

Date of Meeting 22nd November 2024

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 to include a requirement for local authorities to prepare an Annual Infrastructure Funding Statement (IFS) each December to report Planning Obligation and Community Infrastructure Levy (CIL) income and expenditure from the previous financial year. East Devon DC last published its IFS in August 2024 reporting on 2022/23. The report for 2023/24 is due to be published this December. This report addresses this issue.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

That Strategic Planning Committee:

1. Note the contents of this report and the requirement to provide an Annual Infrastructure Funding Statement.
2. Approve the submission to government and publication on our web-site of the 2023/24 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 2022.

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
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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 objective of the funding statement is to make developer contributions fully transparent so that the contributions of developments can be seen to be contributing to local 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.
- 1.5 In addition to CIL, the Council continues to secure affordable housing, site specific infrastructure items, and undertakings which are not necessarily financial in nature (for example restrictions on use or management plans) using legal agreements under Section 106 (S106) of the Town and Country Planning Act 1990 (as amended).

- 1.6 This iteration of the IFS contains all of the information required by the statutory regulations but is presented in a different style from previous publications. This is so that the document is easier to understand and more accessible to readers.

2 The Infrastructure Funding Statement (IFS)

- 2.1 As mentioned above, the 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 (2023/24).
- 2.3 A further point to note is that the Council has responsibility for receiving and spending S106 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 S106 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 IFS. 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". This list does not dictate how funds must be spent but sets out the local authority's intentions.
- 3.2 The proposed Infrastructure list is set out below and is based on the Council's Infrastructure Delivery Plan and previous IFSs:
- Education
 - Exe Estuary habitat mitigation
 - Pebblebed Heaths habitat mitigation
 - Clyst Valley Regional Park
 - Healthcare facilities
 - Emergency service facilities
 - Library facilities
 - Community and youth facilities
 - Sports and leisure provision
 - Open space/recreation provision
 - Transport
- 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 CIL Income/Expenditure

4.1 The headline totals concerning CIL held by the Council are: -

Total CIL collected as at the end of £18,025,392
the reporting period of 31 March 2024

(including money spent on projects,
CIL admin and passed to parishes)

Total CIL collected within reporting period £5,304,011

The total value of Demand Notices £2,099,008
issued in the reported period

4.2 The Council has allocated 8.6% of all collected receipts to Habitat Mitigation. The Neighbourhood Proportion allocations are treated as separate to EDDC held monies and are distributed directly to the parish councils bi-annually.

5 S.106 Income/Expenditure

- 5.1 Overall in the reported year, East Devon District Council received £1,633,018 from all planning obligations (signed during and prior to 2023/24). The Council also entered into planning obligations which will provide £912,202 in the future, if development triggers are reached.
- 5.2 At the end of the reported year, the Council held a total of £7,620,693 in S106 money, to be spent on defined projects. These include affordable housing, habitat mitigation, and open space and recreation. This figure excludes contributions held by DCC to deliver projects for education and transport.
- 5.3 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 25 affordable housing units in S106 agreements.
- 5.4 The IFS also provides details concerning spending of S106 money 2023/24. In total, £369,031 was spent on community infrastructure projects across the district.

6 Current Position

- 6.1 A total of £589,240 in Neighbourhood CIL has been transferred to East Devon parishes in two instalments in the current financial year.
- 6.2 The Council recently invited bids for unallocated strategic CIL from infrastructure providers in the district. Bids closed on 21 October and will be considered by members of the CIL Working Party Group prior to recommendations being made to Strategic Planning Committee in the new year. We received a total of 12 bids for CIL monies which in total request £17.2 million of funding. This currently exceeds the monies held while it is important that spend decisions consider not just immediate bids for spend but future projects that may need to be supported in the future in order to unlock development or secure large strategic pieces of infrastructure for which it may be necessary to hold monies

back at this time. Officers are currently assessing the bids and where appropriate contacting bidders for further information.

Financial implications:

The financial details are contained within the body of the report.

Legal implications:

There are no legal implications other than as set out in this report (002533/22 November 2024/DH).
