

INFRASTRUCTURE FUNDING STATEMENT - PRIORITIES

Development and Conservation Advisory Committee - 19 October 2021

Report of: Deputy Chief Executive, Chief Officer Planning & Regulatory Services

Status: For recommendation to Cabinet

Also considered by: Cabinet - 11 November 2021

Key Decision: Yes

Executive Summary:

As members are aware, it is a mandatory requirement, as set out in the Community Infrastructure Levy Regulations 2010 (as amended) for Local Authorities to produce an annual Infrastructure Funding Statement (IFS). This should include a CIL report, a section 106 report and the infrastructure projects or types of infrastructure that Sevenoaks District Council intends to be funded at least in part by CIL over the next year.

This report therefore looks at what was proposed last year and what projects and type of infrastructure should be prioritised in the Council's new Infrastructure Funding Statement (IFS) for the next year. This does not mean that local authorities are bound by the priorities laid out in the IFS but that it will provide transparency to developers and the community as to what our intentions are.

To assist members this report considers the type of projects and types of infrastructure that was prioritised last year, it then looks at what we have spent money on through Section 106 and CIL over the last few years. The report then considers if there is any further evidence through circumstances or evidence which would indicate what infrastructure or projects should be prioritised this year. It will then concludes by making recommendations for our funding priorities.

This reports support the Key Aim of: of ensuring that Sevenoaks District remains a great place to live, work and visit and that development is supported by the most appropriate infrastructure.

Portfolio Holder: Cllr. Julia Thornton

Contact Officer: Claire Pamberi ex 7221 and Carlyn Kan ex 7264

Recommendation to Development and Conservation Advisory Committee:

That the recommendations to Cabinet are supported.

Recommendation to Cabinet:

To agree and adopt the following:

- a) The criteria for prioritising infrastructure projects as laid out in paragraph 7 remains.
- b) That the specific projects and types of Infrastructure recommended in paragraphs 28 - 38 of this report are identified in the IFS as having a priority for full or partial funding.

Reason for recommendation:

For the Council to agree on spending priorities for the Section 106 and the Community Infrastructure Levy for the next year.

Introduction and Background

- 1 As Members are aware, Sevenoaks District Council have been a CIL (Community Infrastructure Levy) charging authority since 4th August 2014. From this date until middle of September 2020, the Council have collected just over £11 million of CIL contributions.
- 2 New CIL Regulations came into effect on 1st September 2019, which included a requirement for local authorities to report on their CIL and Section 106 income and expenditure by producing an annual report. The annual report, named an Infrastructure Funding Statement, is also expected to state the types of infrastructure or projects the authority intends to fund wholly or partially through CIL.
- 3 As you are aware, this is required for all Local Planning Authorities and is expected to be issued on or before 31st December of each year.
- 4 This report follows on from last year's Infrastructure Funding Statement and considers whether any changes need to be made to the Council's priorities for infrastructure spending in its new IFS.

Discussion

- 5 In considering what Sevenoaks District Council's priorities should be for allocating CIL and Section 106 monies, it is proposed to lay the report out in the following way:
 - A. Firstly, it will consider what priorities are already in place and what projects and type of infrastructure were put forward last year.

- B. The report will then consider what Sevenoaks District Council have spent CIL and 106 money on recently.
- C. It will then consider any changes to circumstances and any evidence that has come forward in the Local Plan and the Infrastructure Delivery Plan. This will enable us to consider how this will impact what infrastructure should be prioritised.
- D. In light of all the above evidence, it will then propose what the priorities and projects for spending should be.

A - Priorities for allocating CIL and Section 106 monies already in place:

- 6 Looking at the report that determined the priorities for the Infrastructure Funding Statement last year (See Appendix A). The following was agreed:
- 7 Firstly, a number of criteria were agreed, which stated that infrastructure projects should be prioritised for funding if they meet them:
 - The projects fall with the infrastructure types/projects identified in the IFS report.
 - The projects have been identified in our Infrastructure Delivery Plan. (This ensures that the infrastructure prioritised supports the Local Plan).
 - The projects support and are clearly related to proposed or allocated development in the District. They therefore provide a strong link between development and the proposed project.
 - That there is a strong social, environmental or economic justification for the scheme.
 - That projects have not received CIL previously.
 - The scheme has support from infrastructure providers
 - That there is a need or it will be expected to be delivered within the next 5 years.
 - That it is identified as having a critical or high need where the project has to be delivered prior to any development to support it.
 - Where it is likely that the infrastructure project can be delivered within the plan period as there are little or no issues with funding or landownership.
 - Where there is a clear plan as to how the project would be funded.
- 8 In addition to this, the following types of infrastructure and projects were agreed to be priority in last years IFS:

Highways and transport:

- Swanley Transport Improvement Measures
- Junction 3 M25 Swanley - improvements required to address increased capacity and accessibility for pedestrians.
- Improvements to bus services in and around Swanley
- Junction improvements to Bat & Ball

- Edenbridge Junction improvements
- Edenbridge - sustainable transport improvements

Utilities

- Badgers Mount water supply upgrades
- Swanley supply water upgrades

Health and Social Care

- CIL funding is provided to deliver the additional capacity required in the next 6 - 10 years to health services in the following areas:
 - 1 Northern Sevenoaks Health
 - 2 Swanley,
 - 3 Hextable,
 - 4 Farningham,
 - 5 New Ash Green,
 - 6 Hartley,
 - 7 Fawkham,
 - 8 South Darenth
- Expansion of GP Practices in the Sevenoaks Urban Area (Time scale 11- 15 years).
- To increase the capacity of Otford Health Services (related to Fort Halstead) (Timescale 6 - 10 years).

Affordable Housing

- It was agreed to follow our current planning policies, Government Guidance and SDC's Supplementary Planning Document.

Local Infrastructure Projects

- any local project that provides evidence to show that it addresses a clear community need or provides a clear community benefit will be considered a priority.

Net Zero 2030

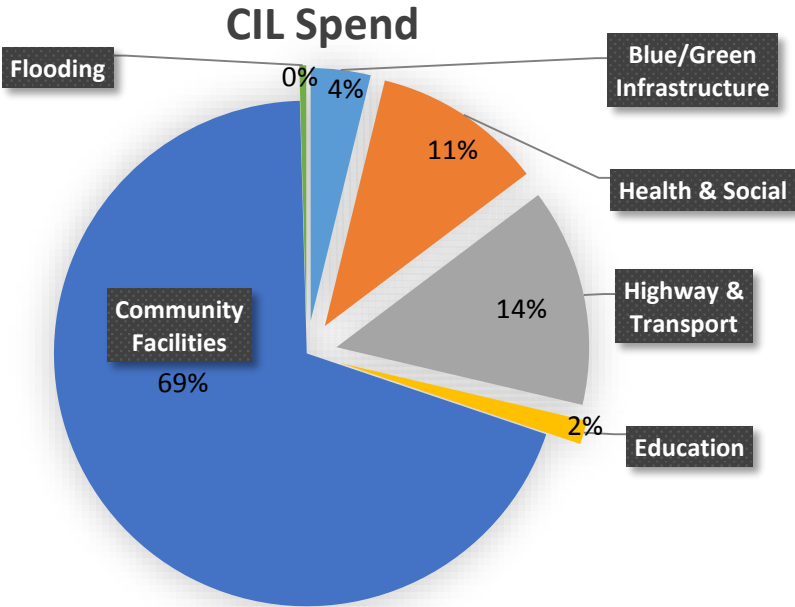
- over the next year any infrastructure projects which clearly support our ambition to achieve net zero greenhouse emissions should be considered as a priority to receive CIL funding.

Broadband

- any infrastructure proposals that seek to improve existing rural broadband services or propose new broadband infrastructure in rural areas will be also considered as a priority.

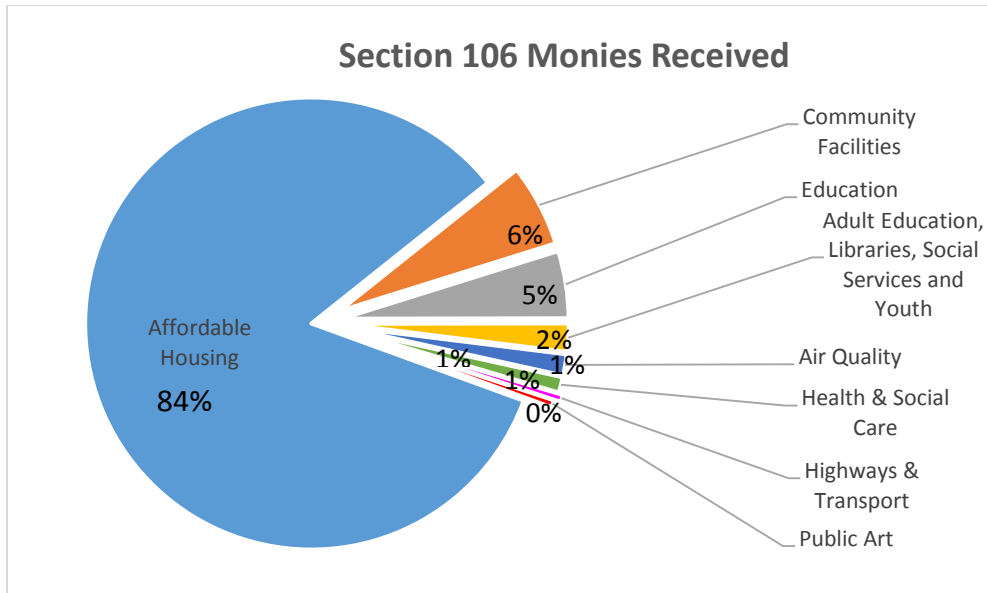
B - What have we funded so far?

- 9 As the types and categories of infrastructure were identified, in the report which came to DCAC last year, it is considered that it may be helpful to show you what has been funded through CIL and 106 over the last few years. Full details of this can be found at **Appendix B**.
- 10 For CIL, since 2014 we have awarded the following to the following types of infrastructure projects through the CIL Spending Board:



11 You can see in this pie chart shows that the largest amount of spend has been on Community Facilities (69%), which has included village halls, public toilets and play areas. The next largest amount falls under Highways and Transport (14%) which has included train station and footpath improvements. The next is Health and Social care (11%) where money has been awarded to a medical centre/hub and a health pod. These projects have all been awarded funding by following the criteria laid out in the Councils Constitution regarding CIL Governance (Appendix X1) of the Constitution.

12 For Section 106s, we looked previously at the period between 2011 and 2016 (as we have the best data over this period):



13 A total of £ 93,362.55 towards Affordable housing contributions were the only Section 106 funds received in the April 2020 to March 2021 period.

13 It is interesting to note here that the money received and spent is different to that allocated through CIL with Affordable Housing being the majority (84%) and with Community Facilities (5.9%) and Education (4.8%) being the next amount. The last two would have been secured before CIL was introduced.

14 If we are now considering again what projects should be prioritised, one issue that needs to be considered is whether we continue to following the patterns of CIL and 106 and ensure that Affordable Housing and Community facilities continue to be a priority.

C - Evidence in the Local Plan and Infrastructure Delivery Plan **Local Plan**

15 As members are aware, the Council received confirmation from the Court of Appeal that its application to challenge the judgement of Mr Justice Dove regarding our approach to meeting the Duty to co-operate (DTC) had not been successful.

16 Since this time officers have been looking to move the local plan forward, with an aim to meet the objective of ensuring that we have a Local Plan in place by 2023.

17 We have been carrying out discussions with promoters of the larger sites and we are also updating our evidence base. As this is currently on going there is nothing that has taken place or finalised that would influence our priorities for spending at this current time.

Infrastructure Delivery Plan (IDP)

- 18 A full review of this document is laid out in last years report in Appendix A. As stated above as we are still in the early stages of reviewing our Local Plan, and therefore this document has not been recently updated.
- 19 It is likely to be reviewed once our evidence base is finalised, and it is likely that this will impact on our priorities next year.

Circumstances

- 20 It is important to note that the situation has changed for some projects and types of infrastructure.

Community facilities

- 21 Firstly community facilities have been awarded the highest amount of CIL, disproportionately higher than any other type of infrastructure since CIL was introduced. Whilst it is acknowledged that local community projects are of importance, officers question whether they should be considered a priority in this year's IFS. It is considered that there may be more strategically significant infrastructure projects, which should be a priority for CIL. Should Community facilities not be proposed as a priority within the IFS, this would not prevent applicants from submitting or being granted local community projects to the next CIL Spending Board to be assessed on their own merit. It will however show the Council's intention to fund other projects.
- 22 In addition looking at particular projects, the Upper Darent Flood was identified as a high priority through the current IDP. This was previously granted funding at the May 2018 CIL Spending Board. However, the Environment Agency advised that the scheme would not be pursued in the near future and so the allocated CIL Spending Board funds have been returned to be spent at the next CIL Spending Board. All the other schemes in regard to flooding in the IDP are either for 16-20 years or their timescales are unknown and they are of medium to low priority.
- 23 Whilst the Darent Valley flood alleviation scheme proposed at the May 2018 CIL Spending Board could not be implemented at this time, this should not prejudice against other projects being put forward to assist this area. It is considered that this should therefore be included in the IFS priorities this year.
- 24 It should also be noted that in March the CIL Spending Board approved CIL money to expand the Kemsing Doctors Surgery (Part of the Otford Health Service). It is therefore questioned as to whether this should be removed from the list of priorities.

D - Priorities for spending this year

- 25 Looking at the evidence above, as there have not been too many changes to the Local Plan or the evidence to support it, that there seems no reason to change most of the priorities.
- 26 It is however suggested that some of the priorities and projects are amended in light of the discussion above. It is therefore considered the following should be priorities for the next year:

Community Facilities

- 27 In regard to Community Facilities, all the infrastructure projects proposed for community facilities within our current IDP do not fall within the priority timescales. Most are proposed for a time scale of 16-20 years, and been given a medium to low priority. In light of the above it is therefore proposed that the provision of CIL towards community facilities is not a priority for the Sevenoaks District Council in this years IFS.

Flooding

- 28 In light of the above circumstances, it is proposed the Upper Darent Flood alleviation scheme is included as a priority in this year's IFS.

Highways and Transport

- 29 There are a number of projects already identified as a high priority for projects that are for Highways or Transport. It is considered that these remain the same:

- Swanley Transport Improvement Measures
- Junction 3 M25 Swanley - improvements required to address increased capacity and accessibility for pedestrians.
- Improvements to bus services in and around Swanley
- Junction improvements to Bat & Ball
- Edenbridge Junction improvements
- Edenbridge - sustainable transport improvements

Utilities

- 30 In light of the evidence in the IDP, it is considered that the following projects are still considered as a priority for funding in the Councils IFS:

- Badgers Mount water supply upgrades

- Swanley supply water upgrades

Health and Social Care

31 As stated above, the increase of capacity of Otford Health Services has been identified as a high priority. A bid to extend the Kemsing branch successfully received partial funding at the March 2021 CIL Spending Board. However it is considered that as development at Fort Halstead is likely to still have an impact on the services of the Otford Health Services.

32 It is therefore considered that this remains a priority for this year's IFS.

33 In light of this and the information in the IDP it is considered that additional capacity required to health services in the following areas should be identified as a priority:

- Northern Sevenoaks Health
- Swanley,
- Hextable,
- Farningham,
- New Ash Green,
- Hartley,
- Fawkham,
- South Darent
- Expansion of GP Practices in Sevenoaks Urban Area
- To increase the capacity of Otford Health Services (related to Fort Halstead)

34 Whilst these proposals have been given a high priority, the developers will still need to apply for funding through the CIL Spending Board and therefore this does not guarantee that the schemes will be fully or partly funded. The fact that they have been identified as priority projects in the IFS will mean that this will give weight to the consideration of these bids at the Board.

Affordable Housing

35 This is proposed to follow our current planning policies and Supplementary Planning Document. The income will be spent in light of the portfolio holders decision as to how we spend the money allocated to affordable housing.

Corporate Priorities

36 It is proposed that projects which would contribute towards SDC's corporate priorities should remain as a priority, in particular projects that support and facilitate our Net Zero ambitions and mental health and wellbeing.

Broadband

37 Any infrastructure proposals that seek to improve existing rural broadband services or propose new broadband infrastructure in rural areas will continue to be considered as a priority.

Notes

- 39 It should be noted that whilst the proposals above have been given a high priority, an application to the CIL Spending Board for funding will still need to be made and therefore this does not guarantee the schemes will be fully or partly funded. However, the fact that they have been identified as priority projects in the IFS will mean that this will give weight to the consideration of these bids at the Board.
- 40 Members will also be aware of the new Government White Paper, that was produced last year. This sets out the Governments vision for a new planning process and proposes introducing an “Infrastructure Levy.” No further details of this has been provided to date, but it is likely that the CIL and 106 system will change in the future.

Other options Considered and/or rejected

- 41 Officers have based their decision on the evidence before them and through discussion with officers and Members across the Council and therefore consider that there is no alternative to those put forward.
- 42 The Committee could determine that these priorities or projects put forward are not acceptable. This could result in an incomplete IFS being produced by the Council. The committee could also recommend other priorities that they consider others are more suitable.

Key Implications

Financial

There are no financial implications regarding this report.

Legal Implications and Risk Assessment Statement.

There are no legal implications regarding this report.

Equality Assessment (Compulsory heading - do not delete)

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Net Zero

This has been addressed in the main report.

Conclusions

It is requested that the Committee agree to the following:

1. The criteria for prioritising infrastructure projects for funding in the Infrastructure Funding Statement.

2. That the specific projects and types of infrastructure recommended in the conclusion are identified in the IFS as having a priority for full or partial funding.

Appendices

Appendix A - Last year's IFS Report to DCAC 20th October 2020 and Cabinet on 5th November 2020.

<https://cds.sevenoaks.gov.uk/ieListDocuments.aspx?CId=361&Mid=2545&Ver=4&J=4>

Appendix B - Full details of CIL expenditure and Section 106 monies received

Background Papers

[Governance of the Community Infrastructure Levy \(CIL\) \(Cabinet - July 2020\)](#)

(Appendix X1) of the Council's Constitution.

[Infrastructure Delivery Plan March 2019](#)

Sevenoaks District Council's Supplementary Planning Document; Affordable Housing.

Richard Morris

Deputy Chief Executive, Chief Officer - Planning & Regulatory Services