



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

Scrutiny Commission: 26 October 2023

Wards affected: All Wards

Infrastructure Funding Statement 2022 - 2023

Report of Director Environment & Planning

1. Purpose of report

- 1.1 To inform Members of the requirement for an Infrastructure Funding Statement (IFS).
- 1.2 To provide Members with a copy of the IFS Report for financial year 2022/2023.

2. Recommendation

- 2.1 The report be noted.

3. Background to the report

- 3.1 In accordance with the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 any authority that receives a contribution from development through section 106 planning obligations must prepare an infrastructure funding statement, which include county councils.
- 3.2 Infrastructure Funding Statements must cover the previous financial year from 1 April to 31 March (referred to as `the reported year`) (note this is different to the tax year which runs from 6 April to 5 April) and the local authority should publish such a statement no later than 31 December in each calendar year.
- 3.3 The Infrastructure Funding Statement must set out the amount of planning obligation expenditure where funds have been allocated. Allocated means a decision has been made by the local authority to commit funds to a particular item of infrastructure or project.
- 3.4 It is recommended that the authorities report on the delivery and provision of infrastructure, where they are able to do so. This is to give communities a better

understanding of how developer contributions have been used to deliver infrastructure in their area.

3.5 A synopsis of what is provided within the Authority's Infrastructure Funding Statement (IFS) is detailed below.

- A summary of the total amount of contributions secured by s106 agreements and the specific breakdown of each type of contribution.
- S106 contributions paid to the Local Authority.
- Unallocated contributions received, with a detailed breakdown in health contributions requested by the LLR ICB (formerly the CCG) as requested by Members.
- A summary of non-monetary contributions secured by s106 agreements.
- Allocated amounts that remain unspent.
- Amount spent or transferred.
- Allocated amounts unspent by infrastructure type.
- Amounts spent by the Borough via s106 agreements by infrastructure type.
- Details of infrastructure/ projects delivered within the Borough (where, what on and how much spent);
- Details of monies received and spent on monitoring of obligations.
- Amount of long-term open space maintenance contributions and commuted sums received and held.

3.6 There are three main categories to the tables which are set out below (1,2 & 3):

1. **Secured** s106 Contributions (financial and non-monetary on behalf of others and HBBC (Category 1)
2. **Received / Available / Allocated** s106 contributions (financial and non-monetary on behalf of others and HBBC Category 2)
3. **Spent** s106 contributions (on behalf of others and HBBC) (Category 3)

Table 1 & Table 4 detail **secured** contributions for the reporting year (**Category 1**)

Table 2 & Table 5 details **received** financial contributions and s106 contributions **received** and **allocated** to a team / project within the Authority but not spent in the reporting year (**Category 2**)

Table 3 & Table 8 details **unspent** financial contributions and are **available** to spend for others and the Authority as of 31st March of the reporting year together with any s106 financial contributions returned for the reporting year (**Category 2**)

Table 6, Table 7 & Table 9 details of contributions **spent or transferred** in the reporting year; together with the project where they used those contributions towards by others and internally by the Authority. (**Category 3**)

Appendix 1 Detailed summary of contributions held on behalf of the LLR ICB (formerly the CCG)

- 3.6.1 The IFS has for the past three years replaced the annual S106 update. As well as the information detailed in the IFS, Appendix A to this report also makes Members aware of any contributions approaching their clawback dates.
- 3.6.2 The IFS reports that no unspent contributions were returned to developers, other than £5,046.59 which was an overpayment.
- 3.7 Leicestershire County Council are also required to publish IFS in respect of obligations to that council secured by section 106 agreements. They are also required to publish their IFS by 31st December of each year.
- 3.8 The Compliance & Monitoring Officer continues to work with Leicestershire County Council to provide a breakdown of HBBC related contributions for each of the tables detailed in the IFS as requested by Members. Appendix B provides a breakdown of tables 1, 2, and 3 for reporting year 2021/2022. LCC full IFS can be found at <https://www.leicestershire.gov.uk/environment-and-planning/planning/developer-contributions>
- 3.9 As of 1 October 2022 a monitoring fee is now being secured through the legal agreements as per the charging schedule which was agreed at Council on 6 September 2022.
- 3.10 The Compliance & Monitoring Officer and Senior Accountant continues to carry out regular reconciliations to ensure the financial information and the IFS data is up to date.
- 3.11 An internal Audit was carried out by Mazars earlier this year (May 23) on Section 106 and the overall outcome was positive. A full report will be brought to the Finance & Performance Scrutiny Meeting.

4. Exemptions in accordance with the Access to Information procedure rules

- 4.1 The report is to be taken in open session.

5. Financial implications [CS]

- 5.1 Financial aspects are covered in the Infrastructure Funding Statement (attached) required by Government annually. Members should be aware of contributions not being spent within the relevant period set out in agreements, as developers have the option to clawback the contribution.
- 5.2 Where Borough Council expenditure is funded using infrastructure funding, budgets will require approval in accordance with financial procedure rules.

6. Legal implications JS 20.09.2023

- 6.1 Set out in the report

7. Corporate Plan implications

7.1 The Action Plan will contribute to the delivery of the following Corporate Plan priorities:

People

- Help people to stay healthy, be active and feel well
- Take measure to reduce crime and antisocial behaviour and protect people from harm
- Give children and young people the best start in life and offer them the opportunity to thrive in their communities

Places

- Make our neighbourhoods safer
- Protect and improve our parks and open spaces for everyone across the borough
- Improve the quality of existing homes and enable the delivery of affordable housing

Prosperity

- Boost economic growth and regeneration by encouraging investment that will provide new jobs and places to work and live all over the borough.
- Support the regeneration of our town centres and villages
- Support our rural communities

8. Consultation

8.1 None required.

9. Risk implications

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks

Risk Description	Mitigating actions	Owner
DLS.50 Failure to keep up to date or not complying with latest legislation and regulations could lead to damage to Council reputation by MHCLG and potential prosecution.	The production of the Infrastructure Funding Statement to report on planning obligations received during 1st April 2022 and 31 st March 2023	Stephen Meynell

10. Knowing your community – equality and rural implications

- 10.1 The IFS will provide detailed information to communities on what section 106 contributions have been spent on which are requested and considered through the planning application process.
- 10.2 The effective monitoring of s106 contributions and engagement with Parish Councils / Organisations allows local communities to identify and prioritise improvements to local facilities and infrastructure.

11. Climate implications

- 11.1 Section 106 contributions can assist with making climate change improvements within the Borough such as providing sufficient green corridors and open spaces along with public realm improvements.
- 11.2 The implications are positive towards climate change in the environment.

12. Corporate implications

- 12.1 By submitting this report, the report author has taken the following into account:
- Community safety implications – S106 contributions are requested and spent on community safety provisions as directed by LCC Police.
 - Environmental implications – S106 contributions are requested and spent on environmental improvements as required by Planning Policy in the NPPF and HBBC's Local Plan.
 - ICT implications - none directly as a result of this report.
 - Asset management implications - none directly as a result of this report.
 - Procurement implications - none directly as a result of this report.
 - Human resources implications - none directly as a result of this report.
 - Planning implications - S106 contributions are requested and spent on community infrastructure improvements as required by Planning Policy in the NPPF and HBBC's Local Plan.
 - Data protection implications - none directly as a result of this report
 - Voluntary sector – members of the parish council which may be of a voluntary basis, request to spend s106 contributions available for the community within the provisions set out in the relevant S106 agreement.

Background papers: Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019
Planning Practice Guidance

Contact officer: Lesley Keal – 01455 255905
Executive member: Councillor WJ Crooks