

INFRASTRUCTURE FUNDING STATEMENT – PRIORITIES

Development and Conservation Advisory Committee – 5 December 2024

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

Status: For recommendation to Cabinet

Also considered by:

- Cabinet – 12th December 2024

Key Decision: Yes

Executive Summary:

The Community Infrastructure Levy Regulations 2010 (as amended) require local authorities to produce an annual Infrastructure Funding Statement (IFS), containing income and expenditure information for CIL and Section 106 contributions. The IFS should also highlight infrastructure projects or types of infrastructure that the Council intends to be funded by CIL or planning obligations over the coming year.

This report focuses on the infrastructure priorities to be contained in the new IFS, which needs to be published by 31st December 2024. These priorities do not bind local authorities, but they do provide transparency for developers and the community on our spending intentions.

To assist members, this report details last year's infrastructure priorities and explains how recent developer contributions have been spent. It then considers the evidence to support infrastructure or projects for prioritisation over the coming year and concludes by making recommendations on our funding priorities.

This report supports the Key Aim 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(s): Carlyn Kan Ext. 7264; Emma Henshall Ext. 7358

Recommendation to Development and Conservation Advisory Committee:

That the recommendations to Cabinet are supported.

Recommendation to Cabinet:

- (a) That the criteria for prioritising infrastructure projects as set out in paragraph 6 should remain.
- (b) That the specific projects and types of infrastructure recommended in paragraphs 24-37 of this report are identified in the IFS as having a priority for full or partial funding.

Reason for recommendation:

To endorse the spending priorities for Section 106 contributions and the Community Infrastructure Levy receipts for the coming year.

Introduction and Background

- 1 Members will be aware that the Council has been a Community Infrastructure Levy (CIL) charging authority since 4th August 2014. From this date to 24 September 2024, the Council has collected close to £17 million in CIL contributions.
- 2 The Government's updated CIL Regulations came into effect on 1st September 2019 and included a requirement for local authorities to report on their CIL and Section 106 income and expenditure by producing an Infrastructure Funding Statement (IFS). This document is also expected to state the types of infrastructure or projects the authority intends to prioritise and fund wholly or partially through CIL or planning obligations.
- 3 All local authorities are required to prepare an IFS, for publication on or before 31st December of each year.
- 4 This report follows on from last year's IFS and considers whether any changes need to be made to the Council's priorities for infrastructure spending in this year's IFS.

Discussion

- 5 The following considerations are relevant in considering the Council's priorities for allocating CIL and Section 106 monies:
 - Existing priorities and the projects and types of infrastructure that were put forward last year;
 - Recent CIL spend and receipt of Section 106 contributions;
 - Any changes in circumstances and new evidence that has come forward through the Local Plan and the Infrastructure Delivery Plan (IDP). This will enable officers to consider how this will impact on what infrastructure should be prioritised; and

- In light of all the evidence, the report will identify what the priorities and projects for spending should be.

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

6 In December 2023, the Council’s Development and Conservation Advisory Committee agreed that infrastructure projects should be prioritised for funding if they meet the following criteria:

- The project should fall within the infrastructure types/projects identified in the IFS report.
- The project has been identified in the IDP. (This ensures that the infrastructure prioritised supports the Local Plan).
- The project supports and is clearly related to proposed site allocations or new development in the District. There is a strong link between development and the proposed project.
- There is a strong social, environmental or economic justification for the proposed project.
- The project has not previously received CIL funding.
- The project has support from infrastructure providers.
- There is an existing need for the project, 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 to support new development.
- There are no significant issues with funding or landownership.
- Where there is a clear plan as to how the project would be funded.

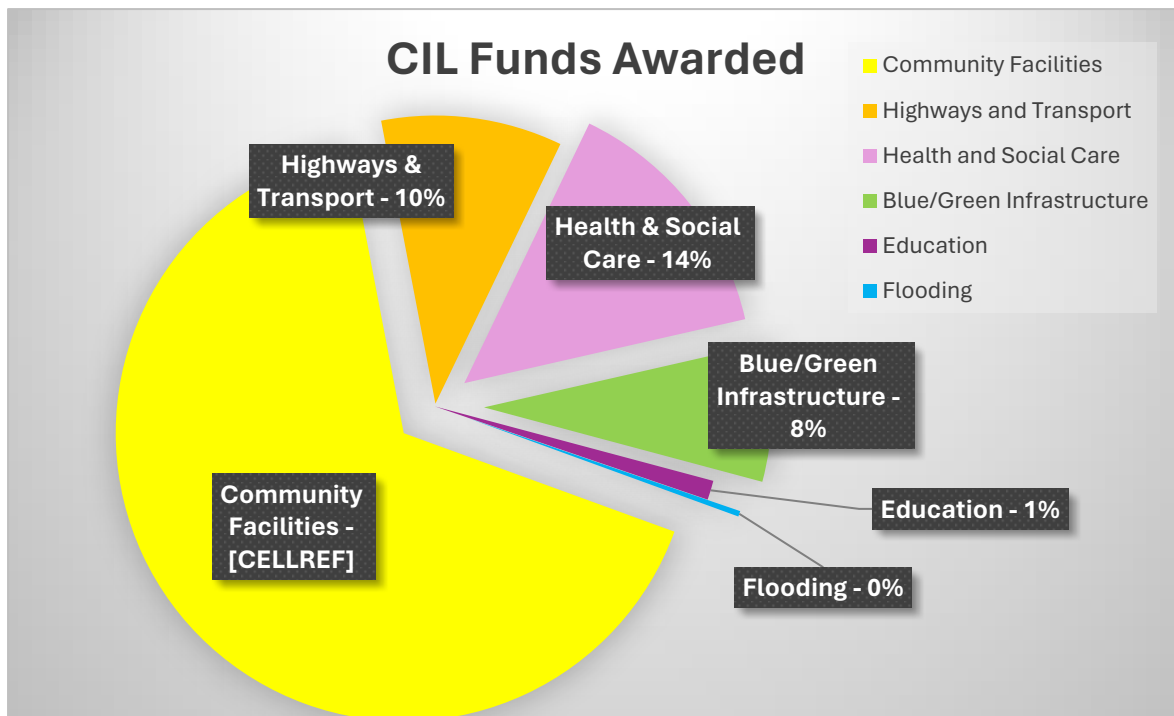
7 A copy of the report to the December 2023 Development and Conservation Advisory Committee, which was subsequently agreed by Cabinet, is attached at **Appendix A**. In addition to the provisions of paragraph 6, the following types of infrastructure and projects were agreed as priorities in last year’s IFS, following engagement with infrastructure providers on the emerging Local Plan:

	Infrastructure Type	Projects
1	Flooding	Upper Darent Flood alleviation scheme
2	Highways and Transport	<ul style="list-style-type: none"> • 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 at Bat & Ball; • Edenbridge junction improvements; and • Edenbridge – sustainable transport improvements.

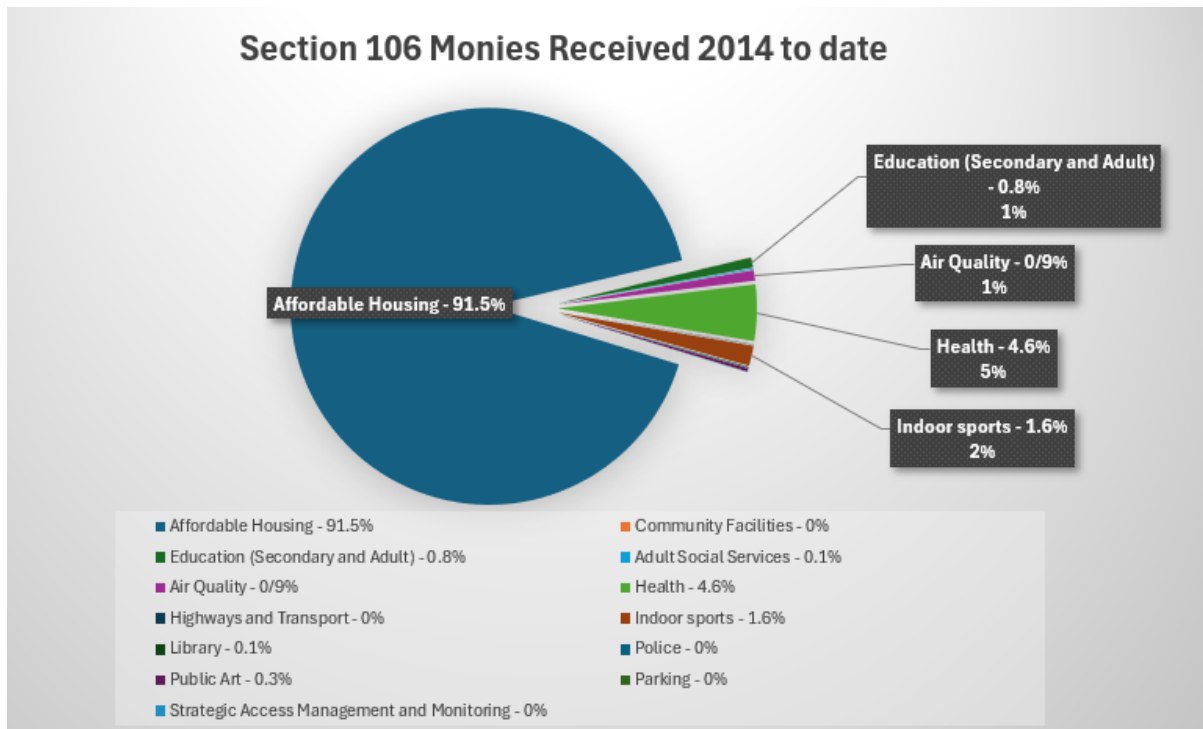
	Infrastructure Type	Projects
3	Utilities	<ul style="list-style-type: none"> • Badgers Mount water supply upgrades; and • Swanley supply water upgrades. • Clean water capacity in Edenbridge
4	Health and Social Care	<ul style="list-style-type: none"> • Sevenoaks Urban Area: Additional GP capacity • Swanley: Additional GP capacity and other community-based healthcare services • Potential requirement for additional GP capacity in Westerham, West Kingsdown and New Ash Green / Hartley, however these need to be assessed further. • To increase the capacity of Otford Health Services (related to Fort Halstead).
5	Affordable Housing	The income will be spent in accordance with the appropriate legal agreements and portfolio holder discussions.
6	Corporate Priorities	Projects contributing towards the Council's corporate objectives particularly those supporting the Council's commitment to tackling climate change and its health and wellbeing agenda.
7	Education	<ul style="list-style-type: none"> • Sevenoaks Urban Area: requirement for a new 3FE primary school • Pedham Place and Edenbridge are identified as preferred locations for the requirement for 2 new 5FE secondary schools • In/around Edenbridge: Requirement for the expansion of existing primary schools • West Kingsdown: Requirement for the expansion of the existing primary school
8	Broadband	Infrastructure proposals that seek to improve existing rural broadband services or propose new broadband infrastructure in rural areas.

What have we funded so far?

- 8 The following chart shows how CIL funding has been allocated since the introduction of the Council's Charging Schedule in 2014. Further detail can be found at **Appendix E**.



- 9 The majority of funding has been spent on Community Facilities (66%), including village halls and playgrounds and this also includes improvements to the District's public rights of way. The second largest allocation is for Health and Social Care (14%), where CIL has been awarded to the Edenbridge Memorial Health Centre and a health pod in Otford. Thirdly, Highways and Transport have received 10% of funding, including proposals to improve train stations and car parks.
- 10 All projects have been funded in accordance with the provisions of the Council's Constitution regarding CIL Governance (Appendix X1 of the Constitution).
- 11 The following chart shows how funding through Section 106 agreements has been allocated since 2014. A Section 106 agreement is a legally binding agreement between a local planning authority and an applicant, developer or another party. The purpose of a Section 106 agreement is to mitigate the impact of the development on the local community and infrastructure.



Evidence in the Local Plan and Infrastructure Delivery Plan

Local Plan

- 12 Sevenoaks District Council is currently preparing a new Local Plan for Sevenoaks District (Plan 2040) which proposes a sustainability-led Development Strategy.
- 13 The Council consulted on a second Regulation 18 version of the emerging Local Plan which ended in January 2024. This focused development opportunities in built up areas, but also considered Green Belt land in exceptional circumstances. The Plan contained policies on infrastructure provision to reflect the latest evidence and to ensure that any growth is supported by appropriate and timely infrastructure.
- 14 It was anticipated that a Regulation 19 Consultation would take place in Winter 2024/25, with submission to the Planning Inspectorate for Examination before 30 June 2025. However, a consultation on a revised National Planning Policy Framework (NPPF) closed in September which proposed a number of significant changes to the NPPF. The consultation set out a 58% uplift in the housing target for Sevenoaks District (from 704 to 1113 units per year) and this clearly represents a significant challenge for such a constrained district. The consultation also proposes a stronger commitment to prioritizing "brownfield-first" development setting out a new sequential approach in relation to the release of Green Belt land:
- First - Previously Development Land (PDL) or 'brownfield' in the GB,

- Second - Grey Belt (limited contribution, not National Landscape / AONB)
 - Third - Higher performing Green Belt sites where they can be made sustainable (for example land around train stations)
- 15 For clarity, the Regulation 18 Development Strategy and sites, including Pedham Place, were developed before the recent NPPF consultation. Therefore, we will be looking again at the development strategy and sites when the new NPPF is confirmed to try to meet the housing uplift and ensure the sequential approach to the release of Green Belt land is followed.
- 16 Once the outcome of the NPPF consultation is known (anticipated to be by the end of the year/early next year), the Local Plan timetable will need to be adjusted. A revised Local Development Scheme will be prepared, but it is suggested that submission may move back from mid-2025 to late 2026.
- 17 The Local Plan evidence base is largely complete but will need to be updated to reflect any NPPF changes. Interim work will take place to start to identify potential areas which could contribute towards our housing supply. Once the revised NPPF is confirmed, this will be followed by targeted consultation with relevant landowners.

Infrastructure Delivery Plan (IDP)

- 18 The most recent IDP can be found in **Appendix B** of this report. An IDP Statement was completed in 2022 to support the first Regulation 18 version of the emerging Local Plan. Infrastructure providers' comments were sought on planned works, identified needs and pinch points for Sevenoaks District.
- 19 Engagement with infrastructure providers continued in preparation for the second Regulation 18 version of the emerging Local Plan. Their comments were sought on infrastructure needs resulting from the three growth scenarios proposed. A second IDP Statement was completed in November 2023 to support the emerging plan. This can be found in **Appendix C** of this report.
- 20 Further engagement took place with infrastructure providers during the second Regulation 18 consultation to understand the rising and changing needs of proposed growth. It is important to note that these responses were based on a strategy and sites that will be reviewed due to the forthcoming NPPF changes. As raised in paragraph 14, the NPPF consultation proposes a significant uplift in housing numbers which would have a significant impact on infrastructure requirements. The Council will continue to engage with infrastructure providers as additional or alternative sites are identified to ensure that infrastructure provision to support growth can be planned for and accommodated.

- 21 The IDP is a live document and will continue to develop in conjunction with the emerging Local Plan, as sites are identified, and more site-specific information becomes available. The final version of the IDP will contain a schedule of infrastructure provision, with costs, time horizons, standards of provision and capital programme information. Members will be kept updated on the development of this important document.

Key Sites

- 22 Infrastructure requirements implicated by major development sites coming forward through the Development Management process in the District will be included in the latest version of the IFS.

Priorities for spending this year

- 23 Notwithstanding the progress on the emerging Local Plan and its associated evidence, there have been no significant alterations to the IDP in the last 12 months. As such, the spending priorities for the coming year are proposed to remain largely unchanged. The criteria set out in paragraph 6 of this report continue to be relevant and are recommended for approval.

Flooding

- 24 As the Upper Darent Flood alleviation scheme has not been implemented and the CIL money returned to us, it is recommended that this continues to be a priority.

Highways and Transport

- 25 A number of projects are identified as a high priority and no evidence has been submitted to demonstrate any change to their need. It is recommended that the priorities remain as:
- Swanley transport improvement measures;
 - Junction 3 M25 Swanley – improvements required to address increased capacity and accessibility for pedestrians, cyclists and buses;
 - Improvements to bus services in and around Swanley;
 - Edenbridge junction improvements; and
 - Edenbridge – sustainable transport improvements.
- 26 The previous IFS listed Bat and Ball junction improvements as a priority. These works have now been secured by the Section 106 for the Sevenoaks Quarry site (22/00512/OUT) which has been granted planning permission. It is therefore suggested that this is no longer required to be identified as a priority in the upcoming IFS.
- 27 The IDP Statement 2022 includes a summary of engagement with Kent County Council Highways which states that the Four Elms Road planning application (Land North of Town Station Cottages Forge Croft - 20/02988/OUT) modelled the junction of Four Elms Road / Station Road and

found that improvements were not necessary. However, it is further noted that additional development in Edenbridge may have a severe impact and the junction would need to be remodelled. Edenbridge is identified as a location for growth in the Regulation 18 version of the emerging Local Plan. It is anticipated new development will increase demand of the junction, so it is proposed the Edenbridge junction improvements proposal remains as a priority.

Utilities

- 28 The following projects should continue to be included as funding priorities, unless evidence is submitted to the contrary:
- Badgers Mount water supply upgrades; and
 - Swanley supply water upgrades.
- 29 Edenbridge is identified as a location requiring increased clean water and local sewerage network capacity across all three growth scenarios. The plan's growth creates additional demand on the existing infrastructure and will need the provision of new water mains and connections. Specific details on infrastructure improvements will arise as the emerging Local Plan progresses. It is proposed that clean water and local sewerage network capacity in Edenbridge be included as funding priorities in this year's IFS.

Health and Social Care

- 30 The NHS Kent and Medway Integrated Care Boards responded to information requests for the IDP Statement 2022 and IDP Statement 2023 and identified the following priorities:
- Sevenoaks Urban Area: Additional GP capacity
 - Swanley: Additional GP capacity and other community-based healthcare services
 - Potential requirement for additional GP capacity in Westerham, West Kingsdown and New Ash Green/Hartley. However, these need to be assessed further.
- 31 The increased capacity of Otford Health Services has been identified as a high priority. A bid to extend the Kemsing branch received partial funding at the March 2021 CIL Spending Board. However, as development at Fort Halstead will continue to have an impact on Otford Health Services, this should remain a priority.
- 32 The Edenbridge Memorial Health Centre has also been identified as a high priority in the IDP and engagement with the NHS Kent and Medway Integrated Care Boards on the proposed growth over the emerging new Local Plan. The medical centre has received CIL funding twice through the CIL Spending Board. It is considered that this is not identified as a future funding priority in the IFS. However, it is noted that the exclusion of a project in the

IFS does not preclude organisations from submitting future funding bids to the CIL Spending Board.

Affordable Housing

- 33 There continues to be an acute need for affordable housing across the District. The priority is for developers to provide affordable units on site. When financial contributions are received instead, they are spent in line with our current planning policies and Supplementary Planning Document on affordable housing, and in accordance with the appropriate legal agreements and in agreement with the Portfolio Holder.

Corporate Priorities

- 34 It is proposed that projects that would contribute towards the Council's corporate objectives should remain a priority, particularly projects that support and facilitate the Council's commitment to tackling climate change and its health and wellbeing agenda.

Education

- 35 Kent County Council Education has identified the following needs arising from the three growth scenarios for the emerging Local Plan:
- Sevenoaks Urban Area: requirement for a new 3FE primary school
 - Pedham Place or Edenbridge are identified as preferred locations for the requirement for 2 new 5FE secondary schools
 - Pedham Place area: new 3FE primary school
 - In/around Edenbridge: Requirement for the expansion of existing primary schools
 - West Kingsdown: Requirement for the expansion of the existing primary school
- 36 Notwithstanding the current uncertainties about which sites the emerging Local Plan will include and acknowledging when the NPPF is confirmed that The Council will need to revise the development strategy and identify additional and alternative sites, the need for education facilities will be ongoing over the plan period and subject to change as new development comes forward. It is therefore proposed to include the above needs as a funding priority in the forthcoming IFS.

Broadband

- 37 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.

Community Facilities

- 38 The community infrastructure projects identified in our current IDP do not fall within the priority timescales. Most projects are proposed over a period of 16-20 years and have been given a medium to low priority. The requests for information to infrastructure providers for the IDP Statement 2022 and IDP Statement 2023 have not identified any community projects. Community projects have typically received funding through the CIL Spending Board. It is therefore proposed that the provision of developer contributions towards community facilities is not an identified priority in this year's IFS.

Looking further ahead

- 39 This report identifies the infrastructure priorities for Sevenoaks District for the coming year. We are always keen to improve how we spend and prioritise developer contributions, to ensure that the essential infrastructure is secured and delivered to support new development and in particular our larger strategic sites that are evolving through the Local Plan process. The emerging Local Plan provides a key opportunity to review this, not only through the development of the Infrastructure Delivery Plan in determining the essential infrastructure that is needed, but also our mechanisms for collecting and spending money intended for infrastructure. We have begun work on reviewing our CIL Charging Schedule which will enable us to review the types and sizes of development that should contribute to infrastructure, and whether the most appropriate route is via CIL or Section 106. This work is ongoing and will develop in tandem with the emerging Local Plan.

Other options Considered and/or rejected

- 40 The provisions of this report are based on the latest available evidence and discussions with officers and members across the Council.
- 41 The Committee could choose not to update the District's infrastructure priorities this year, however, this is not recommended as it would negatively impact the Council's ability to secure the right infrastructure in the right place to support new development.

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

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.

Climate Change Implications

The decisions recommended through this paper have a remote or low relevance to the council's ambition to tackle the challenge of climate change. There is no perceived impact regarding either an increase or decrease in carbon emissions in the district, or supporting the resilience of the natural environment.

It is acknowledged that a number of the infrastructure priorities identified in this report will have climate change benefits, and the specific implications of these will be considered at a future stage, once such projects come to fruition.

Appendices

Appendix A – Last year's IFS Report to DCAC December 2023 and Cabinet December 2023

Appendix B – Infrastructure Delivery Plan March 2019

Appendix C – Infrastructure Delivery Plan Statement 2022 Statement

Appendix D – Infrastructure Delivery Plan November 2023 Statement

Appendix E – Full details of CIL expenditure and Section 106 monies received

Background Papers

[Governance of Community Infrastructure Levy](#) - (Appendix X1) of the Council's Constitution.

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

Richard Morris

Deputy Chief Executive, Chief Officer - Planning & Regulatory Services