
Meeting of the Cabinet – 15th December 2021

Report of the Director of Regeneration and Enterprise

Infrastructure Funding Statement 2020/21

Purpose

1. To seek Cabinet approval for the Infrastructure Funding Statement 2020/21.

Recommendations

- It is recommended that the Infrastructure Funding Statement 2020/21 be approved.

Background

2. In September 2019 several Government reforms to Community Infrastructure Levy (CIL) came into effect. This included the introduction of an annual Infrastructure Funding Statement (IFS) placing a legal requirement on Local Authorities to have the document in place and published on their website by December 2020.
3. Dudley MBC introduced their IFS in December 2020, which was approved by Cabinet on 17th December 2020. This replaced the CIL Regulation 123 List, which identified key projects that were eligible to be funded or part funded via CIL.
4. The IFS is required to include as a minimum:
 - The Infrastructure List – the infrastructure projects or types of infrastructure which the Council intends will be, or may be, wholly or partly funded by CIL.
 - A S106 report setting out specific standard information on financial and non-financial income and spend details for the previous financial year (2020-2021) relating to S106 Agreements.
 - A CIL report setting out specific standard information on income and spend details for the previous financial year (2020-2021).

- Details of highway works to be undertaken as part of new developments through Section 278 agreements.
5. The IFS for Dudley MBC, as shown in Appendix One to this report, brings together a range of information relating to approved, received, allocated and spent S106 and CIL developer contributions and Section 278 agreements for the 2020/21 financial year.
 6. The IFS is a 'living' document and will be the subject of annual updates and monitoring.
 7. Monies allocated to projects on the IFS account for 80% of total CIL receipts (Capital and Revenue Infrastructure Funding), with a further 10% taken from this and kept aside until it reaches approximately £1million. This will allow project holders to apply for funding for larger strategic infrastructure projects which currently have substantial funding gaps identified. This applies to all CIL receipts received from 1st January 2021 and will not be backdated or applied to receipts already with the Local Planning Authority. This was approved by Cabinet on 17th December 2020.
 8. It should be noted that inclusion of any type of infrastructure in the IFS does not signify a commitment from the Council to deliver or fund, either in whole or in part, this type of infrastructure through CIL. The Infrastructure List as shown in the IFS has not ordered any project via preference or weighting of infrastructure.

Infrastructure Funding Statement Process

9. For a project to be added to the Infrastructure List it will be required to satisfy the criteria as shown in the attached IFS (Table 11) and Table 1 (below). Where a significant number of submissions are received, it may be necessary for the list to be amended to only include projects that enable significant infrastructure delivery to support the borough's growth agenda and support the strategic infrastructure requirements of the emerging Draft Black Country Plan.

Table 1: Criteria for Assessing Infrastructure Funding Statement Projects

Criteria	Pass/Fail	Evidence
Is the project a Strategic Priority/Local Priority?		Strategic Boroughwide Priority – Local Plan/Corporate Plan Local Plan – Area Action Plan
Is the infrastructure project essential or significant in supporting new development in the Borough?		Is the project consistent with the Development Plan/Referenced in the Dudley Development Strategy or emerging Draft Black Country Plan?
Are there any constraints which will impact on the delivery of the infrastructure?		Projects that have no, major or moderate constraint will be considered for inclusion

Amount of CIL contribution sought		Details of the budget gap and confirmation no other capital funding source can be identified. Details of any S106 funds to be provided
Has the project identified match funding?		Has this been secured and details?
Timeline for delivery (start and end)		Detailed project plan or timeline demonstrating the project is feasible

10. A five-stage process was approved by Cabinet in December 2020 as follows:

1. Invite infrastructure project submissions
2. Assessment of submitted projects for inclusion within the IFS
3. Updated IFS presented to Cabinet for approval
4. Assessment of projects within the IFS for CIL funding
5. Proposed CIL allocations presented to Cabinet for approval

11. Emails containing the notification letter were sent on the 8th July 2021 to all project holders that could be identified with projects on the existing IFS, requesting that they complete the submission form for the project to remain on the IFS (Appendix Two).

12. Emails containing the notification letter were sent on the 8th July 2021 to –

- Councillors,
- those on the Dudley Local Plan consultation database,
- internal colleagues,
- duty to co-operate partners,

requesting any new projects to be added to the IFS (Appendix Three).

13. All recipients of the emails and letters were given until Friday 13th August 2021 to return their submission forms for either existing or new projects. An extension to the deadline was given to the Design and Delivery team, until Friday 3rd September 2021, due to being notified incorrectly initially.

14. The Council were in receipt of submission forms from a total of six organisations/providers with a total of 61 projects put forward. This includes both new projects and requests that existing projects remain on the IFS. Each project has been detailed in the consultation statement (Appendix Four).

15. Two meetings with officers from Planning Services took place on the 18th August 2021 and 9th September 2021 to ensure that a satisfactory level of information had been provided on each submission form and to ensure eligibility in line with CIL Regulations.

16. The amended IFS was sent to the Regeneration and Enterprise Strategy Group on the 7th October 2021 for advice and guidance on both the new and existing projects. Their recommendations have been incorporated into the draft IFS in this report (Appendix One).

17. Once the IFS has been approved by Cabinet, Officers will make recommendations for projects to receive CIL funding. These recommendations will be considered by Cabinet for final approval.
18. Where submission forms were not received for projects on the existing IFS, these have been deleted. However, as the IFS is updated annually, there will be opportunities each year to submit submission forms if project holders wish to pursue this avenue of funding.

Summary

19. It is recommended that Cabinet approve the amended IFS, which has been through the annual review required by the CIL Regulations. Proposed CIL funding allocations will be put forward for Cabinet approval in early 2022.

Finance

20. This report relates to decision making on infrastructure requirements on planning applications and the spending of CIL receipts. The update of the IFS on an annual basis provides a transparent approach to make such financial decisions relating to infrastructure. The IFS provides a transparent approach to the reporting of a range of information relating to the approval, receipt, allocation and spend of S106 and CIL developer contributions.

Law

21. The Council needs to ensure that robust and transparent mechanisms and procedures are in place to inform planning decisions on developer contributions and on the spend of CIL monies. The IFS brings together in one place information on approved, received, allocated and spent developer contributions. The CIL Regulations 2010 (as amended) require Councils to update their IFS on an annual basis, by December, for the preceding financial year.

Risk Management

22. The introduction of an annual Infrastructure Funding Statement (IFS) places a legal requirement on Local Authorities to have the document in place and published on their website by December. The existing IFS was endorsed by Cabinet and published on the Council's website by the end of December 2020. The IFS 2021, which is the subject of this report, will replace the 2020 IFS and ensure we meet the legal requirements set by Government.

Equality Impact

23. The proposals considered the Council's Policy on Equality and Diversity and no issues have been identified.

Human Resources and Organisational Development

24. It is considered that there are no additional human resources or organisational development implications resulting from the IFS or the proposed methodology for allocating Community Infrastructure Levy funds. Work on the IFS is carried out by the Planning Policy Team in the Directorate of Regeneration and Enterprise with assistance from officers in other Departments where necessary.

Commercial / Procurement

25. There are not considered to be any commercial or procurement implications as a result of this report. Any procurement activity resulting from the recommendations set out in the report will be governed by the Councils Contract Standing Orders and the Procurement Management Group (PMG) as applicable.

Council Priorities

26. Schemes that may be brought forward as a result of infrastructure requirements will support the Council's priorities: by supporting improvements to community infrastructure across the Borough helping to contribute to stronger and safer communities, supporting public realm and environmental improvements to create a cleaner and greener place as well to providing infrastructure to bring forward development, unlock sites and help grow the economy and create jobs.

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List of Background Papers –

[Infrastructure Funding Statement Cabinet Report 2020](#)

Appendices (All appendices can be viewed on the Council's [Committee Management Information System](#))

Appendix One: Infrastructure Funding Statement December 2021

Appendix Two: Letter sent to project holders with projects currently listed on the Infrastructure Funding Statement

Appendix Three: Letter sent requesting new projects to be added to the Infrastructure Funding Statement

Appendix Four: Consultation statement