

Cheshire East Council

Congleton Link Road: Potential Funding Streams

| Source | Stream | Target Amount | Status | Comments |
|-----------------------|---|---|--------|--|
| Developers | Section 106 (Congleton Sites alone) | £10 – 15m | | Figure based on early work by Jacobs. Developers cannot be asked to contribute through section 106 and CIL – one or the other. |
| | CIL (Congleton Sites alone) | | | |
| | CIL (Cheshire East development sites) | TBC | | Whilst development in wider Cheshire East may provide a limited contribution to the CLR, local areas are likely to have their own infrastructure priorities to fund. Engagement with Council CIL team needed to model a realistic level of contribution. |
| Government | New Homes Bonus (wider Cheshire East) | £5m | | <p>Government payment to Councils over 6 year period based on number of new homes. No constraint on how it is spent, but CLG suggests/expects consultation with local communities on that.</p> <p>The sites along the CLR are expected to deliver around 2100 homes over a 20 year period..</p> <p>Detailed Financial modelling needed to produce potential values for the local and wider Cheshire East area</p> <p>No certainty that scheme will be extended beyond 2018/19</p> |
| Cheshire East Council | Local Transport Plan Funding | £3m | | Over say 5 year period |
| | RGF, Growing Places funding, potential European Funding, | £10-£15m | | Cheshire East Council will apply for available Central Government funding in the period to construction beginning in 2017. |
| Cheshire East Council | Council Tax – potential increase across district to fund infrastructure | | | Any increase above 2% requires a local referendum. Further investigation needed to establish (a) potential value to CLR and (b) political appetite for increase and subsequent ring-fencing for CLR |
| | Land sales - capital receipts | Estimate to be produced over plan period. | | Cheshire East Council may consider strategic disposals with the receipts being applied to fund the CLR. Council to consider disposal programme for relevant period. |
| | Local Transport Board | £7-15m | | Likely to be post 2019 due to limited scale of funding provision and bias in |

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| | | | | prioritisation methodology to smaller schemes. |
| | Business rates – from new development on Congleton sites | | | Financial modelling required to establish likely revenue per annum. |
| | Prudential Borrowing | | | Subject to usual rules. Requires further analysis once extent of reliance on individual funding streams is clearer. CIL funding cannot be used to 'payback' borrowing unless the Council has received a specific direction from the Secretary of State and it is collected for at least one full year before repayment. |
| | Local Asset Backed Vehicle, Tax Increment Financing | | | Complexity of these vehicles makes them unlikely to be desirable options for the CLR. |
| | Local Congleton Precept | | | Precept is collected as part of Council Tax. It can only be collected and spent on particular purposes. Contribution is likely to be limited by statute to landscaping of verges, and potentially some signage and/or lighting. Investigation needed as to (a) relevant parishes (b) potential available contribution (c) appetite for increase in precept, bearing in mind wider council tax increase is considered as an option above. |