

Newark & Sherwood District Council: Infrastructure Funding Statement 2020

1.0 Introduction

- 1.1 This is Newark & Sherwood District Council's Infrastructure Funding Statement (IFS) for 2019/20, published in accordance with recent changes to government legislation¹.
- 1.2 Local authorities are now required to produce an IFS on an annual basis, relating to the developer contributions from Section 106 agreements and the Community Infrastructure Levy (CIL). Developer contributions are used to help fund development related infrastructure provision and to maximise the benefits and opportunities from growth.
- 1.3 In accordance with the regulations, the annual IFS must comprise the following three parts:
- A report relating to the previous financial year on the Community Infrastructure Levy;
 - A report relating to the previous financial year on Section 106 planning obligations;
 - A report on the infrastructure projects or types of infrastructure that the authority intends to fund wholly or partly by the levy (excluding the neighbourhood portion).

| Description of source | £ |
|---|----------------------------------|
| CIL collected before 01/04/2019 (net of admin and all meaningful proportions) | £3,538,089.16 |
| CIL demand notices issued 2019/20 | £1,856,129.15 (incl. surcharges) |
| CIL Received 2019/20 | £2,021,621.45 |
| CIL total held 31/03/2020 (net of admin and all meaningful proportions) | £5,146,605.27 |
| S106 contributions held by NSDC at 31/03/2020 | £7,438,800.73 |
| S106 contributions received 2019/20 | £2,717,237.18 |
| S106 contributions agreed 2019/20 | £607,675.76 |
| S106 contributions allocated but not spent 2019/20 | £309,470.84 |

Table 1: Headline figures for the IFS

- 1.4 The table in Appendix 1 sets out the requirements of the regulations and the sections of this document where details can be found.
- 1.5 For the purpose of reporting developer contributions National Planning Policy Guidance (NPPG) 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

¹ Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019

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- Bonds (held or repaid to developers)
- Other (Neighbourhood CIL, Mayoral CIL, Community Infrastructure Levy administration costs)

District Context

1.6 Across the current Local Plan period to 2033 the population of Newark & Sherwood is expected to grow by as much as 14,359. Monitoring data from 2019² show the following figures relating to the development in the District:

- 8033 residential dwellings with planning permission
- 2832 residential dwellings completed 2013-2019
- 69.04ha of employment land with planning permission
- 31.85ha of employment land development completed 2013-2019
- Over 70 sites allocated for residential and commercial development in both the Amended Core Strategy and Allocations & Development Management Policies DPD³
- Between 2013-2019 there has been an average of 298 residential completions each year that are considered windfall development.

² 2019 Housing Monitoring and 5 Year Land Supply Report: <https://www.newark-sherwooddc.gov.uk/media/newarkandsherwood/imagesandfiles/planningpolicy/pdfs/monitoringreports/2019/2019HMR.pdf> and 2019 Employment Land Availability Study: https://www.newark-sherwooddc.gov.uk/media/newarkandsherwood/imagesandfiles/planningpolicy/pdfs/monitoringreports/employmentlandavailabilitystudy/ELAS18_19.pdf

³ The Allocations and Development Management Policies DPD is currently under review

2.0 Developer Contributions

Paying for Infrastructure

2.1 Infrastructure is typically paid for in a number of ways, via:

- Service providers such as utilities companies (electricity, gas, water, waste water, communications) underpinned by income from customer bills and government grant/support;
- Direct or indirect government grants to Local Authorities or via Local Enterprise Partnership;
- Developers responding to site specific requirements through legal agreements (Section 106 or Section 278 agreements);
- Local Planning Authorities (LPAs) collecting Community Infrastructure Levy (CIL) on certain types of new development;
- Town/Parish Council funds secured through Parish precepts, CIL or use of other monies or grants; and
- Trusts or charitable organisations providing funding, often for local community-led projects.

Community Infrastructure Levy

2.2 Newark and Sherwood was the first Local Authority in the country to adopt CIL; the Charging Schedule and Regulation 123 List was approved by Council on the 20 September 2011 and came into force on 1 December 2011. As part of a wider review of the Local Plan a full review of the CIL Charging Schedule and Regulation 123 List was also undertaken. Following an independent examination in August 2017 and approval at full council on 12 December 2017, the Newark and Sherwood CIL Charging Schedule, including the associated instalment policy and Regulation 123 List came into force on 1 January 2018.

2.3 Changes to CIL legislation, taking effect from 1 September 2019, were introduced as the Government recognised that the complexity and uncertainty of the CIL system was potentially forming a barrier to the delivery of housing, something that the Government was keen to remove. Amendments to the regulations included the removal of 'pooling' restrictions and the deletion of Regulation 123 requiring charging authorities to produce a list of the projects or types of infrastructure they intend to fund, or may fund, through CIL (the 'Regulation 123 list').

2.4 CIL is chargeable on residential development at different rates across the Council's administrative area, ranging from £0 to £100 per square metre. A districtwide charge of £100 per square metre is levied on retail development, while all other commercial developments are CIL-exempt. Where a development is liable to CIL the amount will be non-negotiable. However, where a scheme will contain elements of social housing or will be for charitable purposes the amount may be reduced subject to an application for relief being submitted.

Section 106 Agreements

2.5 Planning obligations or developer contributions are made under Section 106 of the Town and Country Planning Act 1990 (as amended). Commonly known as S106 agreements, they are a mechanism that helps make a development proposal acceptable in planning terms that would not otherwise be acceptable – i.e. to mitigate the impacts of development and ensure that the District Council's planning policy requirements are fully met.

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- 2.6 The legal tests for when S106 agreements can be used are set out in CIL Regulation 122. The ‘ask’ must be:
- (a) necessary to make the development acceptable in planning terms;
 - (b) directly related to the development; and
- I fairly and reasonably related in scale and kind to the development.
- 2.7 Different combinations of the aforementioned sources of funding may be pooled to pay for new infrastructure.

Section 278 Highway Agreements

- 2.8 Additional legal agreements that can fund infrastructure are Section 278 Agreements (S278). These are legally binding agreements made under the Highways Act 1990 between Local Highway Authorities and Developers. S278 agreements are required to secure alterations or improvements to the highway. The Council will look at the possibility of including information for S278 agreements within future versions of the IFS.

Local Policy Context

- 2.9 In Newark & Sherwood District Council’s Local Development Framework (LDF) Amended Core Strategy (Adopted March 2019) Spatial Policy 6: Infrastructure for Growth sets out the approach to ensuring the delivery of infrastructure to support growth. This policy gives specific emphasis to the Community Infrastructure Levy as the vehicle for funding Strategic Infrastructure. The policy defines ‘Strategic Infrastructure’ as improvements to the strategic highway network and other highway infrastructure as identified within the IDP, along with secondary education provision across the District.
- 2.10 Spatial Policy 6 identifies developer contributions and planning obligations as the primary means of securing local Infrastructure, including facilities and services that are essential for development to take place on individual sites, or which are needed to mitigate the impact of development at the site or neighbourhood level. The process of collecting and spending developer contributions is illustrated in Figure 1.
- 2.11 Directly related to Spatial Policy 6 is Policy DM3 in the Allocations and Development Management Policies DPD. DM3 highlights the need for infrastructure to support planned growth, for planning applications to include appropriate infrastructure provision and signposts to the Developer Contributions and Planning Obligations Supplementary Planning Document (SPD) which sets out the methods for calculating financial contributions.
- 2.12 The Developer Contributions and Planning Obligations SPD sets out the Council’s policy for securing planning obligations from new developments that require planning permission and how this will operate alongside CIL. The SPD makes clear that where a development is liable to CIL the amount will be non-negotiable, however, where site related infrastructure is needed this may be secured through planning conditions and S106 agreements. These needs will be assessed on a site by site basis and will involve consultation with relevant internal and external agencies e.g. the Health

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Authority and Nottinghamshire County Council. It is the District Council's intention to update this SPD in the near future to reflect changes in legislation and local circumstances.

2.13 Additionally, acknowledging that affordable housing is considered as a form of infrastructure, Amended Core Strategy Core Policy 1 is the District Council's primary policy setting out site requirements in accordance with the NPPF.

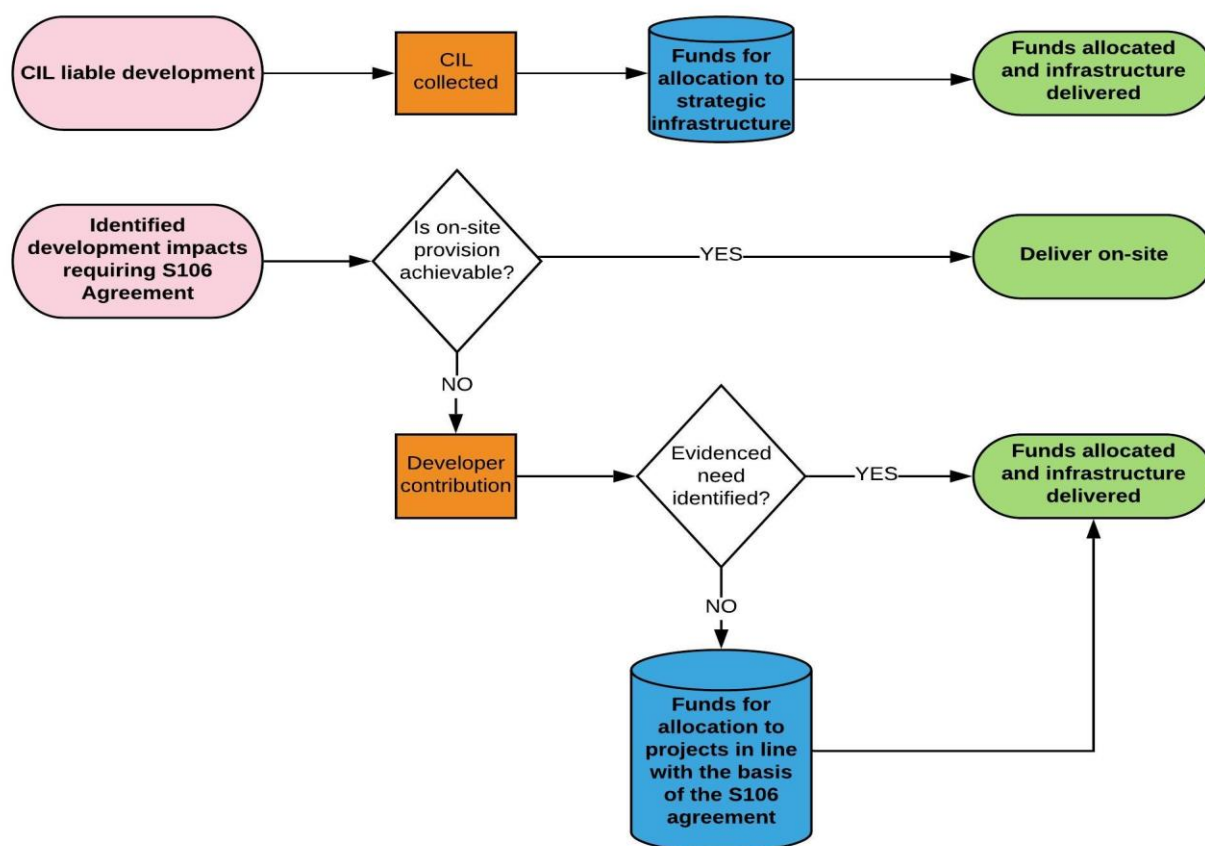


Figure 1: Process of allocating developer contributions

3.0 Community Infrastructure Levy: collection and expenditure

3.1 The amount of CIL payable on a development varies depending the type of development and on its location within the district, ranging from £0, £45, £70 and £100 per square metre for residential development and £100 per square metre for retail uses. A £0 rate is levied on non-retail commercial development.

| Description of source | £ |
|---|----------------------------------|
| Collected before 01/04/2019 (net of admin and all meaningful proportions) | £3,538,089.16 |
| Demand notices issued 2019/20 | £1,856,129.15 (incl. surcharges) |
| Received 2019/20 | £2,021,621.45 |
| NSDC CIL total 31/03/2020 (net of admin and all meaningful proportions) | £5,146,605.27 |
| Expenditure (Capital) | £0 |
| Expenditure (Administration) | £30,597.15 |
| Meaningful proportion to Town/Parish Councils | £369,796.79 |
| Retained after contributions | £1,608,516.11 |
| Retained on behalf of Parish Meetings | £12,711.41 |
| Retained on behalf of Parish Meetings from previous years | £1,671.61 |

Table 2: Summary of CIL income and expenditure

Newark & Sherwood CIL Income

3.2 Prior to the reported year, since CIL came in to force in 2011/12 the District Council had accumulated £3,538,089.16 from CIL receipts.

3.3 In the reported year from April 2019 to March 2020 Newark & Sherwood District Council issued demand notices for £1,856,129.15 (including surcharges) and received £2,021,621.45 from CIL receipts, representing the largest single year for CIL income. Noting this considerable increase in CIL receipts, the largest sources of CIL income are identified from the following developments:

- Barratt Homes: £502,027 – Fernwood
- Miller Homes: £113,048 – Farnsfield
- Springfield Eco: £320,191 – Southwell
- Miller Homes: £166,275 (x3) (£498,825) – Southwell
- Persimmon Homes (East Midlands) Ltd: £96,913 (x3) (£290,739) – Sutton on Trent

3.4 The distribution of the developments to which these CIL receipts relate is spread widely across the District, reflecting the general buoyancy of the pre-Covid housing market in the UK and developer confidence in this area.

Newark & Sherwood CIL Expenditure

3.5 The total amount of CIL expenditure for the reported year amounts to £30,597.15. This figure represents funds spent on the management, staffing, administration, information technology and legal costs involved in the collection of CIL; the setting up and maintenance of new systems to coordinate the administration of CIL; and on-going management of CIL spending.

3.6 A total of £369,796.79 (18% of CIL total receipts) has been passed on to Town and Parish Councils within the reporting period as a meaningful contribution share. A further £12,711.41 of the receipts collected have been retained on behalf of parishes where there is no Parish Council. This figure is therefore grouped in with the £1,608,516.11 retained after contributions. To date, beyond

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administrative expenses, no CIL funds (£0) have been used for capital expenditure. The reason for this is the large costs associated with delivering priority strategic infrastructure projects. Further commentary on these items is provided in later sections of this report.

4.0 S106 Developer Contributions: collection and expenditure

- 4.1 As stated above in Section 3, Amended Core Strategy, Spatial Policy 6 sets out the Council's approach to ensuring the delivery of infrastructure to support the anticipated levels growth within the current plan period. Developer contributions and planning obligations are the primary means of securing local infrastructure, including facilities and services that are essential for allowing any particular development to take place.
- 4.2 Developer contributions income held by Newark & Sherwood District Council is summarised in Table 3.

| Description of source | £ |
|--|---------------|
| Received before the reported year, remaining unallocated | £5,012,085.50 |
| Received 2019/20 | £2,717,237.18 |
| Agreed 2019/20 | £607,675.76 |
| S106 contributions held by NSDC 31/03/2020 | £7,438,800.73 |
| Allocated but not spent 2019/20 | £309,470.84 |
| Balance held for longer term maintenance obligations | £39,605.80 |

Table 3: Summary of developer contributions income and expenditure

Newark & Sherwood Developer Contributions Income

Contributions Agreed

- 4.3 In the reported year from April 2019 to March 2020 Newark & Sherwood District Council entered in to planning obligations to the sum of £607,675.76. The developments to which these funds relate are set out in Table 4.

| Planning ref. | Parish | Location | Funds secured |
|---------------|-----------------|----------------|--|
| 19/00585/FULM | Clipstone | Cavendish Way | Affordable Housing: £176,459.80 Community Facilities: £62,121.86 Education: £272,979.42 Libraries: £5,139.27 Off-site sports: £53,247.79 |
| 14/00161/FULM | Sutton on Trent | Hounsfield Way | Open Space: £4,095 |
| 18/01898/OUTM | Ollerton | Red House Farm | Children & Young People: £19,585.60 Community Facilities: £13,840.70 Green Space: £205.32 |

Table 4: Monetary developer contributions agreed within the reported year

Contributions Received

- 4.4 Within the reported year contributions to the value of £2,717,237.18 were received from developer contributions. Details of the developments to which these funds relate are set out below in Table 5.

| Planning ref. | Parish | Location | Contribution type | Funds secured |
|---------------|-----------|---------------------------|--------------------|---------------|
| 18/00125/FULM | Newark | Newark Working Men's Club | Affordable housing | £4,840.04 |
| 13/00458/OUTM | Clipstone | Klyppr Village | Affordable housing | £49,924.42 |
| 13/00458/OUTM | Clipstone | Klyppr Village | Affordable housing | £100,162.17 |
| 18/00509/FULM | Clipstone | Klyppr Village | Affordable housing | £159,815.00 |
| 16/00139/RMAM | Clipstone | Bluebell Wood Lane | Affordable housing | £11,285.00 |

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| | | | | |
|---------------|-----------------|------------------------|----------------------|----------------------|
| Total | | | | £326,026.63 |
| 14/01469/OUTM | Farnsfield | Land at Southwell Road | Community Facilities | £68,416.61 |
| 14/01596/OUTM | Edwinstowe | Rufford Pastures | Community Facilities | £45,724.40 |
| 12/00895/OUTM | Collingham | Braemer Farm | Community Facilities | £49,521.63 |
| 13/00458/OUTM | Clipstone | Klyppr Village | Community Facilities | £135,646.15 |
| 14/00465/OUTM | Fernwood | North/East Site | Community Facilities | £300,000.00 |
| 12/00895/OUTM | Collingham | Braemer Farm | Community Facilities | £56,596.15 |
| Total | | | | £655,904.94 |
| 14/01469/OUTM | Farnsfield | Land at Southwell Road | Education | £149,096.93 |
| 16/00337/OUTM | Edwinstowe | Miners Welfare Inst | Education | £83,756.44 |
| 17/00595/FULM | Ollerton | Petersmith | Education | £366,560.00 |
| 13/00458/OUTM | Clipstone | Klyppr Village | Education | £135,649.53 |
| Total | | | | £735,062.90 |
| 17/00595/FULM | Ollerton | Petersmith | Healthcare | £149,849.55 |
| 14/00465/OUTM | Fernwood | North/East Site | Healthcare | £300,000.00 |
| Total | | | | £449,849.55 |
| 14/01469/OUTM | Farnsfield | Land adj to Broadlands | Libraries | £2,020.65 |
| 14/00161/FULM | Sutton on Trent | Rear of Hemplands | Libraries | £2,377.00 |
| Total | | | | £4,397.65 |
| 14/00161/FULM | Sutton on Trent | Rear of Hemplands | Open Space | £4,095.00 |
| 14/01469/OUTM | Farnsfield | Land at Southwell Road | Open Space | £102,983.39 |
| 13/00743/OUTM | Ollerton | Wellow Road | Open Space | £59,696.76 |
| 18/00509/FULM | Clipstone | Klyppr Village | Open Space | £39,128.00 |
| 18/00509/FULM | Clipstone | Klyppr Village | Open Space | £19,077.00 |
| Total | | | | £224,980.15 |
| 14/00161/FULM | Sutton on Trent | Rear of Hemplands | Transport | £6,000.00 |
| 14/01469/OUTM | Farnsfield | Land adj to Broadlands | Transport | £17,973.44 |
| 13/00458/OUTM | Clipstone | Klyppr Village | Transport | £97,441.92 |
| 17/00595/FULM | Ollerton | Petersmith | Transport | £199,600.00 |
| Total | | | | £321,015.36 |
| TOTAL | | | | £2,717,237.18 |

Table 5: Developer contributions received 2019/20

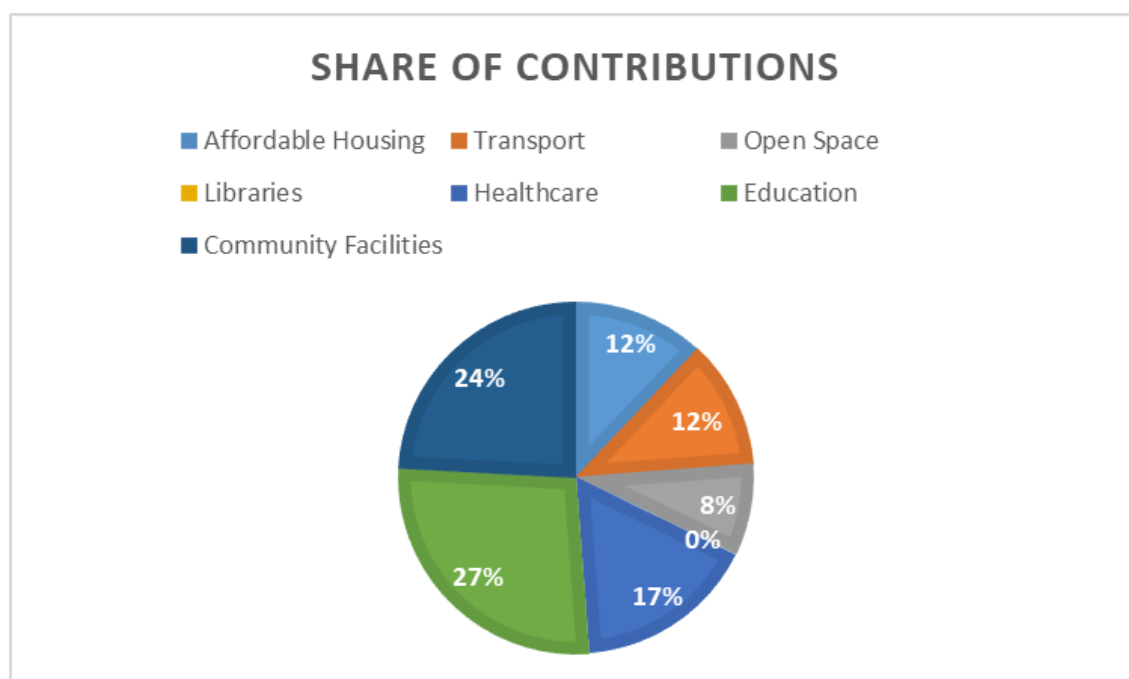


Figure 2: Percentage share of developer contributions received 2019/20 (by theme)

4.5 The spatial distribution of developer contributions typically correlates with the distribution of growth set out in the settlement hierarchy (Core Strategy Spatial Policies 1 & 2) and the quantum of

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growth allocated in that area. However, there are in some cases factors such as land value impact the overall viability of development and therefore the range of contributions secured for a particular development. In Newark & Sherwood District these differences can appear quite starkly across the different plan areas. In these circumstances, where it is not always viable to provide the full range of contributions that may be required to make a development acceptable in planning terms (e.g. affordable housing, open space, education and children/young people's provision) Planning Officers and Planning Committee Members must therefore weigh the potential benefits of different options or available combinations and arrive at an informed judgement as to the acceptability of a development proposal.

Newark & Sherwood Developer Contributions Spending

- 4.6 In the majority of cases, funds received by the Council have specific criteria set out in the associated S106 Agreement that determines how they must be spent. However, where such clauses are less prescriptive they are referred to as 'unrestricted' funds. Where unrestricted funds are provided and no immediate need is identified for the specified area to which the agreement relates, these funds may be held by the Council until such a time that an appropriate need is identified. In the reported year £164,655.04 of unrestricted funds were collected from two agreements, both for affordable housing provision.
- 4.7 Under the Newark & Sherwood District Council constitution's scheme of delegation the Policy & Finance Committee provides Member oversight for capital spending. However, for spending smaller sums of up to £50,000, this is delegated to officer level. From the contributions received within the reported year £251,966.58 will be allocated through delegated powers.

Funds Allocated but not Spent

- 4.8 Within the reported year S106 funds received by the Council and allocated to a given project, but not spent as of 31/03/2020 amounts to £309,470.84. These contributions comprise the following items:

| Planning ref. | Parish | Location | Funds secured | Allocation |
|--------------------------------|------------|--|---------------|--|
| 16/01144/FULM | Blidworth | Land North Of Belle Vue Lane | £5,000.00 | To be transferred to Blidworth PC |
| 15/00994/FULM 13/00689/FULM | Southwell | Rainbows, The Burgage (£42,853.38) Nottingham Road (£38,499.30) | £81,352.68 | Leisure Centre Renovation-Southwell |
| 10/01256/FULM | Newark | Land North of Beacon Hill Road | £156,182.79 | YMCA Community & Activity Village – Newark |
| 14/01596/OUTM | Edwinstowe | Land at Rufford Avenue | £45,724.40 | To be transferred to Edwinstowe PC |
| 09/01543/FULM | Clipstone | Land off Mansfield Road (former Clipstone Baths) | £21,210.97 | Vicar Water Park Equipment Improvements |

Table 6: Funds allocated but not yet spent

Funds Spent

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4.9 Within the reported year S106 funds received by the Council that have been both allocated and spent or transferred to another party amounts to £290,521.95. These contributions comprise the following:

| Planning ref. | Parish | Location | Funds secured | Allocation |
|--------------------------------|------------|--|---------------|---|
| 16/01144/FULM | Blidworth | Belle Vue Lane | £30,973.75 | Steam & Sauna building. Blidworth Leisure Centre |
| 03/02816/OUT 09/01543/FULM | Clipstone | Clipstone Holding Centre (£18,047.38) Mansfield Road, Gladedale Ltd (£7,656.62) | £25,704.00 | Vicar Water Park Equipment Improvements |
| 10/00334/FULM | Newark | Former Hoval works | £71,422.32 | Paid YMCA re Community & Activity Village |
| 08/01905/OUTM | Clipstone | Land at Cavendish Park | £13,335.00 | Paid to Clipstone PC as per side agreement |
| 10/00906/FULM 10/00921/FULM | Rainworth | Land at Kirklington Rd (£9,363) Land at Kirklington Rd (£309.04) | £9,672.04 | Transferred to NCC for Libraries in Rainworth |
| 10/00906/FULM 10/00921/FULM | Rainworth | Land at Kirklington Rd (£24,408.67) Land at Kirklington Rd (£25,885.65) | £50,294.00 | Paid to Joseph Whittaker School. |
| 10/00921/FULM | Rainworth | Land at Kirklington Rd | £10,100.00 | Transferred to NCC for Transport in Rainworth |
| 13/01256/OUTM | Rainworth | Land Off Warsop Lane | £7,425.00 | Transferred to Council revenue budget for repairs at Rainworth Village Hall |
| 13/01256/OUTM | Rainworth | Land Off Warsop Lane | £29,735.00 | Transferred to Joseph Whittaker School for off site sports provision |
| 13/00164/OUT | Newark | Land Off Heaton Close | £922.04 | Transferred to Council's Capital Programme for balance on new cricket facilities on Kelham Road |
| 14/01576/OUTM | Farnsfield | Land off the Ridgeway | £5,469.00 | Paid to NCC re Southwell Trail |
| 15/00994/FULM | Southwell | Rainbows, The Burgage | £35,469.80 | Paid to Southwell TC re Burgage Homes & Norwood Gardens |

Table 7: S106 funds spent

4.10 Of the above funded schemes a number of these are at different stages of delivery. Notably, largely due to the impacts of the Covid-19 pandemic, progress on many of these schemes has been limited during 2020. Details of some of these schemes are set out below.

Newark & Sherwood YMCA: Community & Activity Village

Following a national report that ranked Newark and Sherwood as one of the worst areas in the country for social deprivation and social mobility, with some wards facing life expectancies ten years less than UK national average, the YMCA Newark and Sherwood aims to make positive change through a community space that offers opportunities to everyone.

As a non-profit, community-focused organisation S106 funds are helping the YMCA deliver facilities. A number of the facilities are already open now, with the remainder set for completion in 2021.



Healthy Living

- Dance studio
- Climbing centre
- Integrated health services
- Canoeing
- Community fitness (OPEN NOW)
- Skatepark
- Athletics (OPEN NOW)
- Football pitches (OPEN NOW)
- Cycle Track
- MUGAs (OPEN NOW)



Youth Development

- Digital media suites
- Art studio
- Recording and rehearsal space
- College courses and apprenticeships
- Childcare (OPEN NOW)
- Nursery
- Youth and family programmes (OPEN NOW)



Social Responsibility

- Community café
- Further education
- Volunteering
- Community training kitchen
- Function space
- Adult education classes
- Youth-led community projects

Vicar Water Park Equipment Improvements, Clipstone

Vicar Water Country Park is located to the south of Clipstone village and has been formed on the site of a former colliery, lying in the shadow of the headstocks of Clipstone Colliery. At the centre of the park is Vicar Pond, a large fishing lake that was created by the 5th Duke of Portland in the 1870s. In the past the lake has been used for boating and swimming but today it is a thriving course fishery.

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The park, offering spectacular views across to Derbyshire and Lincolnshire, also contains heathland, woodland and grassland habitats and has achieved Green Flag award status, as well as being a designated local nature reserve.



Following substantial amounts of new residential development in Clipstone, funds have been secured towards provision of off-site play equipment provision. This was delivered in summer 2020 and is illustrated in the above photographs.

Non-monetary S106 Contributions

- 4.11 As stated above, in some cases S106 agreements make provision for delivery of infrastructure on site. In the reported year records show that 135 new affordable homes were delivered across the District, relating to 23 different planning applications approved in recent years and dating back to 2014. During the reported year, however, although numerous sites have secured planning permission, including some developments as 100% affordable housing schemes, records indicate that no S106 agreements that were signed within this period made contributions of affordable housing to be delivered on site.
- 4.12 Similarly, provision of no school places has been agreed as a non-monetary contribution within the reported year.

5.0 Planned Expenditure

Matters affecting developer contributions income

- 5.1 This section sets out how CIL and S106 income will be spent over the next reporting period (April 2020 to March 2021) in Newark & Sherwood (as per the requirements set out in relevant planning practice guidance and the CIL regulations).
- 5.2 CIL income for the next year depends on the nature and scale of development occurring in the District. The level and timing of this income is subject to the implementation of planning permissions, build-out rates, and the phasing of development. For residential development the Council's five year housing land supply trajectory provides a useful indication of what is likely to come forward and when. For other types of CIL-liable development, due to the uncertainty over forecasting, estimates for the amount of CIL funding will be based on the total receipts collected from the previous financial year and any unspent receipts from previous financial years. However, for 2020/21 the extent of the impacts of the ongoing Covid-19 pandemic on the construction industry remain unclear.
- 5.3 S106 income varies more than CIL insofar as contributions are negotiated on a site-by-site basis and depend on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure. Also S106 funding must then be spent in accordance with the terms of the legal agreement (as part of the planning application process). Generally speaking, S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement and this can also include clauses relating to the timing of spending said contributions.
- 5.4 As noted above, although Covid-19 has had some impact on the planning system, at the time of writing the number of applications that are being submitted to Newark & Sherwood District Council remains at a very healthy level.

Infrastructure to be funded by CIL

- 5.5 Although the 2019 CIL legislation amendments revoked Regulation 123 which required charging authorities to produce a CIL spending priority list, with the District Council having not yet committed any CIL funds to capital expenditure, many of strategic infrastructure projects identified on the latest iteration of the '123 List' remain outstanding. Table 8 (below) provides an update on the status of these. Items highlighted in green indicate those which have been completed as a result of securing other means of funding, whilst those in red or amber remain, as yet, undelivered or only partially funded.
- 5.6 Accordingly, it is the District Council's intention to carry forward these outstanding strategic infrastructure projects as its CIL spending priorities for 2020/21. In accordance with Amended Core Strategy Spatial Policy 6, it is considered that there is little scope to deviate from these identified priorities until such a time that these needs are met or the policy is amended.

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| Highways Projects | | | | |
|---|----------------|---|---|--|
| Location | Estimated Cost | CIL /Other Public Contribution | Required works | Status/funding source |
| Barnby Gate, Sherwood Avenue Junction, Newark | £60,000 | £60,000 | Signal control | Completed 2018 (Local Transport Plan) |
| Beacon Hill Road, Northern Road Junction, Newark | £144,000 | £144,000 | Signal control | Completed 2018 D2N2 – Cycling Strategy |
| Lincoln Road, Brunel Drive Junction, Newark | £300,000 | £300,000 | Junction improvements | Completed (Newark Cycle Strategy) |
| Lincoln Road, Northern Road Junction, Newark | £240,000 | £240,000 | Signal control | Completed (Local Transport Plan) |
| A1 Overbridge widening, Fernwood, Newark | £5,200,000 | £5,200,000 | Widening of A1 overbridge | To be implemented |
| London Road, Portland Street Junction, Newark | £60,000 | £60,000 | Signal control | To be implemented |
| Northern Road / Brunel Drive Junction | £500,000 | £500,000 | Signal control | To be implemented |
| Castle Gate, Lombard Street Junction, Newark | £300,000 | £300,000 | Junction improvements | To be implemented |
| Sleaford Road / Friary Road Junction, Newark | £300,000 | £300,000 | Junction improvements | To be implemented |
| Queens Road / North Gate | £240,000 | £240,000 | Junction improvements | To be implemented |
| Kelham Bypass | £15,000,000 | £5,000,000 | New bridge over River Trent and a bypass to the village | To be implemented Suggested funding split 33% CIL-67% D2N2 LEP |
| A614, C1 Junction White Post Roundabout | £600,000* | Details remain unclear until NCC's business case is finalised | Junction improvements | MRN funding bid to DfT, part funded by CIL contributions |
| A6097 / A612 Lowdham Junction | £1,500,000* | Details remain unclear until NCC's business case is finalised | Junction improvements | MRN funding bid to DfT, part funded by CIL contributions |
| A614 Mickledale Lane Junction | £300,000* | Details remain unclear until NCC's business case is finalised | Junction improvements and signal control | MRN funding bid to DfT, part funded by CIL contributions |
| A614, C13 Eakring Road Junction | £120,000* | Details remain unclear until NCC's business case is finalised | Speed reduction measures and signal control | MRN funding bid to DfT, part funded by CIL contributions |
| A614/A6097 Oxtun Bypass | £1,500,000* | Details remain unclear until NCC's business case is finalised | Junction improvements | MRN funding bid to DfT, part funded by CIL contributions |
| Education Projects | | | | |
| Secondary Education Provision within the District | £11,339,820 | £11,339,820 | Increase schools capacity | To be implemented |
| Joseph Whitaker School, Rainworth | £620,000 | £620,000 | | To be implemented |

Table 8: NSDC CIL Priority Project Status (* Figures requiring review)

Newark & Sherwood District Council: Infrastructure Funding Statement 2020

5.7 Other sources of funding have helped to deliver the green items shown above. Items coloured amber are identified as having partial funding secured via other means. These other sources of funding include:

- Nottinghamshire County Council:
 - Transport and Highways Capital Projects Programme (referred to as the Integrated Transport Block)
 - The Local Transport Plan
 - Major Road Network improvement bid to DfT
- Local Enterprise Partnership (including Newark Cycling Strategy delivered via the Local Growth Fund)

5.8 Ongoing dialogue with the county council has indicated that while the MRN funding bid may cover up to 85% of the costs of identified projects, these costs are subject to review. The figures originally specified on the CIL 123 List are based on indicative costs provided for the Council's Infrastructure Delivery Plan (2017). More accurate figures will therefore be set out in later versions of the IFS, following further development of the business case for the A614 corridor programme of works.

CIL Spending Priorities

5.9 In 2017 the District Council identified the A1 Overbridge between Balderton and Fernwood as its highest priority project to be delivered via CIL funding. Following work that has been undertaken to explore the scope of the need and potential options we were able to specify a cost estimate of c.£5.6 million. As this report demonstrates, this target figure has now been reached, meaning that in principle the District Council is in a position to explore delivery options. As such, the Council is taking initial steps towards doing so. However, this statement is heavily caveated with the acknowledgement that a more definitive cost for delivery has not yet been identified and on the basis of our experience of other road infrastructure projects, it is accepted that costs will most likely be subject to change.

5.10 The A1 Overbridge remains at the top of the Council's strategic infrastructure priority list, given its need as part of the Fernwood development highways mitigation strategy and that the Settlement Hierarchy and Spatial Distribution of Growth policies (Spatial Policy 1 and 2) identify Newark, Balderton and Fernwood as the main location for new housing and employment growth in the District. As development on this site gathers momentum and with other parcels of land that make up this urban extension progressing through the planning system, it remains imperative that the A1 Overbridge is delivered ahead of the identified development trigger-points. The Council is therefore working with Highways England and its consultant engineers (Kier) to develop a detailed project brief. Once a detailed design specification for the structure is drawn up the expenditure must be approved by the Council's Policy & Finance Committee.

5.11 In addition to the above project, delivering greater secondary education capacity, commensurate with planned levels of growth across the District also remains high on the Council's strategic infrastructure agenda. Evidently, as development on strategic sites across the District continues apace, demand for school places will continue to grow. Consequently, the needs of existing school campuses will continue to be monitored in conjunction with academy trusts and, primarily, the county council (as the Local Education Authority (LEA) with responsibility for commissioning school places).

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- 5.12 During the course of the reported year the District Council received a letter of enquiry from Joseph Whitaker School in Rainworth, requesting funding support to deliver an expansion of the school in the form of a new science block. The level of contribution sought is £620,000. This has arisen as a result of new developments in the area generating need for an additional 26 pupil places. Whilst the District Council is sympathetic to the School's needs, funding requests of this nature must be made via the LEA, making clear that funding is required in order to provide increased capacity to cope with demand arising from new development in the area, over and above normal investment in the schools which is separately funded by Department for Education.
- 5.13 Effectively the District Council should not fund normal educational investment through developer contributions, therefore this matter has since been raised with the county council. Subject to LEA confirmation as described above and subject to availability of funds prioritised for the A1 Overbridge, the District Council will seek to provide funding to support expansion of the school. This position is reflected in the Council's Capital Programme.
- 5.14 Given the high cost estimate for the A1 Overbridge, however, at this stage it is not considered either appropriate or feasible to identify a priority hierarchy beyond the next reporting period. Subsequent iterations of the IFS will therefore update this information. In the meantime the Council will continue to monitor development progress and assess its impacts in other parts of the District, maintaining dialogue with relevant partners, particularly Nottinghamshire County Council.

Infrastructure to be funded by Developer Contributions

- 5.15 Under Amended Core Strategy Spatial Policy 6, local infrastructure that is essential for development to take place on individual sites, or is needed to mitigate the impact of development will be secured through S106 Agreements. The need for site related infrastructure secured through planning conditions and S106 Agreements will be assessed on a site by site basis and will involve consultation with relevant internal and external agencies.
- 5.16 Most policies relating to sites that are allocated for development in the local plan will include site-specific infrastructure asks where particular needs have been identified. However, the District Council will endeavour to maintain robust evidence of needs through the Infrastructure Delivery Plan and other audits (e.g. the emerging Open Space Assessment), supported by the Council's Community Plan which sets out other cross-cutting corporate priorities. As detailed in paragraph 4.6 unrestricted funds may be allocated at Officer-level to schemes with a value of less than £50,000. Allocation of unrestricted funds above this threshold will be considered by the Policy & Finance Committee. In most other cases, however, the wording of the legal agreement through which physical on or off-site infrastructure is delivered will typically determine the manner in which any monetary contributions secured must be spent.
- 5.17 In terms of affordable housing delivery, the District Council seeks to secure 30% of new dwellings as affordable housing in accordance with both the NPPF and Amended Core Strategy Core Policy 1 (on developments of more than 10 dwellings). The make-up of this 30% will be determined on a case by case basis in accordance with the housing needs in the local market. While the Council's preferred

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approach is to see provision made on site, in some circumstances off site provision or contributions will be sought.

Anticipated CIL and Contributions Income 2020/21

- 5.18 Comparison of CIL income in the reported year and the current financial year suggests that while demand notices for £1,856,129.15 were issued it is unlikely that a similar figure to the £2,021,621.45 collected in 2019/20 will be achieved. At the time of writing (November), within this financial year, £719,163.72 of CIL has been collected, including £166,275.20 from 2018/19 demand notices. £669,055.04 is due before 31/03/2021
- 5.19 Whilst inevitably not all of the district's major housing development schemes will commence in consecutive years, it is also necessary to acknowledge the potential impact of the Community Infrastructure Levy (Coronavirus) (Amendment) (England) Regulations 2020, which give authorities discretion, for a limited period, to defer CIL payments for small and medium sized developers without having to impose additional costs on them. Subsequently, subject to development recommencing, a proportion of the above demand notices that have been deferred may be paid in the next reporting year.
- 5.20 Although only limited assumptions about CIL income can be made from assessment of the Council's five year housing land supply data (due to unknown factors such as size of all dwellings within all developments), a cursory assessment of residential schemes where no completions have been recorded in 2019/20, but commencement of developments accommodating only 181 new dwellings in CIL liable areas for 2020/21.

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Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)

| Section Requirements | Sub sections | Amount | Additional details | Document section |
|--|--|---------------|---|------------------|
| 1. The matters to be included in the CIL report are— | | | | |
| (a) the total value of CIL set out in all demand notices issued in the reported year; | | £1,856,129.15 | Comprising £1,853,155.74 plus £2,973.41 in surcharges | Para. 3.3 |
| (b) the total amount of CIL receipts for the reported year; | | £2,021,621.45 | | Para. 3.3 |
| (c) the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year but which have not been allocated; | | £3,538,089.16 | | Para. 3.2 |
| (d) the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year and which have been allocated in the reported year; | | £0 | | N/A |
| (e) the total amount of CIL expenditure for the reported year; | | £30,597.15 | Administrative fees | Para. 3.5 |
| (f) the total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year; | | £0 | | N/A |
| (g) in relation to CIL expenditure for the reported year, summary details of— | (i) the items of infrastructure on which CIL (including land payments) has been spent, and the amount of CIL spent on each item; | £0 | | N/A |
| | (ii) the amount of CIL spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part); | £0 | | N/A |

Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)

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| | (iii) the amount of CIL spent on administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation; | £30,597.15 | Equating to 1.51% of the income for the reported year | Para. 3.5 |
| (h) in relation to CIL receipts, whenever collected, which were allocated but not spent during the reported year, summary details of the items of infrastructure on which CIL (including land payments) has been allocated, and the amount of CIL allocated to each item; | | £0 | Nothing allocated as yet | N/A |
| (i) the amount of CIL passed to— | (i) any parish council under regulation 59A or 59B; and; | £369,796.79 | Passed to Town/Parish Councils (18% of CIL receipts) | Para. 3.6 |
| | (ii) any person under regulation 59(4); | £0 | | N/A |
| (j) summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year including— | (i) the total CIL receipts that regulations 59E and; | £0 | | Para. 3.6 |
| | 59F applied to; | £12,711.40 | Collected and retained on behalf of Parish Meetings | |
| | (ii) the items of infrastructure to which the CIL receipts to which regulations 59E and 59F applied have been allocated or spent, and the amount of expenditure allocated or spent on each item; | £0 | | N/A |
| (k) summary details of any notices served in accordance with regulation 59E, including— | (i) the total value of CIL receipts requested from each parish council; | £0 | No requests issued | N/A |

Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)

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| | (ii) any funds not yet recovered from each parish council at the end of the reported year; | £0 | | N/A |
| (l) the total amount of— | (i) CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied; | £1,608,516.11 | Minus meaningful proportion and admin fee expenditure | Para. 3.6 |
| | (ii) CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied; | £3,538,089.16 | | Para. 3.2 |
| | (iii) CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year; | £12,711.41 | Parish meeting money held by NSDC | Table 2 |
| | (iv) CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year. | £1,671.61 | Parish meeting money held back by NSDC from previous years | Table 2 |
| 2. For the purposes of paragraph 1— | | | | |
| (a) CIL collected by an authority includes land payments made in respect of CIL charged by that authority; | | N/A | N/A | N/A |
| (b) CIL collected by way of a land payment has not been spent if at the end of the reported year— | (i) development (within the meaning in TCPA 1990) consistent with a relevant purpose has not commenced on the acquired land; or | N/A | N/A | N/A |
| | (ii) the acquired land (in whole or in part) has been used or disposed of for a purpose other than a relevant purpose; and the amount deemed to be CIL by virtue of regulation 73(9) has not been | N/A | N/A | N/A |

Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)

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| | spent; | | | |
| (c) CIL collected by an authority includes infrastructure payments made in respect of CIL charged by that authority; | | N/A | N/A | N/A |
| (d) CIL collected by way of an infrastructure payment has not been spent if at the end of the reported year the infrastructure to be provided has not been provided; | | N/A | N/A | N/A |
| (e) the value of acquired land is the value stated in the agreement made with the charging authority in respect of that land in accordance with regulation 73(6)(d); | | N/A | N/A | N/A |
| (f) the value of a part of acquired land must be determined by applying the formula in regulation 73(10) as if references to N in that provision were references to the area of the part of the acquired land whose value is being determined; | | N/A | N/A | N/A |
| (g) the value of an infrastructure payment is the CIL cash amount stated in the agreement made with the charging authority in respect of the infrastructure in accordance with regulation 73A(7)(e). | | N/A | N/A | N/A |
| 3. The matters to be included in the section 106 report for each reported year are— | | | | |

Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)

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|---|---|---------------|-----------------------------------|------------|
| (a) the total amount of money to be provided under any planning obligations which were entered into during the reported year; | | £607,675.76 | | Para. 4.3 |
| (b) the total amount of money under any planning obligations which was received during the reported year; | | £2,717,237.18 | | Para. 4.4 |
| (c) the total amount of money under any planning obligations which was received before the reported year which has not been allocated by the authority; | | £5,012,085.50 | | Table 3 |
| (d) summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year, including details of— | (i) in relation to affordable housing, the total number of units which will be provided; | 0 | None provided | Para. 4.11 |
| | (ii) in relation to educational facilities, the number of school places for pupils which will be provided, and the category of school at which they will be provided; | 0 | None provided | No |
| (e) the total amount of money (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure; | | £309,470.84 | | Para. 4.8 |
| (f) the total amount of money (received under any planning obligations) which was spent by the authority (including transferring it to another person to spend); | | £290,521.95 | | Para. 4.9 |
| (g) in relation to money (received under planning obligations) which was allocated by the authority but not | | £5,000.00 | To be transferred to Blidworth PC | Table 6 |

Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)

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|---|--|--------------------|---|--|----------------|
| <p>spent during the reported year, summary details of the items of infrastructure on which the money has been allocated, and the amount of money allocated to each item;</p> | | <p>£81,352.68</p> | <p>Leisure Centre Renovation-Southwell</p> | | |
| <p>(h) in relation to money (received under planning obligations) which was spent by the authority during the reported year (including transferring it to another person to spend), summary details of—</p> | <p>(i) the items of infrastructure on which that money (received under planning obligations) was spent, and the amount spent on each item;</p> | <p>£156,182.79</p> | <p>YMCA Community & Activity Village – Newark</p> | | <p>Table 7</p> |
| | | <p>£45,724.40</p> | <p>To be transferred to Edwinstowe PC</p> | | |
| | | <p>£21,210.97</p> | <p>Vicar Water Park Equipment Improvements</p> | | |
| | | <p>£30,973.75</p> | <p>Blidworth Steam & Sauna</p> | | |
| | | <p>£25,704.00</p> | <p>Vicar Water Park Equipment Improvements</p> | | |
| | | <p>£71,422.32</p> | <p>Paid YMCA re Community & Activity Village</p> | | |
| | | <p>£13,335.00</p> | <p>Paid to Clipstone PC as per side agreement</p> | | |
| | | <p>£9,672.04</p> | <p>Transferred to NCC for Libraries in Rainworth</p> | | |

Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)

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| | | £50,294.00 | Paid to Joseph Whittaker School. |
| | | £10,100.00 | Transferred to NCC for Transport in Rainworth |
| | | £7,425.00 | Transferred to Council revenue budget for repairs at Rainworth Village Hall |
| | | £29,735.00 | Transferred to Joseph Whittaker School for off-site sports provision |
| | | £922.04 | Transferred to Council's Capital Programme for balance on new cricket facilities on Kelham Road |
| | | £5,469.00 | Paid to NCC re Southwell Trail |
| | | £35,469.80 | Paid to Southwell TC re Burgage Homes & Norwood Gardens |

Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)

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|--|--|---------------|-----------------------------------|---------|
| | (ii) the amount of money (received under planning obligations) spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part); | £0 | | N/A |
| | (iii) the amount of money (received under planning obligations) spent in respect of monitoring (including reporting under regulation 121A) in relation to the delivery of planning obligations; | £0 | | N/A |
| (i) the total amount of money (received under any planning obligations) during any year which was retained at the end of the reported year, and where any of the retained money has been allocated for the purposes of longer term maintenance (“commuted sums”), also identify separately the total amount of commuted sums held. | (i) Total received; | £7,438,800.73 | excluding allocated but not spent | Table 3 |
| | (ii) balance held for longer term maintenance obligations | £39,605.80 | | Table 3 |