent in the reporting year. These have subsequently been reprofiled into future years or reallocated to other projects as appropriate.

Table 1.8 CIL Allocation not Spent 2021/22

Project	CIL Allocation 2021/22
Thamesmead Library (see above for details)	£275,000
Flood Risk Management	£94,000
Erith Links (Allocation 3)	£337,000
Playground Improvements	£5,000
Changing Places	£87,000
Cornerstone SEN School	£45,000
<b>Total</b>	<b>£844,000</b>

## Retained CIL Receipts & Future CIL Expenditure 2022/24

- 1.30. The total amount of CIL collected before the reported year and allocated to projects within the reported year = £1,779,541. The value of retained CIL receipts at the end of 2021/22 = £1,076,894 (net of accruals representing receipts owing as of 31/3/22). All of these funds (together with future projected revenue) were allocated to upcoming projects as set out in table 1.9 below. The retained funds incorporate £227,178 collected within the reporting year and retained at the end of the reporting year (all of which is neighbourhood CIL) and £849,716 of receipts from previous years and retained at the end of the reporting year (again all of which is Neighbourhood CIL).

Table 1.9: Forecast Future CIL Expenditure as at March 2022

Project	CIL Spend 2022/23	CIL Spend 2023/24
Flood Risk Management	£104,000	£540,000
Changing Places	£80,000	£7,000



Thamesmead Library	£563,000	£0
Erith Regeneration Programme	£476,000	£297,000
Sidcup Library	£194,000	£0
Playground Improvement	£249,000	£0
Albion Road Surgery Extension	£100,000	£400,000
Traffic Sensors	£43,000	£0
Traffic and Road Safety Improvement Schemes	£100,000	£100,000
Ward Schemes	£170,000	£170,000
Cornerstone SEN School	£45,000	£0
Tree Planting	£55,000	£0
Lesnes Abbey Events Space	£30,000	£0
<b>Total</b>	<b>£2,209,000</b>	<b>£1,514,000</b>

## CIL Administration

1.31. Up to 5% of CIL funds and 4% of Mayoral CIL can be retained annually to cover administrative expenses (as per the CIL Regulations, as amended). The total CIL administrative expenses collected and spent in 21/22 was £135,447 (4.6% of total funds collected in that year).

## Section 106 Collection and Expenditure 2021/22

### Section 106

1.32. Planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), commonly known as s106 agreements, is a mechanism which makes a development proposal acceptable in planning terms, that would not otherwise be acceptable. They are focused on site specific mitigation of the impact of development. S106 agreements are often referred to as 'developer contributions' along with highway contributions and CIL. They are negotiated on a site-by-site basis and need to be 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. The amounts and uses of s106 are often prescribed by the associated legal agreement although there is sometimes an element of flexibility. The allocation of these monies is integrated with the capital programme process.

## Section 106 Agreements Signed in 2021/22

1.33. Developments with notable S106 agreements signed in 2021/22 include:

- 20/00782/OUTM – Erith Quarry, Fraser Road, Erith – £1,782,000
- 20/00908/FULM – 21 Picardy Street, Belvedere - £468,550
- 20/02852/FULM - Former Ye Olde Leather Bottle Site, 131 Heron Hill, Belvedere - £96,904

1.34. The total amount of money to be provided under all planning obligations entered into during 2021/22 = £2,351,454

## Section 106 Financial Contributions Received 2021/22

1.35. Total receipts in 2021/22 came from 7 sites and totalled £227,161.51 as set out in Table 1.10 below:

Table 1.10: Total s106 Receipts 2021/22

Application No.	Site Address	Receipt Date	Amount (£)
18/03247/FULM	Land To The Rear Of, 44 Erith High Street, Erith	26/08/2021	8,640
20/00775/OUTM	Erith Quarry, Fraser Road, Erith	30/11/2021	41,674.00
18/02578/FULM	Former Belvedere Police Station 2 Nuxley Road, Belvedere	10/05/2021	36,911.06
17/00029/OUTM	Burts Wharf Crabtree Manorway North, Belvedere	03/02/2022	139,936.45

## Non-Monetary Contributions Received in 2021/22

1.36. The non-monetary contributions to be provided under planning obligations that were entered into in 2021/22 are summarised in Table 1.11 below.

Table 1.11: Non-Monetary s106 Contributions 2021/22

Application No.	Site Address	Non-Financial Contribution	No. of Affordable Units
21/02382/FULM	1 Church Manorway, Erith	Travel Plan, Energy Monitoring	0
20/00908/FULM	21 Picardy Street, Belvedere	Early and Late Stage Viability Appraisals	0
20/00782/OUTM	Erith Quarry, Fraser Road, Erith	Early and Late Stage Viability Appraisals, Highways Agreement, Residential and School Travel Plan, Road Safety Audit, Provision of Primary	0

		School, Affordable Housing Units, Employment Skills Plan, Carlton Road Access, Provision of Open Space, Play Corridor, Ecology Corridor, Orchard Corridor	
19/03028/FULM	152 – 160 Crayford Road, Crayford	Affordable Housing Scheme, Early and Late Stage Viability Appraisals	0
19/00682/OUTM	48 Howbury Lane and Former Allotment Site, Howbury Lane, Erith	Highways Agreement, Affordable Housing Scheme	0

## Section 106 Expenditure 2021/22

Table 1.12: s106 Expenditure 2021/22

Project	S106 Spend 21/22
Erith Regeneration – Pier Square and Erith Riverside Centre	£59,570
Lesnes Abbey – Repair and Conservation Works	£14,609
Affordable Housing Street Property Acquisitions	£210,000
North House Improvements	£75,950
<b>Total</b>	<b>£360,129</b>

1.37. There was no expenditure of s106 money during 2021/22 on monitoring activity.

## Section 106 Balance at the end of 2021/22

1.38. The balance of S106 remaining at the end of 2021/22 = £5,735,480.

1.39. The future allocations for this balance are set out in Table 1.13 below. A small proportion of the balance, some 20%, remains unallocated pending identification of suitable future projects. All monies received prior to the reporting year have been allocated.

Table 1.13 Future s106 Allocations as at March 2022

Category	Balance at end of 2021/22	Allocated	Unallocated
Transport	£2,138,962	£1,970,812	£168,150
Public Realm	£85,498	£73,285	£12,213
Health	0	0	0
Open Spaces	£85,691	£35,691	£50,000
Community	0	0	0

Sports	£41,895	£13,706	£28,189
Employment	£24,498	£24,498	0
Education	0	0	0
Affordable Housing	£2,658,040	£2,320,985	£337,055
Carbon Offset	£263,641	0	£263,641
Other	£437,255	£132,391	£304,864
<b>Total</b>	<b>£5,735,480</b>	<b>£4,571,368</b>	<b>£1,164,112 (20%)</b>

## London Borough of Bexley Annual CIL Rate Summary 2021/22

1.38 The London Borough of Bexley's current CIL Charging Schedule took effect on 30<sup>th</sup> April 2015. The relevant rates and the nature of development to which they apply, together with the latest indexation is set out in Table 1.14 below.

Table 1.14: London Borough of Bexley CIL Rates

Development Type	CIL Rate (£/m <sup>2</sup> )	Indexed Rate
Residential, Hotel and Student Housing Zone 1	£40	£51.47
Residential, Hotel and Student Housing Zone 2	£60	£77.21
Supermarket and superstore and retail warehouse development (over 280m <sup>2</sup> )	£100	£128.68
All other uses	£10	£12.87
Medical, health and emergency services which are publicly funded	Nil	Nil
Development used wholly or mainly for the provision of education as a school or college under the Education Acts or as an institution of higher education	Nil	Nil

1.39 The index figure for the calendar year in which the charging schedule containing rate R took effect = 258. The index figure for the calendar year 2022 = 332. The resulting indexed rate is shown in the final column of the above table.

1.40 The Mayoral CIL rate covers the entire borough and is set at £25/m<sup>2</sup> or £25.15 with indexation.