

Gloucester City Council

Meeting:	Cabinet	Date:	6 December 2023
Subject:	Infrastructure Funding Statement 2022/2023 and Annual Community Infrastructure (CIL) Rate Summary Statement		
Report Of:	Cabinet Member for Planning and Housing Strategy		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Paul Hardiman, Community Infrastructure Levy (CIL) Manager for the JCS Authorities		
	Email: paul.hardiman@gloucester.gov.uk		
Appendices:	1. Draft Infrastructure Funding Statement for the City of Gloucester		
	2. Draft Annual CIL Rate Summary Statement for the City of Gloucester		

FOR GENERAL RELEASE.

1. Purpose of Report

- 1.1. To approve for publication the Infrastructure Funding Statement encompassing the Section 106 (S106) and Community Infrastructure Levy (CIL) reports for 2022/23 and the Infrastructure List; and note the Annual CIL Rate Summary Statement is to be published alongside the Infrastructure Funding Statement.

2. Recommendations

- 2.1. Cabinet is asked to **RESOLVE** that:
 - (1) the publication of the Infrastructure Funding Statement relating to the financial year ending 31st March 2023 (Appendix 1) be approved; and
 - (2) it be noted that the annual Community Infrastructure Levy (CIL) Rate Summary Statement (Appendix 2) will be published alongside the Infrastructure Funding Statement by 31st December 2023.

3. Background and Key Issues

- 3.1. The Council's fourth Infrastructure Funding Statement (IFS) has been prepared ready for submission¹ and publication on the Council's website by the 31st December 2023.
- 3.2. All "contribution receiving authorities" are required, under the Community Infrastructure Levy Regulations 2010 (as amended) to produce an IFS at least annually that sets out details about S106 planning obligations and CIL receipts, actual and anticipated

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

expenditure and an “Infrastructure List” [Regulation 121A]. They must also produce an Annual CIL Rate Summary Statement [Regulation 121C].

- 3.3. The IFS (Appendix 1) must include reports on the previous financial year, ending on the 31st March, for both CIL and S106 Planning Contributions as well as an Infrastructure List.
- 3.4. The matters for these statements is prescribed in the aforementioned Regulations. Both need to be published on the Council’s website by 31st December 2023.
- 3.5. The IFS (Appendix 1) comprises 3 sections as follows:
 - (i) The CIL Report which identifies receipts for 2022/23 of **£162,638.05** and expenditure by the council on administration only of **£8,131.90**:
 - a. **£24,395.70** of the remaining receipts were held by the Council for the benefit of non-parished areas, which when added to the **£85,593.85** from previous years gave a **Neighbourhood Pot of £109,989.55**, **£70,000.00** of which is now committed to projects which are listed in the CIL Report;
 - b. **£0** was passed to Quedgeley Town Council from income within the reported year and whilst **£20,098.31** from the previous financial year was paid in April 2022 **£0** was held to be paid in April 2023; and
 - c. **£130,110.45** was held for infrastructure which when added to the **£695,256.79** from previous years gave an **Infrastructure Pot of £825,367.24** required to deliver planned development.
 - (ii) The S106 Report which identifies:
 - a. an opening balance at the beginning of the reported year of **£1,636,526.84**;
 - b. receipts for 2022/2023 of **£2,105,144.96**;
 - c. expenditure for 2022/2023 of **£177,979.64** on Infrastructure and **£43,440.17** on Administration;
 - d. a closing balance on 31st March 2023 of **£3,520,251.99** (**£67,197.88** of which has been retained for long term maintenance);
 - e. **153** affordable homes secured via S106 agreements, Universal Undertakings and Grants; and
 - f. A total of **£730,621.00** secured in agreements entered into in 2022/2023.
 - (iii) The ‘Infrastructure List’ identifies projects which may need wholly or partly funding from CIL individually and those which the Joint Core Strategy (JCS) partners share, is a required part of the IFS.
 - a. The preparation of the joint ‘Strategic and Local Plan’ (SLP), now underway, provides the appropriate context for a full review of the Infrastructure List informed by updated evidence on infrastructure demands and delivery and by the priorities of the three councils, including the Council’s commitment to tackle climate change, achieve modal shift away from private car use and reflect changing patterns of work following the pandemic, the Council’s Corporate Plan, including our 2030 net zero objectives.
 - b. The interim Infrastructure List will cover the transition to the SLP. Relevant to the decision making of this report are those elements relating only to Gloucester and those elements which are shared. Chapter 3 of the IFS also includes those items identified by Tewkesbury, Cheltenham, and the County

Council. Tewkesbury and Cheltenham will be reporting on their priorities for the interim Infrastructure List through their own reporting procedures.

- c. There is a larger piece of engagement work ongoing with infrastructure providers outside the local authorities to identify any wider infrastructure priorities.

3.6. The Annual CIL Rate Summary Statement

- (1) Regulation 121C(1) requires the annual CIL Rate Summary Statement (Appendix 2) to be published “no earlier than 2nd December and no later than 31st December” as it must be based on the CIL Index published by the Royal Institute of Chartered Surveyors (RICS) in November each year.

4. **Social Value Considerations**

- 4.1. None directly, though targeting funding to the delivery of strategic infrastructure in the Infrastructure List will support planned growth in and for the City.

5. **Environmental Implications**

- 5.1. 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 3 dimensions of sustainable development.

6. **Alternative Options Considered**

- 6.1. None as the production of these statements, including the CIL and s106 reports, are a statutory requirement of the Council.

7. **Future Work and Conclusions**

- 7.1. The Infrastructure Funding Statement and Annual CIL Rates Summary Statement will be published on our website and submission and notification of the location of data sent to the Department for Levelling Up, Housing and Communities by end of December 2023.
- 7.2. Alongside the preparation of the Strategic Local Plan ensure the infrastructure needed to accommodate planned future development is fully considered through ongoing engagement with a full range of infrastructure providers, including running an open and transparent bidding process with the aim of producing a comprehensive Infrastructure Delivery Plan, from which schemes which meet not only the needs of new development but also the priorities of the Council may be selected for inclusion on a deliverable Infrastructure List to support the new plan, this will be tested through the Strategic Local Plan Examination in Public in due course.

8. **Financial Implications**

- 8.1. None directly as work undertaken within existing resources and budgets.

(Financial Services have been consulted in the preparation this report.)

9. Legal Implications

- 9.1. The production of an Infrastructure Funding Statement at least annually, including a regulation 121A Infrastructure List, is a statutory obligation as a result of amendments to the Community Infrastructure Levy Regulations 2010 (the Regulation) by the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019. As is the publication of the annual CIL Rate Summary Statement.
- 9.2. Those amendments also revoked, as of 1 September 2019, Regulation 123 thereby removing the restrictions there had been previously, both on the pooling of monies from s106 obligations and also the spending of both CIL and s106 monies on the same infrastructure.

(Legal Services have been consulted in the preparation of this report.)

1. Risk & Opportunity Management Implications

- 12.1. Failure to publish the required statements would be a breach of Regulations.
- 12.2. Though the Infrastructure List will not dictate how funds must be spent, it does set out the Council's intentions and its publication as part of the Infrastructure Funding Statement provides clarity and transparency for communities and developers on the infrastructure that is expected to be delivered.
- 12.3. Not having a clear prioritisation of infrastructure projects may risk that CIL receipts are not targeted towards the most critical infrastructure needed to deliver development and meet Corporate priorities in respect of such infrastructure.

13. People Impact Assessment (PIA) and Safeguarding:

- 13.1 The reasons behind the original adoption of the Community Infrastructure Levy, by Gloucester City Council as a JCS partner authority, in October 2018, was to raise additional funding from some development to help to pay for infrastructure supporting development of the area to ensure the City grows sufficiently and sustainably. Whilst not identifying any negative impact on protected groups potential positive impacts were identified as a result of this new income stream for the City Council, in particular in relation to improvements to physical infrastructure for those with special mobility needs and for building community cohesion not only within existing communities but also between existing and new residents as a result of new development.
- 12.1. The PIA Screening Stage was completed and did not identify any potential or actual negative impacts therefore a full PIA was not required.

14. Community Safety Implications

- 14.1. None directly, though potential positive implications are anticipated as a result of the delivery of new infrastructure for the City.

15. Staffing & Trade Union Implications

- 15.1. None reported.

16. Background Documents: None