

Report to: Strategic Planning Committee



Date of Meeting 14th February 2023

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Infrastructure Funding Statement

Report summary:

The Community Infrastructure Levy (CIL) Regulations 2010 were amended in 2019 and included a requirement for all planning obligation collecting authorities to prepare an 'Annual Infrastructure Funding Statement (IFS) each year to report planning obligation and Community Infrastructure Levy (CIL) income and expenditure from the previous financial year. This is the third year in which the new regulations apply. All authorities should have published their IFS no later than 31 December 2022, however following the departure of our Section 106 Monitoring Officer it has not been possible to complete work on the statement until now. This report summarises the contents of the East Devon District IFS and also highlights some of the key elements of the final IFS.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Strategic Planning Committee note:

1. The contents of this report and the requirement to provide an "Annual Infrastructure Funding Statement".
2. That approval is being sought for the publication and submission to government of the 2021/22 'Annual Infrastructure Funding Statement' based on the information detailed in this report.

Reason for recommendation:

It is a legal requirement, under the CIL Regulations 2010 (as amended) to prepare the Infrastructure Funding Statement.

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Portfolio(s) (check which apply):

Climate Action and Emergency Response

Coast, Country and Environment

- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change Low Impact

Risk: Medium Risk; The risk associated with not meeting the statutory duty to publish the Infrastructure Funding Statement on the EDDC website by 31 December 2021.

Links to background information Previous CIL annual reports - [Community Infrastructure Levy \(CIL\) - CIL Annual Reports - East Devon](#)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

1. Background

- 1.1 The Community Infrastructure Levy (CIL) Regulations 2010 as amended in 2019 require local authorities that collect planning obligations ('Section 106, Section 278 and the Community Infrastructure Levy), to prepare and publish an annual Infrastructure Funding Statement.
- 1.2 Regulation 121A states that "no later than 31st December in each calendar year a contribution receiving authority must publish a document which comprises the following:
 - A statement of the infrastructure projects or types of infrastructure which the charging authority will be or may be or partly funded by CIL;
 - A report about CIL in relation to the previous financial year;
 - A report about planning obligations in relation to the reported year.
 - The first annual infrastructure funding statement must be published by 31 December 2020 and it must be published annually on the contribution receiving authority's website.
- 1.3 The main aim of this part of the CIL Regulations is to provide a way to make developer contributions fully transparent in a way which allows anyone to see how much an individual development site has contributed to infrastructure provision.
- 1.4 The Community Infrastructure Levy (CIL) is one of the primary mechanisms for collecting financial contributions from new developments. The Council started charging CIL from 1st September 2016. The extent of applicable charges by use and geography is set out within the Council's adopted Charging Schedule (note that a new Charging Schedule has been approved, and the new charges began on 1 February 2021).

- 1.5 In addition to CIL, the Council continues to secure affordable housing, site specific infrastructure items undertakings which are not financial in nature (for example restrictions on use or management plans) through the use of legal agreements under Section 106 (S106) of the Town and Country Planning Act 1990 (as amended).

2 The Infrastructure Funding Statement

- 2.1 As mentioned above, the Infrastructure Funding Statement (IFS) must report on the Council's infrastructure list (discussed further below) and a report on CIL and S.106 income and expenditure.
- 2.2 It should be noted that the IFS is based on the previous financial year (2021/22).
- 2.3 A further point to note is that East Devon District Council has responsibility for receiving and spending S.106 obligations on matters such as affordable housing, play space, leisure facilities, public open space, public art, sports pitches etc. However, Devon County Council (DCC) is also a contribution receiving authority and collects S.106 for infrastructure such as education and highways. It is also required to prepare an annual IFS. Therefore, it is important to note that when reviewing the East Devon IFS, that it should be read together with the DCC IFS to get a complete picture of infrastructure delivery in the district.

3 Infrastructure list

- 3.1 Members may be aware of the previous requirement for a 'regulation 123' list setting out how we may want to spend our CIL receipts. 'Regulation 123' lists have now been abolished, and replaced by an 'Infrastructure list' – such lists must be included in the infrastructure funding statement. The Infrastructure list is defined as "the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL".¹ This list will not dictate how funds must be spent, but will set out the local authority's intentions.
- 3.2 The proposed final Infrastructure list is set out below:
- Education, including 420 place primary school at land north of Black Horse/Redhayes (Tithebarn Green/Mosshayne); additional secondary capacity serving the West End; and additional primary capacity serving Axminster (specifically at Axminster Community Primary School and St Mary's, Axminster)
 - Exe Estuary habitat mitigation
 - Pebblebed Heaths habitat mitigation
 - Clyst Valley Regional Park
 - Health care facilities
 - Emergency service facilities
 - Library facilities
 - Community and Youth facilities
 - Sports and leisure provision
 - Open space/recreation provision
 - Transport, including Clyst Valley Way; Cranbrook cycle link; Cranbrook to Exeter city centre bus priority; Axminster relief road; and Dinan Way extension, Exmouth

- 3.3 The inclusion of a project or type of infrastructure in this list does not signify a commitment from the district council to fund it from CIL receipts; and the order of the list does not imply any order of preference for funding.

4 S.106 Income/Expenditure

- 4.1 Overall in the reported year, East Devon District Council received £1,289,087.32 from all planning obligations (signed during and prior to 2021/22). The Council also entered into planning obligations which will provide £1,199,968.45 in the future, if development triggers are reached.
- 4.2 Together the council now holds a total of £6.8M in S.106 money, to be spent on defined projects. Some S.106 income is not spent due to the fact that it is held by the council for long term maintenance on public open space. In other cases monies are earmarked for projects that are taking time to resource and deliver.
- 4.3 Some developer contributions are non-monetary, such as the obligation to provide affordable housing units and public open space on-site. In the reported year, the Council secured a total of 230 affordable housing units.
- 4.4 The IFS also provides details regarding how S.106 was spent last financial year. In total £621,493.48 was spent including on 15 community infrastructure projects across the district.

5 CIL Income/Expenditure

- 5.1 The headline totals in regard to CIL held by the Council are: -

Total CIL held as at the end of the reporting period of 31 March 2021	£7,469,023.72 (less spent amount and amount paid over to PC)
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Total CIL collected within reporting period	£2,826,372.17
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The total value of Liability Notices notices issued in the reported period	£1,397,305.82
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- 5.2 The Council has allocated 8.6% of all collected receipts to Habitat Mitigation, the Exmouth Community College expansion has spent £1,312,500.00 during the year. The Neighbourhood Proportion allocations are treated as separate to EDDC held monies and are distributed directly to the parish councils bi-annually.

Financial implications:

There are no specific financial implications regarding the council's finances on which to comment

Legal implications:

There are no other legal implications other than as set out in the report.