

<b>REPORT TO:</b>	<b>Planning Policy Committee 21 September 2023</b>
<b>SUBJECT:</b>	<b>Infrastructure Funding Statement (IFS) 2022/2023</b>
<b>LEAD OFFICER:</b>	<b>Kevin Owen (Planning Policy &amp; Conservation Manager)</b>
<b>LEAD MEMBER:</b>	Cllr Martin Lury, Chair of Planning Policy Committee
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:</b>	
<p>The recommendations support: -</p> <ul style="list-style-type: none"> <li>• Improve the Wellbeing of Arun</li> <li>• Delivering the right homes in the right places</li> </ul>	
<b>DIRECTORATE POLICY CONTEXT:</b>	
<p>The proposals will help to: -</p> <ul style="list-style-type: none"> <li>• Work with key partners to ensure that we deliver council wellbeing services that are complementary to their own, rather than duplicate effort.</li> <li>• Support the NHS Clinical Commissioners to provide primary care medical and dental facilities to meet the growing needs of our community.</li> <li>• Provide wider infrastructure that supports wellbeing, e.g., more opportunities for cycling and walking and easily accessible and safe greenspace.</li> <li>• Maximise the delivery of affordable housing including utilising the council's own resources and commercial expertise to ensure that our social housing is energy efficient.</li> <li>• Use our expertise to influence the local housing market, working with the right partners from all sectors, to develop the housing and infrastructure that we need.</li> </ul> <p>Use the planning system to create high quality new places and improve our existing places, where new homes meet the needs of current and future generations.</p>	
<b>FINANCIAL SUMMARY:</b>	
There are no direct financial implications arising from this Infrastructure Funding Statement.	

## 1. PURPOSE OF REPORT

- 1.1. To update Planning Policy Committee on the publication of the council's annual Infrastructure Funding Statement (IFS) setting out S.106 planning obligation contributions and CIL income and spend on the council's infrastructure list from the previous financial year, in accordance with 'The Community Infrastructure Levy (CIL) Regulations 2010 (as amended).
- 1.2. This report summarises the factual update to the Arun District IFS which is available as Background Paper 1.

## **2. RECOMMENDATIONS**

- i. That the Arun Infrastructure Funding Statement 2022/23 be published on the Arun District Council website in accordance with Regulation 121A of the Community Infrastructure Regulations 2010 (as amended).

## **2. EXECUTIVE SUMMARY**

- 2.1. The Community Infrastructure Levy (CIL) Regulations 2010 (as amended) includes a requirement for all planning obligation collecting authorities to prepare an annual Infrastructure Funding Statement (IFS) to be published on the council's website by the end of each calendar year. For CIL charging authorities, the IFS must set out S.106 contributions together with CIL income and how each has been spent on the council's Infrastructure List (see Background Paper 2: Arun CIL Infrastructure Charging Schedule) or held by the authority, for the monitoring year 2022/23.

## **3. DETAIL**

- 3.1. The council first published an Infrastructure Funding Statement for the year 2019/20. It is a factual update setting out the position of infrastructure funding for the year 2022/23. The IFS must be published annually on the council's web site by 31 December. The Community Infrastructure Levy (CIL) Regulations 2010 (as amended) requires the IFS to set out:-
  - A statement of the infrastructure projects or types of infrastructure which the charging authority will be or may be or partly funded by CIL.
  - A report about CIL in relation to the previous financial year.
  - A report about planning obligations in relation to the reported year.
- 3.2. The publication of the IFS helps to ensure developer contributions are fully transparent and shows how they are to be used or have been used, and they must be set out in an accessible standard digital format.

## **INFRASTRUCTURE FUNDING STATEMENT (IFS) AND HEADLINE FIGURES**

- 3.3. As mentioned above, the IFS must report on the council's infrastructure list (what it intends to spend CIL on) including reporting on CIL and S.106 income and expenditure. It is important to note that not all receipts held are spent or allocated in any given reporting year because of the status of the infrastructure project (e.g., whether a project is sufficiently funded or progressed to justify handing over funds).
- 3.4. It is also important to note that when reviewing the Arun IFS, it should be read together with the West Sussex County Council (WSCC) IFS to get a complete picture of infrastructure delivery in the district. The WSCC IFS will be made available on this page of their website:

<https://www.westsussex.gov.uk/roads-and-travel/information-for-developers/section-106-planning-obligations/>

- 3.5. CIL receipts and S.106 and play a critical role in supporting growth in the district and delivering the aims and objectives and housing growth (20,000 dwellings), set out in the Arun Local Plan (ALP). The ALP is supported by the infrastructure mitigations set out in the supporting Infrastructure Capacity Study Delivery Plan 2017: -
- £215 million in S.106 would be required to support and mitigate the delivery of eleven strategic housing allocations in the district.
  - an estimated £30 million in CIL may be able to contribute towards meeting additional infrastructure requirements, to support the development of the area.
- 3.6. Planning application decision making has continued to increase, and a significant number of developments have commenced in the last couple of years. There has also been a significant number of completions this year and we have also agreed 43 new S.106 agreements with a value of around £2.172m (rounded) in contributions. Overall S.106 contributions from all developments have returned significantly more S.106 receipts this year at £2.560m (compared to £1.3m last year and £1.4m the previous year). On the other hand, while the number of CIL liabilities issued is similar to last year, the CIL receipts following demand notices, increased significantly at £799k compared to £359k last year.
- 3.7. The Arun IFS is provided in Background Paper 1 and is supported by a number of appendices that provide all the data to support the headline figures (rounded) summarised below: -

#### **SUMMARY TOTAL S.106 AND CIL INCOME**

- **£3.359m** was received in total in Arun from S.106 and CIL developer contributions combined in the year 2022/23; of which
- **£2.560m** was received from S.106 developer contributions and
- **£799k** was received from CIL Demand Notices on CIL liable planning permissions.

#### **S.106 INCOME & EXPENDITURE (Rounded)**

- **£2.172m** is due to be received by the council, once triggers are reached, following the approval of **43** new planning applications in 2022/23
- **£10.320m** was the total amount of money, received under any planning obligation before 1 April 2022 which had not been formally allocated or spent by the end of March 2023 (see paragraph 7.12 of the IFS document)
- **£1.179m** was spent by Arun or transferred (handed over to a third party) for spending on infrastructure projects (further details on the year's activity will be found under sections 7 - 9 of the IFS document)
- **£1.739m** was allocated prior to 1 April 2022 but not spent in 2022/23 (Allocated is defined as when the funds have been received and formally committed to be spent on a project by the relevant committee or delegated authority)
- **395** new affordable housing units and **7** new areas of public open space or play areas were agreed and are due to be delivered on development sites once triggers are reached (see paragraph 8.2 of the IFS document)

- **264** new affordable homes and **1** new public open space have been completed in 2022/23 (see paragraph 8.3 of the IFS document)

3.8. Further details on non-monetary contributions are set out in section 8 of the IFS.

### **CIL INCOME & EXPENDITURE**

- **£799k** was received in 2022/23 from CIL Demand Notices on CIL liable planning permissions this year.
- **£187k** of those receipts will be transferred or have already been transferred to the Parish/Town Councils.
- **230** CIL liability notices (approximately) have been issued since 2020.
- **£1.5m** secured in demand notices in 2022-23.
- **£2.5m** total CIL relief granted.
- **£41.6k** was spent from District CIL 'pot' on 2 projects identified on the council's Infrastructure Investment Plan. **£5.7k** was spent Priory Pocket Park, Arundel. This project was to provide natural oak play equipment for an area that was previously just open greenspace. A further **£36k** was spent by Parks and Greenspace on a project at the Keystone Centre, Eldon Way, Littlehampton for the provision of a MUGA and landscape improvements.
- CIL spend priority is set out in the Infrastructure Investment Plan covering a 3-year period (i.e. IIP 2022 - 2024) which was adopted by Full Council on 9 March 2022;
- **£138k** was transferred to Town or Parish Councils (paragraph 5.3 of IFS document) and details of any expenditure will be set out in the equivalent Parish/Town Council IFS.

### **CONCLUSIONS**

- 3.9. The Arun IFS provides a comprehensive overview of CIL and S.106 income and expenditure within the district and how it has or will be spent on specifically defined projects that benefit the local community through mitigating the impact of development.
- 3.10. In the IFS 21/22 it was noted that there was a fund of approx. £10.952mil of S.106 money held on deposit at the end of March 2022 identified for specific infrastructure, but which was not formally allocated for spend on a specific project. This year the unallocated and unspent fund has reduced to around £10.320m. This slight reduction is likely to be the effect of due diligence undertaken by officers with developers in reviewing all the unallocated funds as per the Action Plan.
- 3.11. Another highlight this year is the significant increase in the number of affordable dwelling contributions to be delivered in new S.106 agreements (83 last year and 395 this year) and the number of new affordable homes completed (58 last year and 264 this year, although at least 65 of these were provided in 2021-22 but were missed from being reported in that IFS).

#### **4. CONSULTATION**

- 4.1. No consultations have been undertaken because this is a factual monitoring report.

#### **5. OPTIONS / ALTERNATIVES CONSIDERED**

- 5.1. The options are to agree to publish the IFS or to not publish the IFS on the council's web site.

#### **6. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER**

- 6.1. The implementation of the recommendations does not require budget or resources to be allocated.

#### **7. RISK ASSESSMENT CONSIDERATIONS**

- 7.1. Implementing the recommendation will minimise the risk that the council will fail to meet national polices and regulations.

#### **8. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER**

- 8.1. This report asks that the Arun Infrastructure Funding Statement 2022/23 be published on the Arun District Council website in accordance with Regulation 121A of the Community Infrastructure Regulations 2010 (as amended).
- 8.2. There are no specific legal or governance implications arising from this recommendation.

#### **9. HUMAN RESOURCES IMPACT**

- 9.1. There are no implications arising from the IFS 2022/23.

#### **10. HEALTH & SAFETY IMPACT**

- 10.1. No direct health and safety impacts have been identified as arising from the IFS 2022/23.
- 10.2. No changes necessary for health and safety impact.

#### **11. PROPERTY & ESTATES IMPACT**

- 11.1. There are no direct implications for council property.

#### **12. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE**

- 12.1. The proposals may have a positive impact on community health and wellbeing though supporting infrastructure delivery.

#### **13. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE**

13.1. The infrastructure proposals may have positive and negative implications for Climate Change although these should balance and mitigate supporting the Arun Local Plan 2018 being subject to Sustainability Appraisal.

13.2. Where needed individual projects should undertake review on environmental impacts and their contribution to climate change and emission production.

#### **14. CRIME AND DISORDER REDUCTION IMPACT**

14.1. There are no direct adverse implications for crime and disorder.

#### **15. HUMAN RIGHTS IMPACT**

15.1. There are no direct adverse implications for human rights.

#### **16. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS**

16.1. There are no implications.

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#### **CONTACT OFFICER:**

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#### **BACKGROUND DOCUMENTS:**

Background Paper 1: 'Arun Infrastructure Funding Statement 2022/23':-  
<https://www.arun.gov.uk/ifs-and-developer-contributions>

Background Paper 2: 'Arun CIL Infrastructure Charging Schedule':-  
<https://www.arun.gov.uk/cil-adoption>