



Report to: Cabinet Meeting – 9 December 2025

Portfolio Holder: Councillor Claire Penny, Sustainable Economic Development

Director Lead: Matt Lamb, Director - Planning & Growth

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

Report Summary	
Type of Report	Open Report, Key Decision
Report Title	Infrastructure Funding Statement
Purpose of Report	To update Cabinet on matters set out in the 2024/25 (the reported year) Infrastructure Funding Statement (IFS); and to seek approval to amend current CIL procedures.
Recommendations	That Cabinet: a) 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; and b) approve payment of the CIL meaningful proportion to Town and Parish Councils once per annum. This process to commerce for monies collected in the financial year 2025/2026. c) approve the proposed guidance note at Appendix C for Town and Parish Councils, regarding CIL Meaningful proportion including informing them of their legal duty to produce an annual report on CIL receipts, CIL Spend, and CIL monies held in their account d) approve the proposed procedures set out at paragraph 2.13 and 2.14 for the spend of CIL for Parish Meetings and Parishes with no meetings

Alternative Options Considered	a) None, there is a statutory requirement to publish the IFS by the end of the calendar year. b) To not make an amendment to the payment of the CIL meaningful proportion to Town and Parish Councils
Reason for Recommendations	To ensure that the District Council is operating in accordance with the requirements of the Community Infrastructure Regulations. To deliver resource efficiencies by reducing the administrative burden for Newark & Sherwood District Council To provide guidance on various aspects of CIL Meaningful Proportion Spend.

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 Ministry of Housing, Communities and Local Government 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 2024 to March 2025).

2.0 Proposal/Details of Options Considered

2.1 The 2025 IFS has been finalised (and is attached at **Appendix A TO FOLLOW**) 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	£
Total CIL monies collected before 01/04/2024 (net of capital, admin and all meaningful proportions)	£11,077,135.85
Total Received 2024/25 (including surcharges)	£510,764.71
Grand Total	£11,587,900.56
2024/25 Expenditure (Administration)	£24,943.66
2024/25 Meaningful proportion paid to Town/Parish Councils	£87,793.23
2024/25 Expenditure (Capital)	£31,415.00
Grand Total CIL held by NSDC at 31/03/2025 (net of capital, admin and all meaningful proportions)	£11,443,748.63

Table 2: Demand notices served, and CIL monies held by NSDC

Demand notices issued and monies retained by NSDC for Parish Meeting areas	£
Demand notices issued 2024/25	£503,546.83
Retained on behalf of Parish Meetings in 2024/25	£0
Retained on behalf of Parish Meetings from previous years	£6,456.40

Table 3: Summary of developer contributions income and expenditure

Description of source: Developer s106 Contributions	£
a. S106 money received before the reported year, remaining unallocated at 31 st March 2024	£9,526,229.86
b. Total S106 money received 2024/25	£708,370.10
GRAND TOTAL (a + b)	£10,234,599.96
S106 contributions spent (including transferred to other bodies to be spent)	£737,846.41
S106 contributions held by NSDC 31/03/2025	£9,496,753.55

Table 4: Summary of s106 monies allocated, held for maintenance, and agreed

s106 monies allocated, held for maintenance, and agreed but not yet received	£
S106 contributions allocated but not spent 2024/25	£816,412.58
Balance held for longer term maintenance obligations	£98,342.04
Total money to be provided by agreed s106s in 2024/25	£208,187.97

2.2 Table 1 sets out the position in relation to Newark & Sherwood's CIL as at the 31 March 2025. A 'meaningful proportion' is set aside for Town and Parish Council and Parish Meetings 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 provides information on CIL demand notices served and the meaningful proportion of CIL monies held by NSDC for Parish Meetings.

2.4 Table 3 and 4 set out Section 106 contributions activity in Newark & Sherwood as at the 31 March 2025. 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.

Meaningful Proportion

2.5 As set out above, an element of CIL contributions are retained for the local neighbourhood where the monies were generated. This is known as the 'meaningful proportion'. Regulations set out that 15% of the CIL receipts collected from development within a given town or parish area will be passed to the relevant Town or Parish Council. Payments will be capped at £100 (indexed for inflation) per council tax dwelling per year within the Town or Parish Council area. For areas with an adopted Neighbourhood Development Plan the proportion to be passed to the Town or Parish Council is increased to 25% with no cap. In locations which have a Town or Parish Council this money is transferred to these Council's on a twice-yearly basis. In areas which have no Parish Council in line with the regulations the District Council has held the monies until such time as the relevant Parish Meeting has identified a specific project that the

money can be spend on. We have not yet a situation where a meaningful proportion has been collected in a Parish without a Parish Meeting.

- 2.6 Regulation 59c of the CIL Regulations 2010 (as amended) requires that a Town or Parish Council must use the CIL receipts passed to it to support the development of the Town/Parish area, or any part of that area, by funding:

“The provision, improvement, replacement, operation or maintenance of infrastructure; or

Anything else that is concerned with addressing the demands that development places on an area”.

This provides Town or Parish Councils with a much more flexible approach for spending their CIL receipts in comparison to the District Council. Given this flexibility Parish Councils regularly contact the District Council to discuss the appropriateness of potential CIL spend.

- 2.7 Parish Councils are required by Regulation 121B to prepare an annual CIL report for each financial year they receive CIL. The report must include the following;

- Total amount of CIL receipts in the financial year;
- Total CIL expenditure in the financial year;
- Details (a breakdown) of the CIL expenditure in the financial year to include:
 1. a description of the items to which CIL has been applied;
 2. the amount of CIL expenditure on each item;
 3. details of any CIL repayment notices received during the financial year to include:
 - (i) the total value of CIL receipts subject to notices served to recover CIL;
 - (ii) the total value of CIL receipts subject to a notice served recover CIL in any year that has not yet been repaid to Newark and Sherwood District Council.
- The report must comply with accounting and audit procedures as set out in Governance and Accountability for Smaller Authorities in England 2019 (Joint Panel on Accountability and Governance).
- This information must be published on Town/Parish website where applicable or on NSDC website.
- A copy of the Town/Parish annual report must also be sent to the Council as charging authority, ideally by 1st June but no later than 31st October following the reported year.

- 2.8 At present CIL reporting by Parish Councils is not consistent and the District Council does not receive an annual report from any Parish Council. Consequently, we engaged with

Town and Parish Councils in receipt of meaningful proportions in June/July 2025. A six-week consultation was launched on 17th June 2025. A letter and questionnaire were sent to Parish and Town Councils with a deadline of 31st July 2025 for completion. This sought to determine how they meet their requirements under the law and the 2019 guidance issued by the Joint Panel on Accountability and Governance. The details of the consultation are attached at **Appendix B**.

- 2.9 The questionnaire also asked for comments on proposed changes to the payment of CIL meaningful proportion (from twice yearly, as required under the legislation, to once a year). It is considered to be an unnecessary administrative burden to make a payment to Town and Parish Councils twice per annum.
- 2.10 Whilst the response rate to the consultation was quite low, 16 Parish Councils responded, only one Parish Council considered that the change to the payment of the meaningful proportion may have a negative impact. This is due to them not being able to accrue interest from holding the money in their bank account for a six-month period. Despite this, it is proposed that the District Council switches to paying the meaningful proportion on an annual basis in order to make efficiencies in resources.
- 2.11 In response to the feedback from the consultation a guidance leaflet has been produced and will be sent to all Parish Councils and published on NSDC's website. The leaflet is attached at **Appendix C**.
- 2.12 When monies are received in locations without a Parish Council, NSDC holds the monies until an appropriate project has been identified. Whilst the legislation does not specify how the Council should identify how the monies should be distributed; the Council has identified the Parish Meeting as the appropriate body to spend meaningful proportions in areas without a Parish Council. The Parish Meeting is informed of the monies and when they identify a project, currently we discuss the proposal with the Chair or Clerk of the meeting and agree to pay on receipt of an invoice for the completed works. Whilst officers have operated this approach since the meaningful proportion was brought in, this has never been documented in a public policy and therefore it proposed to produce one and consult Parish Meetings on the proposals.
- 2.13 We consulted Parish Meetings on a revised procedure on 17th June 2025. A letter and a questionnaire were sent out to Parish Meeting Chairs/Clerks and they were asked to respond by 30th September 2025. The details of the consultation are attached at **Appendix D**. The proposed procedure is set out below:

Proposed procedure for receiving and spending CIL within areas covered by Parish Meetings:

- 1. NSDC informs the Parish Meeting of CIL monies upon receipt from developer. CIL monies are retained by NSDC until required for a project.
- 2. NSDC asks the Parish Meeting what they intend to spend CIL monies on.
- 3. NSDC Planning Policy and Infrastructure informs Ward Members of CIL monies to allow them to assist the Parish Meeting in the identification of projects.

4. Parish Meeting to submit minutes of meetings where CIL monies have been discussed (including where agreement has been made regarding CIL projects).
5. Parish Meeting to request CIL funds in writing (via email and include a quote).
6. Parish Meeting to provide an invoice to NSDC upon completion of works

No objections were received about the proposed procedure. It should be noted that the value of the monies held and spend are relatively small and therefore in most circumstances officers will be able under the scheme of delegation to agree the spend. However, it proposed to make clear in the final procedure that agreement of the spend will be made in line with the Councils scheme of delegation and financial regulations. It is recommended that this approach is formally adopted by Newark and Sherwood District Council.

- 2.14 We also have no approach for areas which don't have a Parish Meeting. So far, we have not collected monies in such areas, which tend to be smaller rural communities, but development can occur anywhere and therefore it is proposed that a procedure be developed for dealing with monies in areas without a Parish Meeting.

Proposed procedure for receiving and spending CIL within areas covered by Parish Meetings:

1. NSDC Planning Policy and Infrastructure (PPI) informs Ward Members of CIL monies to allow them to assist with the identification of suitable projects.
2. NSDC PPI to liaise with NSDC Communications team to develop an appropriate mechanism for consulting local residents (potentially using social media platforms).
3. NSDC PPI to liaise with NSDC Senior Community Relations Officer/Team (to discuss and identify community requirements)
4. Suitable project identified and agreed in discussion with Ward Members and approved by appropriate officer/Portfolio Holder.

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 Impact

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 (FIN25-26/4439)

- 3.4 Financial Services colleagues are a part of the Developer Contributions Officer Steering Group and therefore are able 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. Currently there is one project included within the Capital programme, the A1 Overbridge at Fernwood as follows:

Actual Spend to 2024/25	2025/26 Budget	2026/27 Budget	2027/28 Budget
55,415	100,000	3,000,000	2,444,585

- 3.7 The proposed changes recommended to the CIL administrative fee and meaningful proportion to once a year will create efficiencies in managing the payments to the Town and Parishes.

Legal Implications - LEG2526/2931

- 3.10 Regulation 121B of the Community Infrastructure Levy Regulations 2010 (*SI 2010/948*) (CIL Regulations 2010) imposes a duty on parish councils to produce an annual report on CIL funds they received and spent in a given financial year. In any year that a Parish Council receives CIL money, it must prepare a report for that year and publish it by 31 December of the following year as detailed in paragraph 2.13 above.
- 3.11 The CIL Regulations 2010 do not give the District Council specific enforcement powers where the above obligation has not been met. The District Council should therefore work with the Parish Council's to encourage and ensure that they are meeting their reporting duties under the CIL Regulations 2010.
- 3.12 Regulation 59D requires that payments due to Parish Council's should be paid every six months. However, the District Council and Parish Council's are able to agree a timetable for payment, in such cases payments must be made in accordance with the agreed timetable (Regulation 59D (2))

3.13 Any monies agreed for spend should be done so with regard and in accordance with the Council's scheme of delegation and financial regulations.

3.14 Cabinet is the appropriate body to consider the content of this report.

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.

Newark & Sherwood Infrastructure Funding Statement 2023/24