

Bolsover District Council

Planning Committee

8th January 2020

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| <p>Annual Infrastructure Funding Statement 2018/19</p> |
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Report of the Head of Planning

Purpose of the Report

- To outline the requirements of the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 in relation to Annual Infrastructure Funding Statements.
- To approve the format and content of the prototype Annual Infrastructure Funding Statement 2018/19 and make arrangements to publish the Statement.

1 Report Details

Background

- 1.1 Members will be aware that since September 2017 the compliance with planning obligations in Section 106 Agreements has been reported to the Planning Committee on a quarterly basis in order to provide this information to members. The two key reasons for doing this are:
- (i) if obligations required to make a development acceptable in planning terms aren't properly discharged then there is a risk of harm to the Council's reputation and public confidence in the Council's decision making; and
 - (ii) there are strict criteria on how and when Section 106 contributions received by the District Council should be spent; if these criteria aren't met then there is a risk the proposed contribution will have to be returned to the developer and the associated infrastructure will not be provided.
- 1.2 In accordance with this, Members will note the January 2020 quarterly update elsewhere on this agenda.
- 1.3 Members may also be aware that under the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019, the Council has a new duty to prepare and publish an Annual Infrastructure Funding Statement, starting formally for the financial year 2019/20.
- 1.4 The Annual Infrastructure Funding Statement forms part of the Government's package of reforms to the system of developer contributions in response to the Community Infrastructure Levy Review. These reforms were intended to complement changes to the assessment of viability in the National Planning Policy Framework

and 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 (CIL);
- increasing transparency over where developer contributions are spent; and
- introducing a new tariff to support the development of strategic infrastructure.

1.5 As a result of these reforms, the Council must publish an Annual Infrastructure Funding Statement that comprises 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 CIL (other than CIL to which regulation 59E or 59F applies) (“the infrastructure list”);
2. a report about CIL, in relation to the previous financial year (“the reported year”), which includes the matters specified in paragraph 1 of Schedule 2 (“CIL 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”).

1.6 As Members may be aware, the Council has taken the decision not to pursue a CIL as part of its preparation of the emerging Local Plan for Bolsover District. This decision was due to the CIL 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 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 S106 Agreements.

1.7 In light of the decision to not to pursue a CIL, the Council’s Annual Infrastructure Funding Statements will report a ‘nil return’ for parts 1 and 2. However, part 3, the Section 106 report, will need to set 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.

1.8 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.

Statement for 2018/19

- 1.9 As stated above, the new duty to prepare and publish an Annual Infrastructure Funding Statement starts formally for the financial year 2019/20 which has to be published by December 2020. However, in response to this regulatory change officers have reviewed the Council’s current informal monitoring regime in readiness for the new, more formal, monitoring regime being enacted.
- 1.10 This has enabled the Council to develop and ‘test drive’ its new monitoring processes and to publish a prototype Annual Infrastructure Funding Statement for the period 1st April 2018 to 31st March 2019. This prototype Annual Infrastructure Funding Statement 2018/19 is attached as an Appendix to this report.
- 1.11 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.

- 1.12 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, consideration will be given prior to publication of the Annual Infrastructure Funding Statement 2019 to incorporating case studies illustrating what the spent Section 106 monies have delivered on the ground.

2 Conclusions and Reasons for Recommendation

- 2.1 This matter has been considered by the Local Plan Steering Group at its meeting on 3rd December 2019 and the Group supported the format and content of the Annual Infrastructure Funding Statement 2018/19 as attached.

- 2.2 Based on this support, the Group recommended that Planning Committee:

- approve the format and content of the Annual Infrastructure Funding Statement 2018/19;
- delegate authority to the Head of Planning, in consultation with the Chair and Vice Chair of Planning Committee, to approve the final wording of the Annual Infrastructure Funding Statement 2018/19 and secure its publication.

- 2.3 Therefore, it is proposed that Planning Committee approve the format and content of the prototype Annual Infrastructure Funding Statement 2018/19 and delegate authority to the Head of Planning, in consultation with the Chair and Vice Chair of Planning Committee, to approve the final wording of the Annual Infrastructure Funding Statement 2018/19 and secure its publication.

3 Consultation and Equality Impact

- 3.1 Other Officers involved in the preparation of this report were: Planning Manager (Development Control); Principal Planning Officers, Planning Officers, Joint Housing Strategy Officer, Special Projects Officer (Leisure), Community Arts Development Officer, Senior Accountancy Assistant & Team Manager (Solicitor).

- 3.2 Members involved include the membership of the Local Plan Steering Group.

- 3.3 The Annual Infrastructure Funding Statement 2018/19 is unlikely to have any negative impact on any person with a protected characteristic or group of people with a shared protected characteristics, although the delivery of infrastructure should have a positive impacts.

4 Alternative Options and Reasons for Rejection

- 4.1 Preparation and publication of an Annual Infrastructure Funding Statement will become a statutory requirement from 2020. The alternative course of action would be to not publish an Annual Infrastructure Funding Statement for the financial year 2018/19 but this has been discounted due to the greater benefits of getting the Council ready and test driving the new internal monitoring arrangements.

5 Implications

5.1 Finance and Risk Implications

5.1.1 None. This relates to the Council's annual monitoring duties and is budgeted for.

5.2 Legal Implications including Data Protection

5.2.1 The Council will soon have a statutory duty to prepare an Annual Infrastructure Funding Statement under the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019.

5.2.2 There are no specific data protection issues arising from this report.

5.3 Human Resources Implications

5.3.1 There are no human resources implications arising from this report.

6 Recommendations

6.1 That Planning Committee:

- 1) approve the format and content of the Annual Infrastructure Funding Statement 2018/19;
- 2) delegate authority to the Head of Planning, in consultation with the Chair and Vice Chair of Planning Committee, to approve the final wording of the Annual Infrastructure Funding Statement 2018/19 and secure its publication.

7 Document Information

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| 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: <i>BDC: Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC: Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i> | No |
| Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In) | No |
| Has the relevant Portfolio Holder been informed | Yes |
| District Wards Affected | All |
| Links to Corporate Plan priorities or Policy Framework | All |

8 **Document Information**

| Appendix No | Title |
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| 1 | Annual Infrastructure Funding Statement 2018/19 |
| Background Papers (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 Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers) | |
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