



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET – 5 SEPTEMBER 2024
Subject	INFRASTRUCTURE FUNDING STATEMENT 2023/24
Wards affected	All
Accountable member	Councillor Juliet Layton, Cabinet Member for Planning and Regulatory Services Email: juliet.layton@cotswold.gov.uk
Accountable officer	Jon Dearing, Interim Executive Director Email: Democratic@cotswold.gov.uk
Report author	Jasper Lamoon – Infrastructure Delivery Lead Email: jasper.lamoon@cotswold.gov.uk
Summary/Purpose	To notify Cabinet of the Infrastructure Funding which provides an overview of all Community Infrastructure Levy (CIL) and Section 106 monies collected, held and spent. As well as setting out the Council's recovery policy in regards to unpaid CIL debts.
Annexes	Annex A – Infrastructure Funding Statement 2023/24 Annex B – CIL Recovery Policy
Recommendation(s)	That Cabinet resolves to: <ol style="list-style-type: none">1. Note publication of the Infrastructure Funding Statement2. Agree to the CIL Recovery Policy.
Corporate priorities	<ul style="list-style-type: none">• Delivering Good Services• Responding to the Climate Emergency• Delivering Housing
Key Decision	NO
Exempt	NO
Consultees	None



1. EXECUTIVE SUMMARY

- 1.1 The CIL legislation requires Councils to produce a yearly 'Infrastructure Funding Statement' (IFS). Annex A provides the fifth edition of the report covering the 2023/24 financial year.
- 1.2 The main figures in regards to the Community Infrastructure Levy are:
- £1.7M funds collected;
 - £3.4M worth in demand notices issued (a Demand Notice is issued when a development commences, and the CIL becomes due in line with the instalment policy);
 - £280k collected for Town and Parish Councils;
 - £2.3M in CIL reliefs granted (set by national legislation);
 - The CIL Strategic Fund held £3.3M (cash receipts) on 31 March 2024.
- 1.3 The main figures in regards to Section 106 agreements are:
- The Council secured £144k and 52 affordable housing units in S106 agreements signed in 2023/24.
 - In 2023/24, the Council collected a total of £861k and spent £998k of the S106 funds it held.
 - A total of £751k of S106 funds is allocated for spending, leaving a total of £2M of non-allocated S106 funds being held by the Council. Please note that the legislation requires us to report the non-allocated amount excluding 2023/24 receipts, which is £1.7M.
- 1.4 CIL is an important source of income in regards to the funding of infrastructure. It is therefore important that the Council has clear policies and procedures to manage the recovery of unpaid CIL liabilities. The CIL Recovery Policy (Appendix B) explains the Council's approach to debt recovery, in line with similar existing policy documents for the collection of Council Tax and other debts.



2. BACKGROUND

- 2.1** The CIL legislation requires Councils to produce a yearly 'Infrastructure Funding Statement' (IFS). Annex A provides the fifth edition of the report covering the 2023/24 financial year.
- 2.2** The aim of the IFS is to increase transparency by providing a statement of accounts of all financial and non-financial developer contributions relating to S106 Agreements and CIL collected, held, and spent by a Local Authority per financial year.
- 2.3** The IFS is split into three sections:
- The Infrastructure List;
 - The CIL Report; and
 - The S106 Report.
- 2.4** The CIL and S106 Reports contain factual data about the collection and spending of funding for infrastructure in the District as set out in the CIL regulations, while the Infrastructure List is a statement of infrastructure projects that the Council expects to be wholly or partly funded by CIL. This is an evidence-based list derived from infrastructure needs identified in the Council's adopted Local Plan.
- 2.5** This IFS also contains information on the neighbourhood proportion (the element of funding given to Town and Parish Councils) of CIL. Please note that it is the Town and Parish Councils' responsibility to report on any expenditure of their neighbourhood proportion although CDC does provide them with a template to do so. A summary of expenditure that the Council has been informed of at the time of writing can be found under Appendix D of the IFS (Annex A to this report).

3. COMMUNITY INFRASTRUCTURE LEVY (CIL) REPORT

- 3.1** CIL is a non-negotiable developer payment on new development which is indexed each year. The rate for 2024 is set at £95.85/sqm for residential developments and £71.89/sqm for retail developments.
- 3.2** In March 2024, the Council launched a call for bids from infrastructure providers to access collected CIL funds. The deadline for submitting bids was 31 May 2024 and it is anticipated that a spending proposal will be brought to Cabinet (and Full Council if required) in September 2024.
- 3.3** The Community Infrastructure Levy Regulations 2010 (as amended) set out which figures need to be reported on in the IFS. The full IFS can be found at Annex A, but the main figures are as follows in respect of 2023/24:



- £1.7M funds collected;
- £3.4M worth in demand notices issued (a Demand Notice is issued when a development commences, and the CIL becomes due in line with the instalment policy);
- £280k collected for Town and Parish Councils;
- £2.3M in CIL reliefs granted (set by national legislation);
- The CIL Strategic Fund held £3.3M (cash receipts) on 31 March 2024.

4. SECTION 106 REPORT

- 4.1** The Community Infrastructure Levy Regulations 2010 (as amended) specify which figures need to be reported. The full IFS with all figures can be found at Annex A.
- 4.2** The Council secured £144k and 52 affordable housing units in S106 agreements signed in 2023/24.
- 4.3** In 2023/24, the Council collected a total of £861k from S106 agreements and spent £998k of the S106 funds it held.
- 4.4** A total of £751k of S106 funds is allocated for spending, leaving a total of £2M of non-allocated S106 funds being held by the Council. Please note that the legislation requires us to report the non-allocated amount excluding 2023/24 receipts, which is £1.7M.
- 4.5** These non-allocated funds need to be spent in line with the definitions in the respective legal agreements.

5. INFRASTRUCTURE LIST

- 5.1** Cotswold District Council have appointed Prior and Partners to update the Infrastructure Delivery Plan which lists the District's infrastructure requirements for development. This work is expected to be completed by Spring 2025 at which point the Infrastructure List will be updated.
- 5.2** For now, the Infrastructure List is a continuation of last year's list with most projects relating to an increase in highway capacity through junction improvements. However, as there now is a much greater focus on sustainable transport, infrastructure projects that alleviate the pressure on these junctions via sustainable means will be preferred over projects that directly increase highway capacity as currently listed.



6. CIL RECOVERY POLICY

- 6.1** CIL is an important source of income in regards to the funding of infrastructure. It is therefore important that the Council has clear policies and procedures to manage the recovery of unpaid CIL liabilities.
- 6.2** The CIL regulations set out the process of debt collecting and the options available to the Council. The regulations are very prescriptive and officers have been following the required steps as set out in the legislation. The Council has now come to the stage that a few CIL liabilities remain outstanding and the regulations require legal action to be undertaken to recover these debts.
- 6.3** The CIL Recovery Policy (Appendix B) explains the Council's approach to debt recovery, including how and when legal action will be taken to recover debts. This is in line with similar existing policy documents for the collection of Council Tax and other debts.
- 6.4** When applying for a liability order, the Council can add costs to the outstanding amount on a cost recovery basis. This has been calculated to be £433.45 per summons.

7. FINANCIAL IMPLICATIONS

- 7.1** There are no direct financial implications on the Council's base revenue budget as a result of this report.
- 7.2** The Council collects S106 contributions from developers when stipulated certain conditions are met as part of the S106 agreement. S106 funding held by the Council is generally transferred to Gloucestershire County Council and/or Town/Parish Councils when certain conditions have been met.
- 7.3** Funding held by the Council from the Community Infrastructure Levy for the purpose of capital infrastructure works will be used in conjunction with major infrastructure providers and any proposed scheme will be subject to the CIL governance procedures as approved at the Cabinet meeting held on 6th December 2021.

8. LEGAL IMPLICATIONS

- 8.1** Save from the legislative requirements set out in this Report there are no further legal implications arising directly from the Report.

9. RISK ASSESSMENT

- 9.1** Not applicable



10. EQUALITIES IMPACT

10.1 Not applicable

11. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

11.1 As agreed in the CIL spending governance procedure (Cabinet decision December 2021)
10% of the CIL Strategic Fund will be set aside to deliver infrastructure projects that will help deliver the objectives in the Council's Climate and Ecological Emergencies Action Plans.

12. ALTERNATIVE OPTIONS

12.1 It is a legal requirement to publish an Infrastructure Funding Statement. The option of not publishing one has not been considered.

13. BACKGROUND PAPERS

13.1 None.

(END)