
Subject:	INFRASTRUCTURE FUNDING STATEMENT 2020/2021
Meeting and Date:	Cabinet – 1 November 2021
Report of:	Lois Jarrett, Head of Planning, Regeneration and Development
Portfolio Holder:	Councillor Nicholas Kenton, Portfolio Holder for Planning and Environment
Decision Type:	Non-Key
Classification:	Unrestricted

Purpose of the report: To seek Cabinet approval of the Infrastructure Funding Statement 2020/21 and publication of the Statement.

- Recommendation:**
1. That Cabinet approves the Infrastructure Funding Statement 2020/21, as set out in Appendix 1 and supporting spreadsheets at Appendix 2, which is to be published no later than 31 December 2021.
 2. That Cabinet authorises the Strategic Director (Operations and Commercial), in consultation with the Portfolio Holder for Planning and Environment, to make future minor amendments to the statement as required.
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1. Summary

- 1.1 Amendments to the Community Infrastructure Levy Regulations 2010 mean for the financial year 2019/2020 onwards, any local authority that has received developer contributions (either through section 106 planning obligations or the Community Infrastructure Levy) must publish online an Infrastructure Funding Statement (IFS) by 31 December 2020 and by the 31 December each year thereafter.
- 1.2 Whilst details of developer contributions have previously been reported within the Council's Authority Monitoring Report, the amended regulations now mandate exactly what information is to be provided. Guidance sets out the Government's preferred format for reporting the required information and makes recommendations as to additional information local authorities could publish alongside the statement.
- 1.3 This report seeks approval of the annual Infrastructure Statement set out at Appendix 1 and supporting spreadsheets at Appendix 2. These documents meet the requirements of the new regulations and take account of the guidance, whilst providing additional information on developer contributions for the residents of Dover district.

2. Introduction and Background

- 2.1 The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 (amended CIL Regulations) came into force on 1 September 2019 which, amongst other changes, introduced a requirement upon Local Authorities to publish on their websites an IFS. The first of these was published by 31st December 2020.
- 2.2 The regulations require that the IFS comprises the following three parts:
 - 1) A statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by Community Infrastructure Levy (CIL).

- 2) A report about CIL, in relation to the previous financial year, which includes matters specified within the regulations.
 - 3) A report about planning obligations, in relation to the reported year, which includes matters specified within the regulations This is referred to as the “Section 106 report”.
- 2.3 As Dover District Council does not operate CIL, the Council’s IFS will report a ‘nil return’ for parts 1 and 2. However, the part 3 Section 106 report will need to be completed as the Council does collect planning obligations under Section 106 of the Town and Country Planning Act 1990.
- 2.4 The matters specified to be included within the Section 106 report are:
- The total amount of money to be provided under any planning obligations within the reported year (1st April – 31st March).
 - The total amount of money under any planning obligations which was received during that reported year.
 - The total amount of money under any planning obligations which was received before the reported year which has not been allocated.
 - Summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year. For affordable housing this should include the total number of units to be provided and for education this should be the total number of school places. Where this cannot be specified, estimates should be given.
 - The total amount of money allocated but not spent during the reported year for funding infrastructure. This should include summary details of the items of infrastructure on which the money has been allocated, and the amount of money allocated to each item.
 - The total spent by the authority during the reported year (which includes transferring it to another person (such as KCC) to spend). This should include summary details of the items of infrastructure on which the money was spent, and the amount of money spent on each item. Any money spent on repaying money borrowed or on monitoring planning obligations should be explicitly identified.
 - The total amount of money that has been collected during any year and retained at the end of the reported year and, where any of the retained money has been allocated for the purpose of longer- term maintenance (commuted sums), also identify separately the total amount of commuted sums held.
- 2.5 In addition to the regulatory requirements above, detailed guidance published alongside the amended CIL regulations sets out recommendations of how the government would like this data formatted, labelled and published in spreadsheet form.
- 2.6 Additionally, this guidance also recommends the IFS sets out anticipated future spending priorities and the types of infrastructure that may be wholly or partly funded by either CIL or planning obligations.
3. **Content of the IFS**
- 3.1 Whilst spreadsheets have been produced in line with the published guidance, this is considered to make the information somewhat too abstract to be properly informative

for members of the public. A written report has therefore also been produced which will link to the spreadsheets and summarise the required information. A draft is provided at Appendix 1 and the spreadsheets at Appendix 2.

- 3.2 With regards to the regulatory requirements set out above, the full details are contained within the report. The headline figures are however summarised in the below table:

Matter to be reported	Amount
Monetary contributions agreed within the financial year 2020/21.	£3,571,328
Non-monetary contributions agreed within the financial year 2020/21.	108 Affordable Housing units 2 x Open Space Land to be provided
Monetary contributions received during the financial year 2020/21	£2,555,275
Monetary contributions received before financial year 2020/21 awaiting allocation.	£1,002,190
Total amount spent during the financial year 2020/21	£138,738
Total amount spent on repaying borrowed money during the financial year 2020/21	None
Total amount allocated but not spent during the financial year 2020/21	£2,467,788
Total amount that has been collected during the financial year 2020/21 for the purpose of longer- term maintenance.	£238,844
All monies held for the purpose of longer-term maintenance.	£806,943

- 3.3 With respect to the total amount of money collected any year and retained at the end of the reported year, the Council holds £5,540,394 in total Section 106 Contributions as at 31st March 2021.

- 3.4 Of this, £1,086,178 is awaiting allocation to a specific project and £4,454,213 is already allocated to a specific project though awaiting spend or transfer. This is broken down further in the below table:

Unallocated	Amount
Unallocated and unspent received before 2020/21	£1,002,191
Unallocated and received during 2020/21	£83,987
Total	£1,086,178
Allocated	

Allocated though unspent that had been received before 2020/21	£2,121,663
Allocated and received during 2020/21	£2,471,288
Less that spent during 2020/21	£138,738
Total	£4,454,213
Total of all S106 monies held	£5,540,391

- 3.5 It is important to note that “allocated” means a decision has been made by the local authority to commit funds to an item of infrastructure or project. For most Section 106 agreements, this decision has been made at the planning application stage with each infrastructure or project requirement specified within the legal agreement.
- 3.6 It is similarly important to note that “unallocated” money will still be bound by the terms of the Section 106 legal agreement and, as a minimum, will be required to be spent on a particular infrastructure type specified within the agreement i.e. Affordable housing or Equipped Play Areas. Further, individual Section 106 legal agreement usually specify criteria needing to be met for “unallocated” money to be allocated to a project. For example, the Section 106 legal agreement may specify that the monies may only be spent on open space projects within a certain area.
- 3.7 It is therefore the case that either the specific allocated projects or criteria for unallocated monies are highlighted within the report as appropriate or relevant. In all cases however, the finer detail will be with the formal spreadsheets accompanying the report.
- 3.8 Of the £1,086,178 unallocated monies, £990,053 of this relates to affordable housing. The Council has allocated £162,316 to housing project in Napchester Road, Whitfield and £120,000 to affordable housing project in Foxborough Close, Woodnesborough during 2020-21 and this will show as expenditure next year. The Council’s Housing Development Manager will continue to consider the most appropriate projects to which this funding should be directed and will report further to members in due course. This is highlighted as a priority within the report.
- 3.9 The report also responds to the recommendation to set out anticipated future spending priorities by highlighting estimated future infrastructure income figure by broad infrastructure type. This figure has been calculated by adding all the pending S106 payments (on extant planning permissions) that have been agreed but not yet triggered and amounts to a potential £19,612,447 in addition to the held £5,540,391.
- 4. Evaluation of Options**
- 4.1 Under Government legislation the Council is required to produce an Infrastructure Funding Statement. The recommended option is to publish the full written report as this offers additional clarity for members of the public, beyond the requirements of the regulations.
- 4.2 The alternative option is publish only the spreadsheets produced in line with the published guidance. This would be the minimum required to meet the regulation requirements.
- 5. Resource Implications**
- 5.1 The production of the IFS and S106 contribution monitoring will be delivered within existing resources in the Regeneration and Policy Team.

5.2 Once agreed by Cabinet, a copy of the Annual Infrastructure Funding Statement 2020/21 will be made publicly available on the Council's website. There are no further resource implications.

6. **Climate Change and Environmental Implications**

6.1 There should be no environmental or climate change implications as a consequence of this decision being taken.

7. **Corporate Implications**

7.1 Comment from the Director of Finance (linked to the MTFP): Accountancy has been consulted and has no further comment. (MR)

7.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

7.3 Comment from the Equalities Officer: This report does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>

7.4 Other Officers (as appropriate): N/A

8. **Appendices**

Appendix 1 – Annual Infrastructure Funding Statement 2020/21

Appendix 2 – Infrastructure Funding Statement supporting spreadsheets

9. **Background Papers**

The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019) (amended CIL Regulations)

<https://www.legislation.gov.uk/uksi/2019/1103/regulation/9/made>

Planning Guidance: <https://www.gov.uk/guidance/publish-your-developer-contributions-data>

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