



Report to: Cabinet Meeting – 19 December 2023

Portfolio Holder: Councillor Matthew Spoons, Sustainable Economic Development

Director Lead: Matt Lamb, Director - Planning & Growth

Lead Officer: Matthew Norton, Business Manager - Planning Policy & Infrastructure, Ext. 5852

Report Summary	
<b>Type of Report</b>	Open Report, Key Decision
<b>Report Title</b>	Infrastructure Funding Statement
<b>Purpose of Report</b>	To update Cabinet on matters set out in the 2022/23 (the reported year) Infrastructure Funding Statement (IFS)
<b>Recommendations</b>	That Cabinet approve the publication of the Infrastructure Funding Statement, which has been produced in accordance with the legislative requirements, before the end of the calendar year.
<b>Alternative Options Considered</b>	None. There is a requirement to publish the IFS by the end of the calendar year.
<b>Reason for Recommendations</b>	To ensure that the District Council is operating in accordance with the requirements of the Community Infrastructure Regulations.

## 1.0 **Background**

1.1 It is a national requirement for the District Council to publish an annual Infrastructure Funding Statement (IFS) setting out the current position on developer contributions. Developer contributions are either monies secured through the Community Infrastructure Levy (CIL) (a tax on new development) or monetary contributions or onsite infrastructure provision secured through Section 106 legal agreements as part of planning applications.

1.2 For the purpose of reporting developer contributions, National Planning Policy Guidance defines ‘infrastructure’ as development within the following categories:

- Affordable housing
- Education (Primary, Secondary, Post-16 & Other)
- Health
- Highways
- Transport and travel

- Open space and leisure
- Community facilities
- Digital infrastructure
- Green infrastructure
- Flood and water management
- Economic development
- Land
- Section 106 monitoring fees
- Bonds (held or repaid to developers)
- Other (Neighbourhood CIL, CIL administration costs)

1.3 In establishing this as a national requirement, the Department for Levelling Up, Housing and Communities has prescribed a spreadsheet format in which the data underpinning the IFS should be published before 31 December. The accompanying statement therefore essentially provides context to the CIL income and developer contributions the Council has secured, allocated and spent over the last financial year.

1.4 The IFS presents information to a broad audience, therefore comprises the following sections:

- An introduction setting out the basic requirements and the context of planned growth in the District;
- National and local policy context, along with an explanation of the developer contributions it covers;
- A summary of CIL collected/spent during the reported year;
- A summary of S106 monies collected/spent during the reported year;
- Planned expenditure of CIL income over the next reporting period (April 2023 to March 2024).

## 2.0 Proposal/Details of Options Considered

2.1 The 2022 IFS has been finalised (and is attached at **Appendix A**) and the tables below set out the headline figures for Members' attention.

**Table 1: Summary of CIL income and expenditure**

Description of source: Community Infrastructure Levy	£
<b>Collected before 01/04/2022 (net of capital, admin and all meaningful proportions)</b>	£7,170,753.43
<b>Demand notices issued 2022/23</b>	£1,990,010.13
<b>Received 2022/23 (including surcharges)</b>	£3,819,246.45
<b>NSDC CIL total 31/03/2023 (net of capital, admin and all meaningful proportions)</b>	£10,007,189.72
<b>Expenditure (Capital)</b>	£0
<b>Expenditure (Administration)</b>	£89,102.76
<b>Meaningful proportion to Town/Parish Councils</b>	£893,707.40
<b>Retained after contributions</b>	£2,836,436.29
<b>Retained on behalf of Parish Meetings in 2022/23</b>	£13,296.99
<b>Retained on behalf of Parish Meetings from previous years</b>	£9,702.08

**Table 2: Summary of developer contributions income and expenditure**

Description of source: Developer s106 Contributions	£
Received before the reported year, remaining unallocated	£7,179,373.23
Received 2022/23	£1,851,422.00
Agreed 2022/23	£609,350.53
S106 contributions held by NSDC 31/03/2023	£8,019,705.76
Allocated but not spent 2022/23	£265,131.60
Balance held for longer term maintenance obligations	£88,730.47
S106 contributions spent (including transferred to other bodies to be spent)	£1,099,808.52

2.2 Table 1 sets out the position in relation to Newark & Sherwood's CIL as at the 31 March 2023. A 'meaningful proportion' is set aside for Town and Parish Council and Parish Meeting with the remainder of the money retained by the District Council. This money is set aside for strategic infrastructure projects. The projects are set out at in Table 7 and 8 of the IFS. Currently the most important of these are:

- A1 Overbridge at Fernwood
- Tolney Lane Flood Alleviation Scheme

Given the scale and nature of these projects it takes a significant period of time to accumulate the necessary monies to undertake such projects. To date we have only provided funding from CIL for the provision of additional classrooms at the Joseph Whitaker School in Rainworth.

2.3 Table 2 sets out Section 106 contributions activity in Newark & Sherwood as at the 31 March 2023. These are contributions secured through legal agreements with developers to mitigate the impact of new development. As such contributions are usually secured as projects progress and developer's hit triggers which require provision of monies. The monies are then held whilst the District Council, Nottinghamshire County Council, the NHS or Parish and Town Councils plan and deliver the projects to address the impacts of development. Therefore, at any one time the Council will be holding numerous pots of monies for different schemes and there will be a time period (generally five years) in which the monies need to be spend.

#### *Community Plan*

2.4 The IFS has potential to support the delivery of all Community Plan objectives that incorporate a need for infrastructure provision and enhancement. The growth agenda directed by the Local Plan underlines the corporate priorities set out in the Community Plan.

2.5 Given national regulatory requirements the only option under consideration is to publish the IFS before the end of the calendar year.

### **3.0 Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications; Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding, Sustainability, and Crime and Disorder and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

### **Digital Implications**

- 3.1 The base data underpinning the IFS should be published on the Council's website in CSV format in accordance with open data requirements, along with the aforementioned report.

### **Equalities Implications**

- 3.2 Infrastructure delivery is fundamental to the implementation of the Amended Core Strategy which, as a whole has been subject to appraisal against the Integrated Impacts Assessment (IIA) Framework. The IIA incorporates Sustainability Appraisal, Strategic Environmental Assessment, Equalities Impact Assessment (EqIA) and Health Impact Assessment (HIA). The EqIA is a way of demonstrating the District Council is fulfilling the requirements of the Public Sector Equality Duty contained in section 149 of the Equality Act 2010.
- 3.3 With the focus of the IFS being on providing greater transparency to the decision-making process and channelling infrastructure funding to areas of identified need as a result of development (thereby mitigating any perceived inequalities in accordance with adopted policy), an EqIA specifically for the IFS is not required.

### **Financial Implications (FIN23-24/691)**

- 3.4 Financial Services work closely with colleagues on the Developer Contributions Officer Steering Group to ensure that funds from developer contributions are appropriately managed in line with the Council's financial procedures.
- 3.5 The IFS provides greater transparency for Members, service providers, developers and the community on how the Council deals with developer contributions.
- 3.6 CIL funded projects will progress from the IFS into the Council's Capital Programme in the usual way by a report to Cabinet as and when sufficient funding is available.
- 3.7 Currently there is one project included within the Capital programme, the A1 Overbridge at Fernwood with a total allocation of £5.6m split over 2023/24 and 2024/25.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.