



**WEST OXFORDSHIRE
DISTRICT COUNCIL**

DOCUMENT REF: WO CIL 06

WEST OXFORDSHIRE COMMUNITY INFRASTRUCTURE LEVY (CIL) EXAMINATION

INFRASTRUCTURE FUNDING AND S106 COSTS

DATE: 10 November 2015

This statement has been prepared in the context of the West Oxfordshire CIL examiner's request for additional information set out in a note circulated on 8 October 2015 (IN CIL 02).

This statement deals with a number of specific issues set out in Questions 17 – 19 of the note including:

- Whether an update is required to the Council's infrastructure evidence to reflect any substantial changes in projects or known costs;
- Further clarity on the known funding gaps for 'critical' and 'necessary' infrastructure identified by the Council in its Infrastructure Delivery Plan (IDP); and
- The average cost per dwelling for all S106 obligations (excluding affordable housing) over the last 3-4 years.

17. Is any update required to the IDP (CIL6) or the Gap Analysis to reflect any substantial changes in projects or known costs? I understand that the County Council made a decision about the Eynsham-Oxford busway in July 2015. Is the up to date funding position for this reflected in the IDP (CIL6, p58)?

The Council's Infrastructure Delivery Plan (IDP) is a 'living' document that is intended to be updated on an ongoing basis as infrastructure projects are completed, new schemes come forward and when additional information becomes available (e.g. funding availability).

The IDP has already been the subject of a number of iterations, the most recent of which was prepared in July 2015.

Appendix 1 of the IDP comprises a schedule of identified future infrastructure requirements which are listed under three main categories:

- Physical infrastructure (transport, water, energy etc.)
- Social infrastructure (education, leisure, health etc.)
- Green Infrastructure (open space, woodland, public rights of way etc.)

For each infrastructure project identified, the IDP identifies an estimated cost (where known) anticipated delivery partners, whether any funding has already been secured and from what source (e.g. Section 106) as well as the identified funding gap (where known) future anticipated funding, priorities and likely delivery timescales.

The schedule of projects has been compiled through consultation with a number of relevant organisations including Oxfordshire County Council, bus and rail operators, utility providers, the Environment Agency, energy suppliers, emergency services and local organisations.

In relation to public transport, the IDP identifies the provision of a new park and ride site at Eynsham with an anticipated cost (and funding gap) of £3.5m - £5m. It identifies the potential provision of a dedicated A40 bus lane from Eynsham to Oxford with an anticipated cost (and funding gap) of £16.5m. It also identifies the provision of bus priority at the Swinford Toll Bridge with an anticipated cost of £1.06m (2008 prices) and a funding gap of £803,426.

At a meeting held on 21 July 2015, Oxfordshire County Council's Cabinet resolved to approve the inclusion of the A40 'Science Transit Public Transport Scheme to its capital programme.

The decision follows the award of £35m funding in July 2014 through the Oxfordshire Growth Deal and includes four main elements as follows:

• A40 bus lane	£29m
• Park and Ride at Eynsham	£6m
• Junction improvements (at Eynsham and Cassington)	£3m
• Bus priority at the Swinford Toll Bridge	£0.4m
Total	£38m

This provisional cost estimate includes a large element of optimism bias allowance (which explains the lower cost estimates set out in the Council's IDP. The County Council anticipate that through the design process and by using value engineering processes, the cost of the proposed works can be reduced to £36.2m.

The budget for the scheme will comprise the following:

• Local Growth Fund Grant	£35m
• Developer contributions (held)	£1.2m

WODC acknowledges that in light of the above, the IDP requires an update to reflect the fact that three of the components listed within it (A40 bus lane, park and ride at Eynsham and bus priority at the Swinford Toll Bridge) now have the benefit of agreed funding.

This also has a knock on-effect on the Council's Infrastructure Funding Gap Analysis (July 2015) which identified a funding gap of between £112,844,000 - £121,744,000.

Based on the assumed project costs set out in the Council’s IDP, the identified funding gap falls by between £20,803,426 and £22,303,426.

It should be noted however that the funding gap identified is a very conservative estimate as it is based only on a selection of infrastructure projects the costs of which are known. As such, the actual funding gap is likely to be considerably in excess of the amount that has been identified.

WODC is aware of one other change that should be reflected in the IDP which is the cost estimate for the West End Link River crossing. Updated information provided by Oxfordshire County Council suggests the cost has increased from £18m (as identified in the IDP) to £23.2m.

This does not however impact on the funding gap analysis as the intention of WODC is that the West End Link is funded through a planning obligation for the North Witney Strategic Development Area (SDA) rather than through CIL.

18. Could Appendix 1 in CIL7 be supplemented by a table showing the known funding gaps by infrastructure types identified in the IDP as critical and separately for those identified as necessary.

Table 1 below identifies the known funding gaps for infrastructure types defined as ‘critical’ and ‘necessary’ in the Council’s IDP. It should be noted that the funding gap estimates do not include projects that are expected to be fully funded via a site-specific planning obligation.

It should also be noted that funding gaps have been identified for some projects that are classed as ‘preferred’ in the Council’s IDP and these are not included in the table below.

Table 1 – Identified Funding Gap for ‘Critical’ and ‘Necessary’ Infrastructure Types

Infrastructure Category	Infrastructure Type	Total Funding Gap Identified	Funding Gap for ‘Critical’ projects	Funding Gap for ‘Necessary’ projects
Physical	Highway Improvements	£9.7m	N/a	£9.7m
	Public transport improvements	£24.6m-£26m	£16.5m	£8m – £9.5m
	Walking, cycling and riding improvements	£4.88m	N/a	£1.4m
	Parking	£2.9m	N/a	£2.9m
	Water supply	Funding gap has not	N/a	N/a

		been identified.		
	Waste water, disposal and treatment	Funding gap has not been identified.	N/a	N/a
	Surface water, drainage, flood alleviation and defence	£7m	N/a	£4.6m
	Energy	Funding gap has not been identified.	N/a	N/a
	Waste and recycling	£1.5m	N/a	N/a
	Telecommunications – including superfast broadband	£6.4m	N/a	£6.4m
Social	Education	£864,000	N/a	£864,000
	Leisure and Sport	£38.45m-£42.2m	N/a	£16.5m – £17.2m
	Health	Funding gap has not been identified	N/a	N/a
	Public safety	£1.65m-£2.3m	N/a	£520,000 - £780,000
	Communication and culture	£6.2m-£8.2m	N/a	N/a
	Social care	Funding gap has not been identified	N/a	N/a
Green	Biodiversity and green infrastructure	£1.5m-£2.6m	N/a	N/a
	Informal and formal open space	£7.2m	N/a	£6.1m
Total		£112.8m - £121.7m	£16.5m	£57.0m – £59.4m

19. If reasonably straightforward to assess, please show over, say, the last 3 or 4 years what has been the average cost per dwelling for all S106 obligations, excluding affordable housing. Please show for each year analysed.

The Council has undertaken an analysis of a sample of S106 agreements for larger schemes of more than 10 dwellings over the period 2011 - 2014. Table 2 below provides a summary of the analysis.

Table 2 – Sample Analysis of Typical S106 cost per residential unit

Year	Number of development schemes analysed	Average S106 cost per unit (excluding affordable housing contributions)
2011	3	£4,542
2012	3	£6,437
2013	2	£1,101
2014	4	£4,715
Average 2011 - 2014	12	£4,199