

HARLOW DISTRICT COUNCIL
Infrastructure Funding Statement
2022



Covering Period 1st April 2021 – 31st March 2022

Summary of 2021/22 Reporting Year:

- **As of 31st March 2022, £2,527,860 of developer contributions were held by the Council**
- **Approximately £10,000 is held for the maintenance of public art**
- **£226,566 of developer contributions were collected from developers of which £1,800 is for monitoring purposes**
- **£17,933 was spent in the monitoring year on Town Park improvements**
- **£151,800 was secured for off-site projects in Harlow including healthcare, library provision, sustainable transport and early years. This also includes £1,800 for monitoring**
- **11 affordable homes were secured on-site**

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1. What is the Infrastructure Funding Statement?

- 1.1. Local planning authorities that have received developer contributions must publish, at least annually, an Infrastructure Funding Statement (IFS) summarising their developer contributions (or planning obligation) data. The IFS will give policy makers, developers and the public better insights into how developer contributions are supporting new development and local infrastructure in Harlow.
- 1.2. The preparation of an IFS was made a statutory obligation of the local authority in September 2019 and must be prepared by 31st December each year. It must be prepared in accordance with the [Community Infrastructure Levy \(CIL\) regulations](#) and [National Planning Policy Framework](#) (NPPF).
- 1.3. The IFS must include the following:
 - Developer contributions received in the reporting year
 - Developer contributions secured in the reporting year
 - Developer contributions spent in the reporting year
 - Developer contributions held at the beginning of the reporting year and at the end of the reporting year
 - Projects/infrastructure items/schemes which developer contributions have been received/secured/spent on including costs.
- 1.4. It must also include information on non-monetary schemes that have been agreed through a planning obligation (see section 3 on planning obligations) such as affordable housing units or school places and where planning obligations have been used for commuted sums (long term maintenance), monitoring purposes and any repayments for borrowing money.
- 1.5. For those local authorities who have adopted a Community Infrastructure Levy (CIL), the IFS will also cover the contributions collected from this mechanism. Section 278 agreements, relating to highway works, are also reported in an IFS. These are reported separately by the relevant highway authority, in this case Essex County Council.

2. What period does the Harlow IFS cover?

- 2.1. The 2022 Harlow IFS covers the reporting period of 1st April 2021 to 31st March 2022. It will include developer contributions received, secured and spent in this time period.
- 2.2. For information, the IFS also presents projects and infrastructure items identified in the Harlow Local Development Plan (HLDP) and latest Infrastructure Delivery Plan (IDP) which developer contributions will contribute towards.

3. What is a Planning Obligation?

- 3.1. Planning obligations, also known as developer contributions, help to mitigate the impact of unacceptable development to make it acceptable in planning terms. For example, new residential developments place additional pressure on existing social, physical and economic infrastructure in the surrounding area. Planning obligations aim to balance this extra pressure with improvements to the surrounding area to ensure that a development makes a positive contribution to the local area.
- 3.2. Planning obligations are legal obligations and seek contributions, either monetary or non-monetary from a developer or landowner. An obligation can only be sought if it meets the following tests:
 - a) it is necessary to make the development acceptable in planning terms;
 - b) it is directly related to the development; and
 - c) it is fairly and reasonably related in scale and kind to the development.
- 3.3. Planning obligations can be made via a Section 106 agreement (S106) entered into by a person with an interest in the land and the local planning authority; or via a unilateral undertaking entered into by a person with an interest in the land without the local planning authority.
- 3.4. The obligations may be provided by the developers “in kind” – that is, where the developer builds or provides directly the matters necessary to fulfil the obligation. This might be to build a certain number of affordable homes on-site, for example. Alternatively, planning obligations can be met in the form of financial payments to the Council to provide off-site infrastructure works or contributions towards providing affordable housing elsewhere in the district. In some cases, it can be a combination of both on-site provision and off-site financial contributions.
- 3.5. Some local planning authorities have established a Community Infrastructure Levy (CIL) which is a fixed charge levied on new development to fund infrastructure. A CIL must be consulted upon, and approved, and a charging schedule setting out levy rates published before it can be used. Unlike a S106 or unilateral undertaking, a CIL is a fixed amount and non-negotiable. However, exemptions and reliefs do apply. A CIL can be used instead of or alongside S106 agreements.
- 3.6. The Levelling Up and Regeneration Bill (May 2022) sets the framework for government to introduce a new Infrastructure Levy that would replace the current system of S106 and CIL. More details of how this will be implemented are to follow but the rates will be set as a percentage of gross development value rather than based on floorspace or through negotiation.

4. Harlow's Infrastructure Requirements

Harlow's Growth Requirements

- 4.1. The Harlow Local Development Plan (HLDP) sets out the development requirements for the district to 2033. This includes 9,200 homes of which 30% should be affordable. This figure includes a large strategic site to the east of Harlow for 2,600 new homes, a series of small and medium sized sites across the district and existing planning permissions (see table 1 below). The latest five year supply position and trajectory for Harlow can be found in the Council's [Authority Monitoring Report and Housing Land Supply Monitoring Paper](#).

TABLE 1: Housing requirements set out in the HLDP	
Requirement 2011-2033	9,200
Completions at 31 March 2019	2,463
Commitments at 31 March 2019	4,723
Strategic Housing Site East of Harlow	2,600
Small/medium sites	834
TOTAL SUPPLY	10,620
Surplus over 9,200 requirement	1,420

- 4.2. The HLDP also identifies the need for 2 to 4ha of office floorspace (E g (i)) and 16ha of industrial floorspace (E g (ii), E g (iii), B2 and B8) between 2016 and 2033 and up to 21,300sqm of retail floorspace to 2026.
- 4.3. The Strategic Housing Site East of Harlow, as set out in table 1, is one of four new Garden Town Communities which, along with the urban fabric of Harlow, form the Harlow and Gilston Garden Town (HGGT). The four Garden Communities are located within Harlow, Epping Forest and East Hertfordshire Districts and together with other development sites in Harlow will look to deliver approximately 23,000 new homes over the Plan period and beyond. This will bring transformational growth in Harlow, enhancing the district's retail and employment offer and delivering significant public transport improvements.
- 4.4. The HLDP identifies infrastructure items necessary to make these development requirements and the wider HGGT development sustainable and to mitigate impacts on existing infrastructure. This includes the provision of new primary and secondary schools, highway and public transport improvements including sustainable transport corridors, healthcare provision including a state-of-the-art hospital, green infrastructure such as parks and open spaces, emergency services and other community facilities. This has been informed by a suite of Infrastructure Delivery Plans as set out in further detail below.

Harlow and Gilston Garden Town IDP

- 4.5. The infrastructure items required to underpin the development identified in the HLDP, are set out in the [Harlow and Gilston Garden Town \(HGGT\) IDP](#). An update of the HGGT IDP is expected to be published in the early part of 2023.
- 4.6. The HGGT IDP both aligns and updates the three IDPs of Harlow, East Hertfordshire and Epping Forest. It provides information on existing and future infrastructure requirements that will help to support future housing and employment growth in the Garden Town to 2033 and beyond. Unlike other IDPs the HGGT IDP also identifies how expected developer contributions from various sites will be apportioned and what collection mechanisms can be utilised to assist in funding the infrastructure items which serve more than one site.
- 4.7. IDPs are, by their very nature, a 'snapshot in time', and as different infrastructure providers respond to their own unique challenges, the information that they provide will naturally date and alter over time. There are a number of areas of work ongoing which will further inform infrastructure requirements. As a result, the IDPs will be reviewed periodically and updated where necessary.

Infrastructure provision in the Harlow Local Development Plan

- 4.8. The HLDP sets out in broad terms the infrastructure requirements for the Garden Town Communities (Chapter 5), the Strategic Site East of Harlow in Policy HS3 (see Appendix 3 for policy text in full) and the district as a whole (Chapter 11). Policy SIR1 identifies several projects in particular which are considered strategic in nature and require the safeguarding of land in Harlow:
 - Sustainable Transport Corridors running north to south and east to west of the district¹
 - Central Stort Crossing at Eastwick and Second Stort Crossing at River²
 - Access route for the Strategic Site East of Harlow
 - Cemetery extension
 - Allotment provision

5. Securing Developer Contributions in Harlow

- 5.1. Policy IN6 of the HLDP sets out how the Council will secure infrastructure provision through the use of developer contributions or planning conditions (see Appendix 4 for full policy text).
- 5.2. The Implementation section of Policy IN6 states that the Council will prepare a Planning Obligations Supplementary Planning Document (SPD) setting out further guidance for the collection and spend of developer contributions. The Council will consider options for preparing a joint Planning Obligations document with HGGT partners in order to ensure a

¹ See [HGGT draft Transport Strategy for more detail](#).

² These schemes have planning consent

consistent approach to securing obligations for the entire Garden Town particularly where items of infrastructure will require funding from more than one development.

- 5.3. In the interim, the Garden Town partners have prepared a [‘How To Guide’](#) setting out a collective position in respect to the approach that will be taken for securing planning obligations in the Garden Town to ensure the obligations are secured in a coordinated and comprehensive manner. The Garden Town partners are also in the process of developing a standard S106 template agreement which will be used for all of the new Garden Communities. Whilst there may be some minor variations in agreements reflecting the particular requirements of individual developments, the aim will be to ensure a consistency of approach as far as practicable.
- 5.4. At present the Council secures developer contributions through S106 agreements and unilateral undertakings. Harlow does not have a CIL in place and as previously stated, the Levelling Up and Regeneration Bill is looking to introduce a new Infrastructure Levy mechanism. If a CIL or separately introduced Infrastructure Levy were to be adopted in Harlow, the IFS will also report on the levies raised through these mechanisms.

6. What developer contributions have been secured, collected and spent in 2021/22?

- 6.1. **As of 1st April 2021 the Council held £2,314,440** of developer contributions.
- 6.2. **As of 31st March 2022 the Council held £2,527,860** of developer contributions³. This includes approximately £10,000 for the on-going maintenance of public art. Including interest, this is an increase of £213,420 over the reporting year. The figure of £2,527,860 is held for the following projects⁴:
- £72,883 for improved sports/community related facilities at or close to Church Langley
 - £8,574 towards improved lighting at the Town Park
 - £15,550 for Harlow Roman Temple Management Plan
 - £123,863 for public art including maintenance
 - £1,367,921 for off-site affordable housing provision
 - £1,803 for monitoring fees
 - £692,813 for health and library provision from Gilden Way development
 - A further £45,643 for health from former Rugby Club development
 - £117,410 for allotments, play areas and playing fields
 - £81,397 for pedestrian/cycle signage and highway improvements which is to be passed on to the local highway authority.

³ This includes any interest accrued and is of end of financial year (not when document was created).

⁴ Rounded figures

Developer contributions collected and spent (monetary only)

- 6.3. The information below shows what monetary planning contributions the Council has collected and spent. It does not include contributions received relating to S278 agreements (highway works).
- 6.4. **A total of £226,566 of developer contributions were collected** in the reporting year. Of this amount, **£1,800 will be used for monitoring purposes and £10,000 for on-going maintenance (of public art)**. Appendix 1 details the projects and infrastructure items the contributions were collected for and the developments they were collected from.
- 6.5. The Council has further developer contributions to collect from developments. They will be collected once certain trigger points in the developments are reached. For example, when a certain number of homes have been completed and/or occupied. Further contributions will be reported in subsequent versions of the IFS.
- 6.6. **The Council spent £17,933 of S106 money on improvements to the Town Park.** This was secured from the Harlow Rugby Club development (Ref: 14/00361). The improvements include environmental improvements, such as fencing, planting and signage as well as materials, tools and equipment for volunteers.
- 6.7. A lot of infrastructure will continue to be provided within development proposals or in proximity of the development and therefore does not require off-site developer contributions. This includes for example open spaces, playing facilities, affordable housing provision and education provision at Gilden Way, the provision of a new rugby club and on-site public art at the former Rugby Club site and a range of infrastructure to support Newhall including a local shopping centre, nursery and education facilities. Furthermore, Essex County Council will also secure the necessary highway related infrastructure for new sites through S278 agreements and spending S106 contributions for appropriate education facilities in accordance with their relevant and most up to date demand plans⁵.
- 6.8. Work is currently progressing to transfer library contributions collected from the Gilden Way development to Essex County Council to help part fund improvement works to the Town Centre library. These works have been completed and include the relocation of the Adult Community Learning in to the building, revitalising and enhancing the existing library and cosmetic improvements to the outside of the building.
- 6.9. The Council continues to work on developing projects which S106 contributions will fund or help fund. This includes improving sports related facilities at Church Langley in partnership with The FA and Football Foundation, projects in the Town Park and delivery of the sustainable transport corridor.

⁵ 10 Year Plan – Meeting the demand for school places in Essex 2021-2030

Developer Contributions and Planning Obligations secured (monetary and non-monetary)

- 6.10. **The Council secured £150,000 from developer contributions in 2021/22. This is subject to a viability review mechanism.** This is from one single application and can be spent on either affordable housing, early years childcare, libraries, healthcare or sustainable transport. **The same application also included an £1,800 monitoring fee as part of the agreement and provision of 11 affordable homes.**
- 6.11. Appendix 2 shows the development the S106 money was secured from, the infrastructure items or projects the contributions were secured for and the amount.

7. Conclusions

- 7.1. The Council will publish an Infrastructure Funding Statement (IFS) at least annually in order to show what developer contributions the Council has secured and collected and the infrastructure items and projects developer contributions has been spent on. The IFS will continue to show infrastructure items delivered on development sites and projects delivered through planning obligations.
- 7.2. The Council will continue to secure planning contributions in accordance with the National Planning Policy Framework and policies set out in the Harlow Local Development Plan. This includes securing infrastructure provision required to deliver new homes both in Harlow and the wider Harlow and Gilston Garden Town. Each of the partner authorities in the Garden Town will prepare their own IFS and the Council will consider developing a Garden Town IFS in the future showing what has been collected, secured and spent across the HGGT.
- 7.3. Where appropriate the IFS will provide updates in respect of infrastructure related documents such as the Infrastructure Delivery Plan, viability evidence, any decisions made in respect of how planning contributions are secured in the future (i.e. S106/CIL/IL) and the potential development of a Planning Obligations Supplementary Planning Document.
- 7.4. You can contact Harlow Council regarding the Infrastructure Funding Statement on 01279 446 878 or by emailing myharlow@harlow.gov.uk.

Appendix 1: Developer contributions collected 2021/22 (S106 monetary contributions only)

Development	Infrastructure item/project	Amount collected
Land north of Gilden Way HW/PI//11/00055 (Erection of 1,200 Dwellings, New Primary School, Community Buildings and Retail/ Business/Live Work Units together with Associated Uses Comprising Allotments and Public Open Space, Plus Associated Infrastructure and Engineering Works, with Vehicular Access from Gilden Way)	Library provision and Healthcare provision for Old Harlow Health Centre/Old Harlow area TOTAL	£56,191.80 £56,191.80
Former Harlow Rugby Club HW/PL/14/00361 (Demolition of Existing Building and Erection of A Residential Development of 125 Dwellings with Associated Public Open Space, Parking, Access and Infrastructure Harlow Rugby Football Club Elizabeth Way)	Playing Fields NEAP Allotments TOTAL	£36,531.38 £15,084.63 £6,958.31 £58,574.32
North of Aylmer House, Kitson Way HW/FUL/20/00161 (Erection of 49 flats (26 x 1 bed, 21 x 2 bed and 2 x 3 bed) with associated parking, amenity areas and other associated works).	Monitoring fee TOTAL	£1,800 £1,800
Relocation of UK Health Security Agency (was Public Health England) HW/OUTAM/17/00372 (Outline Application for up to 115,200 sq.m. (GIA) of Offices, Research and Development Laboratories (Class B1), Ancillary Facilities, New Accesses, Landscaping, Parking and Ancillary Works New Frontiers Science Park Coldharbour Road)	Public Art (including £10,000 maintenance of public art) TOTAL	£110,000 £110,000

Appendix 2: Developer contributions secured 2021/22 (S106 contributions and planning obligations)

Development	Infrastructure item/project	Amount secured
Part Of Terminus Street Car Park And Land South Of The Car Park Velizy Avenue HW/FUL/19/00290	Monitoring Fee	£1,800
(Partial demolition of the existing car park and redevelopment of the site for a mixed-use development comprising a part 9, part 10 and part 11 storey building, providing 150 residential dwellings, 1,808.7 sqm of commercial floorspace in flexible A1/A3/A4/B1/D1 use, a re-configured car parking layout, cycle parking and storage and refuse stores. Plus public realm improvements and the creation of a new landscaped pedestrian and cyclist entrance to the Town Centre)	Infrastructure contributions towards affordable housing and/or early years childcare and/or health and/or libraries and/or sustainable transport	£150,000
	Eleven Affordable dwellings (7 Affordable Rent and 4 Intermediate) Primary school education – directly related to Cooks Spinney Primary School	
	TOTAL OFF-SITE CONTRIBUTIONS	£151,800

Appendix 3: Policy HS3 of the Harlow Local Development Plan

POLICY HS3: STRATEGIC HOUSING SITE EAST OF HARLOW

A Strategic Housing Site for 2,600 dwellings and associated infrastructure is allocated on land to the east of Harlow. The site forms part of one of the new Garden Communities in the Harlow and Gilston Garden Town.

Developers must produce a Strategic Master Plan in general conformity with the Harlow and Gilston Garden Town Design Guide and in partnership with the Council and other stakeholders, such as Epping Forest District Council, East Hertfordshire District Council, the local community, infrastructure providers and statutory bodies.

The development must:

- (a) provide integrated, well-planned and sustainable development that reflects the overarching design principles of the Harlow and Gilston Garden Town Vision and Design Guide, including the provision of Green Wedges and Green Fingers (incorporating public natural/semi-natural open space) and opportunities to enhance the biodiversity of the area;*
- (b) include the provision of Green Wedges and Green Fingers, incorporating public natural/semi-natural open space within the development to link with the existing network of Green Wedges and Green Fingers in the district;*
- (c) provide local highway solutions to address the impact on the wider strategic road network (including necessary links to the new Junction 7a on the M11);*
- (d) include the provision of direct walk/cycle/bus access and link to the Newhall site as part of the Sustainable Transport Corridor;*
- (e) provide footpaths, cycleways and bridleways within the development and link them to the existing Harlow network and adjacent networks in the Epping Forest District;*
- (f) provide community infrastructure, including, but not limited to:*
 - (m) a new primary school of at least 2.9ha site area;*
 - (ii) in addition to any necessary contributions, the provision of land for at least 10ha for a secondary school if required by the Strategic Master Plan;*
 - (iii) child care and Early Years provision;*
 - (iv) youth services;*
 - (v) healthcare facilities;*
 - (vi) multi-purpose community space and facilities;*
 - (vii) allotment provision;*
 - (viii) indoor and outdoor sports facilities, which may be shared-use;*
 - (ix) neighbourhood equipped areas for play and locally equipped areas for play.*

- (g) provide appropriate local retail facilities, similar to Neighbourhood Centres (incorporating an element of employment use) and Hatches elsewhere in Harlow;*
- (h) a Heritage Impact Assessment will be required to inform the design of the Garden Town Community to ensure heritage assets within and surrounding the site are conserved or enhanced and the proposed development will not cause harm to the significance of a heritage asset or its setting. Only where harm cannot be avoided should appropriate mitigation measures be incorporated into the design as identified through the Heritage Impact Assessment;*
- (i) be designed sensitively to take full account of topography and landform;*
- (j) provide sustainable drainage solutions and flood mitigation measures for areas of the site which are identified in the Strategic Flood Risk Assessment;*
- (k) provide satisfactory water supply and waste water network infrastructure for occupants;*
- (l) provide and contribute to public art within the development; and*
- (m) include any measures necessary to safeguard wildlife sites beyond the district boundary in accordance with Policy WE4.*

Infrastructure, including social infrastructure, must be delivered at a pace which meets the needs of the proposed development throughout the construction of the site.

Any application for development on the site in the form of individual or part/phased development should be in general conformity with a Strategic Master Plan which has been endorsed by the Council as well as the Harlow and Gilston Garden Town Design Guide.

Developers will be expected to make a fair and reasonable contribution to the strategic highway and other infrastructure requirements set out in the Infrastructure Delivery Plan.

Appendix 4: Policy IN6 of the Harlow Local Development Plan

POLICY IN6: PLANNING OBLIGATIONS

Planning permission will only be granted for development if provision is secured for related infrastructure, affordable housing, services, facilities and environmental protection and any other planning contributions which are necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind.

The provision of such requirements shall be secured either as part of development proposals, through the use of conditions attached to planning permissions, or through planning obligations. Where it can be demonstrated that provision on-site is not feasible then provision elsewhere, or a financial contribution towards this provision, will be required.

Where a planning application extends beyond the district boundary, prior agreement for the provision and location of any necessary obligations will need to be obtained from relevant parties.

Where the submission of a viability assessment has been justified, the Council will require an independent review of the viability of the scheme to be prepared, the costs of which shall be met by the developer. Where it is accepted that planning contributions are reduced below the requirements set out in policies of the Local Plan, a viability review mechanism will be required to enable a fully policy compliant level of contributions to be achieved over the lifetime of the project. Other than in exceptional circumstances, viability assessments will be made publicly available.

