

TEWKESBURY BOROUGH COUNCIL

Report to:	Executive Committee
Date of Meeting:	16 November 2022
Subject:	Annual Infrastructure Funding Statement (IFS) and Community Infrastructure Levy (CIL) Rate Summary Statement Requirements
Report of:	CIL Manager for the JCS Authorities
Head of Service/Director:	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 2022 (Appendix 1) and this year's CIL Rates Summary Statement (Appendix 2) and seeks approval for their publication on the Council's website.

Reasons for Recommendations:

Regulation 121A requires us, as a 'contribution receiving authority' to publish an IFS annually "no later than 31 December" that sets out details about 'planning obligation' and 'CIL' income and expenditure, actual and anticipated for the last 'reported year' ending on 31 March, and an 'Infrastructure List'; and

Regulation 121C (1) requires an Annual CIL Rate Summary Statement to be published "no earlier than 2 December and no later than 31 December" each year updated in line with the CIL Index published by the Royal Institute of Chartered Surveyors (RICS) for 1 November each year.

Regulations referred to are the Community Infrastructure Levy Regulations 2010 (as amended).

Recommendation:

It is RECOMMENDED TO COUNCIL:

- 1. That the publication of the Infrastructure Funding Statement (IFS) relating to the financial year ending 31 March 2022 by 31 December 2022 be APPROVED.**
- 2. That the Annual Community Infrastructure Levy Rate Summary Statement to be published alongside the Infrastructure Funding Statement by 31 December 2022.**

Financial Implications:

None as work undertaken within existing resources and budgets.

Legal Implications:

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

Environmental and Sustainability 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.

Resource Implications (including impact on equalities):

None.

Safeguarding Implications:

None.

Impact on the Customer:

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.

1.0 INTRODUCTION

- 1.1 The Borough Council's third annual IFS has been prepared ready for submission¹ and publication on our website by 31 December 2022².
- 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 index³ and setting out the charges for the following calendar year, must also be published in December⁴.
- 1.4 The 'Infrastructure List', which was first approved for publication in December 2020 and an update approved last year (2021), is a list of the infrastructure projects which "the charging authority intends may be, wholly or partly funded by CIL".
- 1.5 Work being undertaken to review the CIL Charging Schedules of the Borough Council and her JCS partners has provided an update to the Infrastructure Delivery Plan (IDP) of the JCS and District Level Plans. This update allowed a further review of the existing Infrastructure List and the removal of further schemes which no longer require CIL funding as they have been completed, sufficient funds have been secured or an alternative solution has been found to the problem.

¹ Department for Levelling Up Housing and Communities (DLUHC), formerly Ministry of Housing, Communities and Local Government (MHCLG)

² Community Infrastructure Levy Regulations 2010 (as amended) Regulation 121A

³ Published by the Royal Institute of Chartered Surveyors (RICS) on the 1st November each year

⁴ Regulation 121C(1) requires it to be published "no earlier than 2nd December and no later than 31st December"

1.6 The remaining list has been reviewed by the County Council who have provided an update including, in some cases, the merging and renaming of existing schemes but they have not indicated any order of priority for the remaining schemes.

2.0 INFRASTRUCTURE FUNDING STATEMENT (Appendix 1)

2.1 IFS – CIL Report

In the 'reporting year' (1 April 2021 to 31 March 2022):

CIL Receipts = **£2,968,463.09**

CIL Expenditure = **£157,959.28**.

At the end of the 'reporting year' (31 March 2022):

CIL Receipts Retained = **£2,595,754.84**; made up of –

£220,060.55 Neighbourhood Funding⁵ collected by the Borough Council between 1 October and 31 March of the reported year to be paid to Parish Councils on 28 April of the next reported year (2022); and

£2,375,694.29 'Infrastructure Funding' for infrastructure required to deliver planned development. When added to the **£1,062,862.92** raised in previous years this gives a funding pot for Strategic Infrastructure of **£3,438,557.21**.

2.2 IFS – S106 Report

At the start of April 2021 there was a balance of **£9,620,242.19** excluding commuted sums from previous years.

During the 'reporting year' we:

Received **£1,200,838.15**; and

Spent **£1,905,162.94**.

At the end of March 2022 there was a closing balance of **£8,915,917.40**.

The S106 report also provides details of the **£637,237.94 off-site financial contributions** and **264 affordable homes** secured in agreements entered into during the reporting year.

2.3 IFS – Infrastructure List

An 'Infrastructure List' identifying projects which may need wholly or partly funding from CIL which the JCS partners share.

2.4 ANNUAL CIL RATES SUMMARY STATEMENT

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.

3.0 CONSULTATION

3.1 None.

4.0 ASSOCIATED RISKS

4.1 Failure to publish the required statements would be a breach of Regulations.

⁵ Regulation 59A Neighbourhood

5.0 MONITORING

- 5.1** 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.

The updated Infrastructure List is included in the IFS. However, the list will continue to be reviewed, at least annually alongside the preparation of the Infrastructure Funding Statement.

6.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES

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

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

Background Papers: None.

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Appendices: 1 Draft Borough Council Infrastructure Funding Statement 2022.

2 Draft Borough Council Annual CIL Rates Summary Statement 2022.