

Bolsover District Council

Meeting of the Planning Committee on 8th June 2022

Report of the Assistant Director Development

ANNUAL INFRASTRUCTURE FUNDING STATEMENTS 2020/21 & 2021/22

Classification	This report is Public
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PURPOSE / SUMMARY OF REPORT

- To approve the Council's Annual Infrastructure Funding Statements for 2020/21 and 2021/22.

1. Background

- 1.1 Following the introduction of the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019, the Council has been required to prepare and publish an Annual Infrastructure Funding Statement each year from the financial year 2019/20 onwards.
- 1.2 This requirement formed part of the Government's 2018 package of reforms to the system of developer contributions in response to the review of the Community Infrastructure Levy. These reforms were intended to complement changes to the assessment of viability in the National Planning Policy Framework and overall aim to make the system of developer contributions more transparent and accountable by:
- reducing complexity and increasing certainty for local authorities, developers and communities;
 - supporting swifter development;
 - improving the market responsiveness of the Community Infrastructure Levy;
 - increasing transparency over where developer contributions are spent; and
 - introducing a new tariff to support the development of strategic infrastructure.
- 1.3 The Annual Infrastructure Funding Statement is required to include the following three parts:

1. 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 Community Infrastructure Levy (other than Community Infrastructure Levy to which regulation 59E or 59F applies) (“the infrastructure list”);
 2. a report about Community Infrastructure Levy, in relation to the previous financial year (“the reported year”), which includes the matters specified in paragraph 1 of Schedule 2 (“Community Infrastructure Levy report”);
 3. a report about planning obligations, in relation to the reported year, which includes the matters specified in paragraph 3 of Schedule 2 and may include the matters specified in paragraph 4 of that Schedule (“Section 106 report”).
- 1.4 The Council took the decision not to pursue a Community Infrastructure Levy as part of the preparation of the Local Plan for Bolsover District. This decision was due to the Community Infrastructure Levy not being necessary nor the best method of delivering infrastructure in Bolsover District. Underpinning this decision were the facts the District comprises a series of small and dispersed settlements, rather than a large urban area, and that the planned spatial distribution of development through the now adopted Local Plan for Bolsover District meant that the infrastructure required would be directly related to each settlement’s planned residential allocations and so more appropriately funded through planning obligations in Section 106 Agreements.
- 1.5 In light of the decision to not to pursue a Community Infrastructure Levy, the Council’s Annual Infrastructure Funding Statements report a ‘nil return’ for parts 1 and 2. However, part 3, the Section 106 report, sets out the following information each year:
- (a) the total amount of money to be provided under any planning obligations which were entered into during the reported year;
 - (b) the total amount of money under any planning obligations which was received during the reported year;
 - (c) the total amount of money under any planning obligations which was received before the reported year which has not been allocated by the authority;
 - (d) summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year, including details of –
 - (i) in relation to affordable housing, the total number of units which will be provided;
 - (ii) in relation to educational facilities, the number of school places for pupils which will be provided, and the category of school at which they will be provided;
 - (e) the total amount of money (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure;
 - (f) the total amount of money (received under any planning obligations) which was spent by the authority (including transferring it to another person to spend);

(g) in relation to money (received under planning obligations) which was allocated by the authority but not spent during the reported year, summary details of the items of infrastructure on which the money has been allocated, and the amount of money allocated to each item;

(h) in relation to money (received under planning obligations) which was spent by the authority during the reported year (including transferring it to another person to spend), summary details of -

(i) the items of infrastructure on which that money (received under planning obligations) was spent, and the amount spent on each item;

(ii) the amount of money (received under planning obligations) spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part);

(iii) the amount of money (received under planning obligations) spent in respect of monitoring (including reporting under regulation 121A) in relation to the delivery of planning obligations;

(i) the total amount of money (received under any planning obligations) during any year which was retained at the end of the reported year, and where any of the retained money has been allocated for the purposes of longer term maintenance (“commuted sums”), also identify separately the total amount of commuted sums held.

1.6 In essence, the Annual Infrastructure Funding Statement and the categories above are intended to show clearly and in a transparent manner the progression from the signing of a Section 106 Agreement through the Council’s receipt of the money to the spend of the money and the delivery of the required infrastructure on the ground.

2. Details of Proposal or Information

2.1 The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 require local authorities to publish detailed information in a particular format. However, a ‘spreadsheet’ format is considered to make the information somewhat abstract to be properly informative for members of the public.

2.2 Therefore, in accordance with the Statement of Community Involvement’s aim for the Council’s planning service and publications to be accessible by avoiding the use of excessive technical jargon, references to legislation and the use of initials, a summary report has also been prepared to provide a more ‘plain English’ way of understanding the key information contained within required Annual Infrastructure Funding Statement.

Statement for 2020/21

2.3 The Annual Infrastructure Funding Statement 2020/21 Summary Report sets out how 2020/21 compares to 2019/20 and 2018/19 and provides case studies to showcase some of the infrastructure that the Council has delivered with the received Section 106 monies. This summary report is appended as Appendix (A) to this report but the key headlines for the 2020/21 financial year are as follows:

Newly Secured Money	
Total amount of Section 106 monies signed up in new legal agreements during 2019/20	£49,136.59

Money Held by the Council	
Total amount of Section 106 monies received from developers during 2019/20	£96,092.64
Total amount of Section 106 monies held from previous years	£1,534,351.61

Money Spent by the Council	
Total amount of Section 106 monies spent by the authority (or transferred to another organisation to spend) during 2020/21 including annual maintenance	£121,420.63

- 2.4 Of note in this financial year was the significant disruption of the Covid-19 pandemic on the construction industry and the consequential reduction on the number of submitted planning applications. This most likely accounts for the significant drop in S106 money secured through new planning applications. Of the funds already held by the Council, the main spending on infrastructure was in Sports Provision, totalling £42,033 and comprising a number of small items across a number of sites. Under other infrastructure areas, individual projects of note include a contribution from funding secured for Public Open Space towards the Parish Council project at South Normanton comprising commemorative benches (see Summary Report Case Study 3). Another was a contribution from funding secured under Percent for Art towards the Parish Council project at Villa Park Clowne that comprised artistic fencing and a gated entrance (see Summary Report Case Study 1).

Statement for 2021/22

- 2.5 The Annual Infrastructure Funding Statement 2021/22 Summary Report sets out how 2021/22 compares to 2020/21 and 2019/20 and provides case studies to showcase some of the infrastructure that the Council has delivered with the received Section 106 monies. This summary report is appended as Appendix (B) to this report but the key headlines for the 2021/22 financial year are as follows:

Newly Secured Money	
Total amount of Section 106 monies signed up in new legal agreements during 2019/20	£642,247.25

Money Held by the Council	
Total amount of Section 106 monies received from developers during 2019/20	£149,284.69
Total amount of Section 106 monies held from previous years	£1,524,391.62

Money Spent by the Council	
Total amount of Section 106 monies spent by the authority (or transferred to another organisation to spend) during 2020/21 including annual maintenance	£217,880.56

- 2.6 Of note in this financial year was the approval of a planning application 21/00640/FUL for land South of 69 Oxcroft Lane Bolsover which, with a S106 Agreement totalling £436,062, contributes significantly toward the amount of money secured in 2021-22. Of the funds already held by the Council, spending on infrastructure was nearly double that of 2020-21. There was a broader range of infrastructure spending that included a significant contribution £58,460 paid to the Parish Council towards Community facilities at Hodthorpe, a contribution of £30,463.68 paid to Derbyshire County Council for a fenced and lit footpath link at Creswell and £9,000 from a number of S106 site agreements towards the Triobike Taxi (see Summary Report Case Study 1). That these relatively large sums were towards single projects and not spread across a range of smaller infrastructure items is significant in the public perception of new development realising community benefits.

3 Reasons for Recommendation

- 3.1 The preparation of an Annual Infrastructure Funding Statement is a technical exercise but one that is intended to make the system of Section 106 Agreements and developer contributions more transparent and accountable.
- 3.2 The prepared Annual Infrastructure Funding Statement Summary Statements for 2020/21 and 2021/22 are attached as appendices to this report and provide the required factual information about the financial sums agreed, received and spent. However, they also seek to provide some context to the financial information contained and to highlight examples of infrastructure delivered during the monitoring years of 1st April 2020 to 31st March 2021 and 1st April 2021 to 31st March 2022.
- 3.3 Due to limited staffing resources, the completion of the Annual Infrastructure Funding Statement 2020/21, due to be published prior to 31st December 2021, was delayed. With increased staffing resources since 1st April 2022, the 2020/21 Statement has been completed (as presented) along with the Annual Infrastructure Funding Statement for 2021/22 which has been completed in advance of the due date of the 31st December 2022.
- 3.4 Therefore, it is proposed that Planning Committee approve the content of both the Annual Infrastructure Funding Statement 2020/21 Summary Report and the Annual Infrastructure Funding Statement 2021/22 Summary Report.

4. Alternative Options and Reasons for Rejection

- 4.1 Preparation and publication of an Annual Infrastructure Funding Statement has been a statutory requirement from 2020 onwards. Therefore, officers have not considered alternative options.

RECOMMENDATION(S)

That Planning Committee:

- 1) note the requirements of the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 in relation to Annual Infrastructure Funding Statements;

- 2) approve the format and content of the Annual Infrastructure Funding Statement 2020/21 Summary Report and Annual Infrastructure Funding Statement 2021/22 Summary Report and endorse the decision to publish them to comply with the regulations.

Approved by Councillor Duncan McGregor, Portfolio Holder for Corporate Governance

<u>IMPLICATIONS:</u>	
<u>Finance and Risk:</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Details: This relates to the Council's annual monitoring duties and is budgeted for.	
On behalf of the Section 151 Officer	
<u>Legal (including Data Protection):</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Details: The Council has a statutory duty to prepare an Annual Infrastructure Funding Statement under the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019. Publication of the 2020/21 and 2021/22 Statements will bring the Council into compliance with these regulations. There are no specific data protection issues arising from this report.	
On behalf of the Solicitor to the Council	
<u>Staffing:</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Details: There are no human resources implications arising from this report. Decisions around staffing levels within the Planning Policy team will be raised in the report to the Employment and Personnel Committee.	
On behalf of the Head of Paid Service	

DECISION INFORMATION

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? <i>(Only Key Decisions are subject to Call-In)</i>	No

District Wards Significantly Affected	All
Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input checked="" type="checkbox"/>	Yes Details: Chair of Planning Committee

Links to Council Ambition: Customers, Economy and Environment.
<ul style="list-style-type: none"> • Enabling housing growth; • Developing attractive neighbourhoods; • Increasing customers satisfaction with our services.

DOCUMENT INFORMATION	
Appendix No	Title
A	Annual Infrastructure Funding Statement 2020/21 Summary Report
B	Annual Infrastructure Funding Statement 2021/22 Summary Report

Background Papers
<i>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).</i>