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by email

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My reference: 02/HBC/DCS/response
Your reference: 02/HBC/DCS
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Dear Mr Seaman

HAVANT BOROUGH COUNCIL COMMUNITY INFRASTRUCTURE LEVY (CIL) DRAFT CHARGING SCHEDULE EXAMINATION

I write in response to your letter dated 9 August 2021, in which you ask the Council to confirm the extent of the aggregate infrastructure funding gap relevant to the emerging Local Plan, with any applicable cross references to the existing evidence.

The Council included a table setting out the aggregate funding gap for indicative infrastructure requirements in its Draft Charging Schedule Consultation (Table 1 and paragraph 2.19). This is available at www.havant.gov.uk/community-infrastructure-charging-schedule-review. However, the Council accepts that that information is not part of the formally submitted documents, and in any case the infrastructure and CIL evidence have been updated since that time. Therefore this question needs to be addressed afresh as part of this examination.

The Council's 2020 Infrastructure Funding Statement (IFS), submitted to you through previous correspondence and available at www.havant.gov.uk/cil-s106, sets out at Appendix A an Indicative List of Infrastructure that may be wholly or partly funded by CIL.

This comprises:

- a) Local and strategic transport improvements (except for site specific matters needed to mitigate the impact of the development and to make it acceptable in planning terms)
- b) Provision of new, or improvements to existing, open spaces
- c) Flood and Coastal Erosion Risk Management Measures
- d) Mitigation measures identified through the Solent Disturbance and Mitigation Project (except for site specific matters needed to make the development acceptable in planning terms)
- e) Provision of additional primary school places
- f) Library improvements
- g) Community and cultural facilities

Table 1 at the end of this letter sets out identified projects within these categories, together with anticipated costs and any committed funding to demonstrate the funding gap. The starting point for this table was the 2020 IDP already submitted to you, and the projects within it that fall under each of these headings. The information has then been updated to the current position with the help of information provided by the project leads.

Categories d) and e) from the list above have been excluded. In terms of the Solent Disturbance and Mitigation Project, there are no current identified schemes where CIL funding is expected. For school places, while the IDP identifies a number of school expansions that will be required to support the development in the Local Plan, and the Council reserves the right to support these with CIL funding, it is currently anticipated that they will all be secured through S106 agreements related to the relevant developments.

The funding gap shown is based on the estimated cost of the project (where appropriate with a risk contingency built in) and any funding firmly committed. For many of the projects other funding is likely to come forward in due course, including from S106 and national or regional funding sources. For some, bids have been and are being made. However, if funds have not yet been secured they are not included in the figure in the committed funds column. For all projects, a variety of internal and external sources of funding other than CIL will continue to be explored and secured.

The Council has estimated its likely future CIL income to the end of the plan period as £46.8m. This is based on outstanding permissions, allocated sites for residential development and windfall assumptions, and assumes an average floorspace of 70sqm per dwelling. Table 2 at the end of this letter provides the detail. It is not possible to accurately estimate any exemptions and reliefs, so the total is likely to be an overestimate, although the figure has notionally been reduced by 30% to reflect the Council's affordable housing policy. Any income from retail (the only other land use to attract CIL through the charging schedule) is not included in the estimate – this is likely to be limited.

Overall, the figures clearly demonstrate that the anticipated infrastructure costs and the aggregate funding gap are substantial. While it is not the Council's intention to fund the whole identified gap through CIL and will continue to explore a variety of other sources of funding, it is clear that future CIL income provides a key source of funding in support of infrastructure delivery.

Yours sincerely

Jacqueline Boulter



Principal Planning Officer

**Table 1: Infrastructure Funding Gap
(projects likely to be funded wholly or partly through CIL)**

Project	Estimated Cost	Identified / Committed Funding	Funding Gap	Notes
Local and Strategic Transport Improvements				
Bus Rapid Transit – cross borough and connecting to Portsmouth, Fareham and Gosport	£34,000,000	£19,600,000	£14,400,000	Identified funding is from Transforming Cities Funds for schemes across a wider area, not just Havant
Cycling and Walking Improvements	£20,000,000	£1,000,000	£19,000,000	Local Cycling and Walking Infrastructure Plan is not yet completed, so this is a broad estimate
Havant Station Shared Pedestrian and Cycle Bridge	£9,700,000	£0	£9,700,000	Levelling Up Fund Bid estimate
Warblington Railway Crossing Footbridge	£3,350,000	£2,585,000	£765,000	Lowest cost estimate. Other design options up to £5.33m
Hayling Billy Trail improvements	£3,500,000	£0	£3,500,000	Hayling Island Transport Assessment Addendum Cost Estimate (Table 2)
Mitigation at individual key junctions as set out in Transport Assessment & Addendum	£45,500,000	£0	£45,500,000	Local Plan Mainland Transport Assessment schemes + Southleigh link road and Warblington Junction upgrade
Mitigation at individual locations as set out in Hayling Island Transport Assessment & Addendum	£12,954,000	£679,000	£12,275,000	Hayling Island Transport Assessment schemes (Table 1)
Open Spaces				
Projects Identified in Playing Pitch Strategy	£3,613,000	£250,000	£3,363,000	Committed funding from various s106 'sports pitch' contributions
Play Projects	£1,000,000	£70,000	£930,000	Broad estimate in advance of appraisal and costing work to report Autumn 2021
Flood and Coastal Erosion Risk Management Measures				
Brockhampton Quay and Broadmarsh Landfill Revetment	£10,966,000	£127,000	£10,839,000	Coastal Partners information
Langstone Coastal Flood Erosion and Risk Management Scheme	£6,276,000	£675,000	£5,601,000	Coastal Partners information
Conigar and Warblington – Habitat Creation	£11,826,000	£0	£11,826,000	Coastal Partners information
Northney – Habitat Creation	£17,503,000	£0	£17,503,000	Coastal Partners information
Hayling Island Flood & Coastal Erosion Risk Management Strategy	£956,000	£518,000	£438,000	Coastal Partners information

**Table 1: Infrastructure Funding Gap
(projects likely to be funded wholly or partly through CIL)**

Project	Estimated Cost	Identified / Committed Funding	Funding Gap	Notes
South Hayling Island Beach Management Activities (incl Eastoke Drainage Improvements Scheme)	£5,323,000	£2,176,000	£3,147,000	Coastal Partners information
South Hayling Island Beach Management Activities (incl Eastoke Drainage Improvements Scheme) (2022-27)	£12,550,000	£0	£12,550,000	Coastal Partners information
Selsmore and Mengham CFERM Scheme	£4,907,000	£0	£4,907,000	Coastal Partners information
Library Improvements				
Emsworth Library – relocation to shared use site	£300,000	£0	£300,000	IDP2020
Havant Library – re-siting within the town centre and provision of ‘Makery’	£50,000	£12,500	£37,500	IDP2020
Waterlooville Library – ‘Makery’	£50,000	£0	£50,000	IDP2020
Community and Cultural Facilities				
Eastoke Community Centre – replacement	tbc	tbc	tbc	IDP2020
Leigh Park Community Centre – replacement	tbc	tbc	tbc	IDP2020
1 pool (4 lane x 25m)	£3,000,000	£0	£3,000,000	IDP2020
	£207,324,000		£179,631,500	

Table 2: Estimated CIL income from residential development to 2037

Area	Number of dwellings	Expected CIL (£)
	permissions, allocations and windfall to 2037	(No * 70sqm * relevant CIL rate)
Hayling Island & Emsworth	1767	18,429,810
Havant, Leigh Park & Waterlooville	5817	48,455,610
Southleigh	1200	0
	8784	66,885,420
	Social Housing Relief 30%	46,819,794