

Community Infrastructure Levy and s106 funds

Report of the Head of Planning and Building

Recommended:

- 1. The information set out in the report and attached briefing paper are noted.**
- 2. The note be circulated to all members.**

SUMMARY

The report sets out how Community Infrastructure Levy and s106 (Legal Agreement) funds are received and allocated to projects by the Council. This is further to a report considered by the Overview and Scrutiny Committee in November 2022 from the Lead Member of the Community Infrastructure Levy (CIL) and Section 106 (S106) Panel which brought together the findings of the panel which reviewed how S106 and CIL funds have been utilised between 2016 and 2022.

1 Introduction

- 1.1 This report follows on from the Overview and Scrutiny Committee meeting held on 2 November 2022 when the Lead Member of the Community Infrastructure Levy (CIL) and Section 106 (S106) Panel brought together the findings of the panel which reviewed how S106 and CIL funds have been utilised between 2016 and 2022.
- 1.2 Two actions were agreed at that meeting which related to providing training for all members regarding CIL and S106 agreements, after the May 2023 elections (this has been delivered), and the production of a briefing note which is attached as an Annex.

2 Background

- 2.1 A panel was formed to review how S106 and CIL funds have been utilised between 2016 and 2022 which culminated in a report to Overview and Scrutiny Committee in November 2022.
- 2.2 The panel concluded that robust systems were in place to ensure that funding from these sources was secured, allocated and spent but additional information in the form of a briefing note would be helpful to ensure that all members have a full understanding of the processes involved in securing CIL and S106. They also concluded that training should be provided to all members following the local elections in 2023 (this has been delivered). This would ensure that members better understand how to access funding within their area and help deliver infrastructure for their communities.
- 2.3 The briefing note attached as an Annex explains the way in which CIL and S106 funds are sought, received, managed and allocated.

3 Corporate Objectives and Priorities

- 3.1 CIL and s106 funds received by the Council are generated by new development. This income is used to deliver new facilities and infrastructure that helps to accommodate and mitigate the effects of the development we need to provide in accordance with our adopted Local Plan.
- 3.2 S106 and CIL income delivers a broad range of infrastructure including transport improvements, affordable housing, education facilities, and new and enhanced open space and recreational opportunities across the borough.
- 3.3 This investment aligns with the Corporate Plan by providing enhanced facilities for our communities and contributes towards the place-making work the Council has recently been engaged in.
- 3.4 To help maximise community benefits from development the Council operates a system which allows bodies like parish/town councils and community organisations to seek CIL funding for a wide variety of projects. These are assessed in line with a spending protocol agreed by the Council in 2017 and requests for funding of up to 50% of the cost of each project are considered on an annual basis, or more frequently, if there is a need for a decision to be made on a particular scheme.

4 Consultations/Communications

- 4.1 None which are specific to this report but schemes which are subject to requests for CIL funding are assessed against our agreed protocol which includes consideration of any consultation undertaken as part of the project.

5 Options

- 5.1 The recommendation of the report is to note the information set out in the attached briefing note regarding CIL and S106 funds received by the Council.

6 Option Appraisal

- 6.1 An option appraisal has not been undertaken in this case because the report and briefing note attached as an Annex are for information purposes. The recommendation is that this information be noted.

7 Resource Implications

- 7.1 None which are specific to this report. The Council can use up to 5% of CIL to fund the administration of the scheme. S106 agreement may include funds to monitor development authorised by the corresponding planning permission.

8 Legal Implications

- 8.1 None which relate to this report. There are restrictions which apply to the use of CIL and S106 agreements. In the case of the latter the provisions of the agreements set out in each case the details of payment(s) to be made to the Council in terms of the amounts due, their purpose and when they need to be made i.e. what the funds can be used for and where they can be spent. CIL funds are used to deliver wide range of infrastructure needed to support development in the borough.

9 Equality Issues

9.1 None relating to this report.

10 Other Issues

10.1 Wards/Communities Affected – All wards are potentially subject to development that will generate CIL and S106 payments.

11 Conclusion

11.1 As set out above both S106 and CIL payments received by the Council are used to support and mitigate the impact of new development across the borough. They provide a means to improve facilities and infrastructure and can reinforce a sense of place and contribute towards good place making.

11.2 The briefing note attached as an Annex provides details about how these funds are sought, received, managed and may be accessed by the communities that can benefit from investment in new and improved infrastructure and facilities.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
Details of Test Valley Council CIL including requests for CIL funding to support the delivery of community projects and developer contributions can be found at: https://www.testvalley.gov.uk/planning-and-building/cil https://www.testvalley.gov.uk/planning-and-building/planningpolicy/supplementary-planning-documents/infrastructure-and-developer-contributions-supplementary-planning-document			
Government guidance on CIL including links to the regulations can be found at: https://www.gov.uk/guidance/community-infrastructure-levy			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	1		
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File Ref:	N/A		
Report to:	Overview and Scrutiny Committee	Date:	5 June 2024