

Appendix 3

Infrastructure Funding Statements – Developer Contributions and Infrastructure

New planning guidance was published by the Government on the 1st September 2019. Whilst the guidance supported amendments to the Community Infrastructure Levy (CIL) Regulations 2010 it contained requirements regarding other forms of developer contributions as well as CIL.

One of the key changes made was the revocation of Regulation 123, which provided that a development could not be required to pay a planning contribution in relation to infrastructure where CIL had been identified as responsible for funding its delivery. This regulation required the publication of a list (usually described as the Regulation 123 List) which set out what may be funded from CIL.

As a result of this amendment authorities can now choose to use funding from different sources of developer contributions towards the same infrastructure and at the same time a restriction on the number of S106 agreements that can contribute to an infrastructure scheme has also been removed. But to ensure transparency a new requirement has been inserted into the CIL Regulations requiring charging authorities to publish an “Infrastructure Funding Statement”.

The infrastructure funding statements are required to set out the infrastructure projects or types of infrastructure that the authority intends to fund, either wholly or partly, using CIL or other planning obligations, such as financial contributions from Section 106 Agreements or Unilateral Agreements.

The Infrastructure Funding Statement must include:

- An Infrastructure List;
- A Community Infrastructure Levy (CIL) Report; and
- A Section 106 (S106) Planning Obligations Report.

The regulations also require us to publish:

- An Annual CIL Rate Summary Report alongside the Infrastructure Funding Statement, by the 31st December each year.

The ‘Infrastructure List’ differs from the Regulation 123 List as it will not dictate how funds must be spent and in turn collected. Importantly, it is possible for an infrastructure funding statement to identify that an item of infrastructure may be funded by both CIL and by planning obligations.

The ‘Community Infrastructure Levy (CIL) Report’ and the ‘Section 106 Report’ must answer specific questions on income and expenditure during the ‘reported year’ which is the last financial year which ended in the preceding March each year.