

TEWKESBURY BOROUGH COUNCIL

Report to:	Executive Committee
Date of Meeting:	17 November 2021
Subject:	Annual Infrastructure Funding Statement (IFS) and Community Infrastructure Levy (CIL) Rate Summary Statement Requirements
Report of:	CIL Manager for the JCS Authorities
Corporate Lead:	Head of Development Services
Lead Member:	Lead Member for Built Environment
Number of Appendices:	Two

Executive Summary:

This report provides an update on the preparation of the Infrastructure Funding Statement (IFS) for 2021 (Appendix 1) and this year's CIL Rates Summary Statement (Appendix 2).

Recommendations:

- 1. To approve the publication of the Infrastructure Funding Statement (IFS) relating to the financial year ending 31 March 2021 by 31 December 2021; and**
- 2. To note that the Annual CIL Rate Summary Statement will be published alongside it.**

Reasons for Recommendations:

1. Regulation 121A¹ requires us, as a 'contribution receiving authority' to publish an IFS annually "no later than the 31 December" that sets out details about 'planning obligation'² and 'CIL' income and expenditure, actual and anticipated, and an 'Infrastructure List'³; and
2. Regulation 121C(1) requires an Annual CIL Rate Summary Statement⁴ to be published "no earlier than 2 December and no later than 31 December" each year.

Resource Implications:

None – work undertaken within existing capacity.

¹ Introduced in the Community Infrastructure Levy (Amendment) (England) Regulations 2019

² Section 106 Agreements

³ "a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL"

⁴ which applies the Royal Institute of Chartered Surveyors (RICS) CIL index, published on the 01 November each year, to the existing Charging Schedule to produce a new Charging Schedule for the following calendar year

Legal Implications:

Statutory obligation as a result of the Community Infrastructure Levy (Amendment) (England) Regulations 2019.

Risk Management Implications:

1. Failure to publish the required statements would be a breach of Regulations.
2. The IFS provides clarity and transparency for communities and developers on the funding that has been raised and spent and on the infrastructure that has been and is expected to be delivered.
3. For CIL, not having a clear prioritisation of infrastructure projects may risk receipts not being targeted towards the most critical infrastructure needed to deliver development.

Performance Management Follow-up:

1. Statutory obligation to produce an annual IFS requires detailed accounts of income and expenditure for both CIL and S106 to be maintained to ensure that the flow of 'income-purpose-expenditure' is transparent.
2. The 'Infrastructure List' has been reviewed and an update, with comments on progress and review is included in the IFS. However, the list will undergo further review in 2022 as a result of work being undertaken to review the CIL Charging Schedules of the Borough Council and JCS partners.

Environmental Implications:

None as a result of meeting our statutory reporting obligations, though the effective use of CIL receipts themselves has the potential to have a positive impact on all three dimensions of sustainable development through the provision of infrastructure, including environmental infrastructure, necessary to facilitate growth.

1.0 INTRODUCTION/BACKGROUND

- 1.1 The Borough Council's second annual IFS has been prepared ready for submission⁵ and publication on its website by 31 December 2021⁶.
- 1.2 The IFS (included at Appendix 1) must include reports on the previous financial year, ending on 31 March, for both CIL and S106 Planning Contributions.
- 1.3 An Annual CIL Rate Summary Statement (included at Appendix 2), applying the national CIL index⁷ and setting out the charges for the following calendar year, must also be published in December⁸.
- 1.4 A statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL (The 'Infrastructure List') was approved for publication by the Executive in December last year (2020). Whilst the list, made up of projects identified as 'critical' in the JCS IDP remains, comments on funding, deliverability and progress as a result of this year's review are now incorporated.

⁵ Department for Levelling Up Housing and Communities (DLUHC), formerly Ministry of Housing, Communities and Local Government (MHCLG)

⁶ Community Infrastructure Levy Regulations 2010 (as amended) Regulation 121A

⁷ Published by the Royal Institute of Chartered Surveyors (RICS) on 1 November each year

⁸ Regulation 121C(1) requires it to be published "no earlier than 2 December and no later than 31 December"

- 1.5** Work is being undertaken to review the CIL Charging Schedules of the Borough Council and its JCS partners. The CIL Review includes an 'Infrastructure Needs Assessment (INA)' on the delivery of the JCS and Borough Plan through the remaining half of the plan period, to 2031. The INA will provide an update to the Infrastructure Delivery Plans (IDPs) of the JCS and District Level Plans. The updated IDPs will then feed into a further review of the Infrastructure List next year after which a new list will be submitted for approval, with a view to publication as part of the IFS 2022.

2.0 INFRASTRUCTURE FUNDING STATEMENT (Appendix 1)

IFS - CIL Report

- 2.1** In the 'reporting year' (1 April 2020 to 31 March 2021):

- CIL Receipts = £1,314,039.37.
- CIL Expenditure = £65,701.97⁹.

- 2.2** At the end of the 'reporting year' (31 March 2021):

- CIL Receipts Retained = £1,203,766.88; made up of –
 - £166,362.53 Neighbourhood Funding¹⁰ collected by the Borough Council between the 1st October and the 31st March of the reported year to be paid to Parish Councils on the 28th April of the next reported year (2021); and
 - £1,037,404.35 'Infrastructure Funding' for infrastructure required to deliver planned development.

IFS – S106 Report

- 2.3** At the start of April 2020 there was a balance of £8,633,111.02. During the 'reporting year' we received £1,841,993.39 and spent £962,407.08. At the end of March 2021 there was a closing balance of £10,388,879.46.

- 2.4** The S106 report also provides details of the £161,510.25 off-site financial contributions and the 116 affordable homes secured in agreements entered into during the reporting year.

IFS – Infrastructure List

- 2.5** An 'Infrastructure List' identifying projects considered critical to the delivery of the Joint Core Strategy (JCS).

- 2.6** This list is currently being reviewed as part of a wider CIL review by the JCS authorities and therefore, the list remains unchanged from that approved by Council in December 2020. Updates on funding, deliverability and progress have therefore been incorporated into the original list in this year's IFS.

3.0 ANNUAL CIL RATES SUMMARY STATEMENT

- 3.1** The Annual CIL Rates Summary Statement (included at Appendix 2) is based on the Royal Institute of Chartered Surveyor's (RICS) CIL Index, published in November each year.

⁹ Regulation 61 5% Administration

¹⁰ Regulation 59A Neighbourhood

4.0 NEXT STEPS

4.1 Publication of both reports on the Borough Council's website and submission and notification of the location of data to DLUHC in December 2021.

5.0 OTHER OPTIONS CONSIDERED

5.1 None as a result of meeting our statutory reporting obligations.

6.0 RELEVANT COUNCIL POLICIES/STRATEGIES

6.1 Joint Core Strategy 2011 to 2031(December 2017).

6.2 Joint Core Strategy 2011 to 2031 Infrastructure Delivery Plan (2014) and Addendum (2017).

7.0 RELEVANT GOVERNMENT POLICIES

7.1 The Community Infrastructure Levy Regulations 2010 (as amended).

7.2 The Community Infrastructure Levy (Amendment) (England) Regulations 2019.

8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

8.1 None as a result of meeting our statutory reporting obligations, though targeting funding to the delivery of strategic infrastructure in the Infrastructure List will support planned growth in and for the Borough.

9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

9.1 None as a result of meeting our statutory reporting obligations, though the effective use of CIL receipts themselves has the potential to have a positive impact on all three dimensions of sustainable development through the provision of infrastructure, including environmental infrastructure, necessary to facilitate growth.

10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

10.1 October 2018 Adoption of CIL Charging Schedule and supporting policies.

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Appendices: 1 DRAFT Borough Council Infrastructure Funding Statement 2021.
2 DRAFT Borough Council Annual CIL Rates Summary Statement 2021.