

Infrastructure Funding Statement

November 2020

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1. Introduction

This is the first Infrastructure Funding Statement for Tandridge District. This sets out this year's (19/20) income and expenditure section 106 (S106) agreements and section 278 (s278 – relating to highways), and all Community Infrastructure Levy (CIL) that have been awarded or spent CIL funds, known also as Planning Obligations (PO) or Developer Contributions.

CIL, S106 and S278 income is used to help fund the provision of supporting infrastructure in association with development and maximise the benefits and opportunities from growth, such as employment opportunities and affordable homes.

2. Section 106 Obligations

S106 agreements are used to mitigate the impacts of development and ensure that Tandridge's planning policy requirements (as set out in the Core Strategy and the Planning Obligations and 106 Guidance note) are fully met. S106 obligations include:

- site-specific financial contributions - these are secured and must be used for defined purposes; for instance, the provision of education facilities, traffic and transport/highways related works, open space provision and affordable housing contributions (where accepted in lieu of on-site provision); and
- non-financial obligations, including requirements such as employment and skills strategies, construction management plans and travel plans.

S106 funding must be spent in accordance with the terms of the legal agreement (as part of the planning application process). The heads of terms can include a clause to spend the S106 contribution between five and ten years of the agreement. S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement.

S106 income varies on a site-by-site basis depending on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure.

Schedule 2 of Regulation 121A of the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 sets out 'matters to be included in the annual infrastructure funding statement. These matters are related to s106 and are set out in Table 1 below. The reporting year is from 1st April 2019 to 31st March 2020.

Some of the developments have not commenced and consequently the affordable housing may have also not been delivered.

Table 1 also sets out the application or appeal number. It provides the year the approved planning decision date and therefore only planning obligations that have been secured through unilateral undertakings, nomination rights or grants. Unilateral undertakings are a legal planning agreement under s106 of the Town and Country Planning Act (1990) and nomination rights are where the Council can put forward people from the housing waiting list to occupy the affordable housing on site. Grants are made as an off-site contribution to deliver affordable housing.

Table 1 also sets out the site address, the contribution type, a description of the obligation, the number of units or cost amount.

At present the Council are reviewing their database programme for planning, in which the planning obligations data sits. It is the Council's intention to utilise the new software to produce tables that can provide more information where appropriate.

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Table 1: S106 Planning Obligations

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
2017/212	Unilateral & Nomination	N/A	N/A	Dormansland	15/07/2019	Land to the rear of Dormans Station, Station Road, Dormansland, RH7 6NL	Affordable Housing	Notify the Council in writing 14 days prior to commencement of the development 100% shall be A/H	9	N/A
							Highways	Towards the implementation of TRO within £3.5k 28 days of commencement. £6.5k within 28 days of completion. Registered Provider to enter into a Nomination Agreement with the Council.	N/A	10,000
							Affordable Housing	Nomination Agreement between the Council and the Registered Provider under which the Council exercises its rights to nominate prospective occupiers for the Affordable housing Units in accordance with Part VI of the Housing Act 1996 section 159 and which agreement shall provide for the Council to have the right to nominate 100% of the prospective occupiers of the Affordable Housing Units initially and	N/A	N/A

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
								75% subsequently and the right to nominate on the first letting of a tenancy and any re-letting substantially in the form annexed hereto at.		
2018/2445	Unilateral	N/A	Y	Caterham-on-the-Hill	20/12/2019	Land off Anne's Walk, Caterham	Affordable Housing	Owner to notify the TDC & SCC within 5 working days in advance of Commencement of Development, Occupation of first dwelling, Occupation of final dwelling.	N/A	N/A
							Affordable Housing	Provide 12 affordable units.	12	N/A
							Transport	Not to occupy dwelling until sustainable travel contribution is paid to SCC.	N/A	75,000
2018/1325	Unilateral	2006/312 & 2015/2140	N/A	Whytleafe	12/03/2020	Former Gadoline House, 2 Godstone Road, Whytleafe, CR3 0EA	Affordable Housing	Affordable Housing Units = 24 flats - Affordable Rent 3 x 1 bed 5 x 2 bed and Shared Ownership 6 x 1 bed 10 x 2 bed.	24	N/A
							Affordable Housing	Prior to occupation of any open market housing the owners shall construct the affordable housing.	N/A	N/A
							Transport	The owners will provide a travel voucher to the value of	N/A	4,800

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
								£200 to the initial occupiers only.		
							Transport	Prior to occupation of any residential unit the owners shall submit Travel Plan to SCC for approval. (See discharge of planning conditions)	N/A	N/A
							Transport	Approval to be given prior to the first occupation of any residential units.	N/A	N/A
							Transport	Prior to the first occupation of any Residential Unit the Development owners shall pay SCC the commuted sum of £4,600 towards auditing and monitoring the Travel Plan.	N/A	4,600
							Affordable Housing	Approval to be given prior to the first occupation of any residential units.	N/A	N/A
2018/1325	Grant	2006/312 & 2015/2140	N/A	Whyteleaf	12/03/2020	Former Gadoline House, 2 Godstone Road, Whyteleaf, CR3 0EA	Affordable Housing	TDC to make a total grant payment of £244,000k to the housing provider towards the cost of affordable housing. To be made up of £144,000 paid to TDC by Aequitas Estates as stipulated in the	N/A	244,000

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
								Section 106 agreement dated 20.10.2017 and a reduction of £100,000 off the price of the land pending receipt of the grant.		
								To be made up of £144,000 paid to TDC by Aequitas Estates as stipulated in the Section 106 agreement dated 20,10,2017 and a reduction of £100,000 off the price of the land pending receipt of the grant. The first instalment of £183,000 to be paid to the Association on completion of Block A and the balance of £61,000 (24 flats) to be paid on receipt of the Completion Notice for Block E (8 flats).	N/A	N/A
2018/1325	Grant	2006/312 & 2015/2140	N/A	Whytleafe	12/03/2020	Former Gadoline House, 2 Godstone Road, Whyteleafe, CR3 OEA	N/A	On Completion of the Affordable Housing Units a summary giving a clear breakdown of the project costs and how the Affordable Housing Units have been funded, including the Associations total	N/A	N/A

Application No.	Obligation Type	Related Planning Application	Appeal Approved Y/N	Parish	Approved Planning Decision Date	Site Address	Contribution Type	Obligation Description	Units	Amount £
								contributions towards the project costs from its own funds and resources.		
							N/A	Completion Notice and Nomination Agreement (signed in duplicate) and an invoice from the Association for the relevant payment.	N/A	N/A
							N/A	Financial constraints on rented units.	N/A	N/A
							N/A	Disposal of Restrictions.	N/A	N/A
							N/A	Schedule 1 - Affordable Housing units	N/A	N/A

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3. Section 278 Agreements

Section 278 Agreements relate to Highways matters and are entered into with Surrey County Council. For the financial year 2019- 20 there were two such agreements entered into as set out in Table 2.

Table 2 provides the agreement date of the s278, the planning application it relates to, the parish it sits in, the approved date of the planning application, the site address and a description of the obligation.

As with the s106 obligations, the Council are aiming to utilise the updated software to provide more information where appropriate in the next year's Infrastructure Funding Statement.

Table 2: s278 agreements

Agreement Date	Application No.	Parish	Approved Planning Decision Date	Site Address	Obligation Description
02/12/2019	2018/2445	Caterham-on-the-Hill	20/12/2019	Land off Annes Walk, Caterham	Enter into S278 agreement with SCC & Completion of highways works SCC
28/02/2020	2018/1325	Whyteleafe	12/03/2020	Former Gadoline House, 2 Godstone Road, Whyteleafe CR3 OEA	Prior to first occupation the owner shall enter into a Section 278 agreement with SCC.

4. Community Infrastructure Levy

Community Infrastructure Levy (CIL) is a tariff-based charge on the development of new floorspace (per square metre) in the district. The money can be used to fund a wide range of infrastructure that is needed to meet the future growth needs of the district.

As a result of the recent changes to the regulations CIL is no longer restricted to projects identified in the Regulation 123 List.

CIL will be allocated on an annual basis through this Infrastructure Funding Statement to support the delivery of strategic infrastructure projects.

Neighbourhood CIL

Councils have a duty to pass on a proportion of CIL receipts to local neighbourhoods (this is known as the neighbourhood portion). As Tandridge is fully covered by parish councils, this portion is transferred from the District Council to parish council's twice a year (in April and October). The neighbourhood portion is capped at 15% per existing council tax dwelling in each parish (but rises to 25% and is uncapped in areas where a neighbourhood plan has been 'made' (adopted)).

The neighbourhood portion of the levy must be spent on the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on an area.

Returns from parish councils are received from Parish Councils every April-June at the same time when they one payment of their CIL proportion, the other one being made in October. The returns request information asks for any expenditure of CIL fund spent by the parish council. This is set out on the Council's website in a separate parish council returns report produced annually¹.

Matters to be included in the funding statement for CIL 2019/2020.

Schedule 2 of Regulation 121A of the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 sets out 'matters to be included in the annual infrastructure funding statement. These matters are related to CIL and are set out in Table 3 below. The reporting year is from 1st April 2019 to 31st March 2020.

Table 3: The matters to be included in the Funding Statement for CIL

Matters to be included in Schedule 2 of the CIL Regulations 2019	Reported Year
(a) the total value of CIL set out in all demand notices issued in the reported year;	£2,191,552.24
(b) the total amount of CIL receipts for the reported year;	£3,284,038.47 Total, of which Tandridge District retains £2,621,381.81 after admin deducted.
(c) the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year but which have not been allocated;	Allocated £150,000 for Smallfield flood alleviation second payment before the reported year.

¹ <https://www.tandridge.gov.uk/Planning-and-building/Planning-strategies-and-policies/Current-and-adopted-planning-policies/Community-Infrastructure-Levy/Spending-the-Community-Infrastructure-Levy-and-reports>

<p>(d) the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year and which have been allocated in the reported year;</p>	<p>(e) below refers.</p>
<p>(e) the total amount of CIL expenditure for the reported year;</p>	<p>The Strategy and Resources Committee agreed that £250,000 per annum up to 2022 from the CIL fund to be used towards the joint Surrey County Council Feasibility Studies. The Terms and Conditions of the SCC feasibility fund have been finalised in 2020.</p>
<p>(f) the total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year;</p>	<p>As (c) and (e) above</p>
<p>(g) in relation to CIL expenditure for the reported year, summary details of—</p> <p>(i) the items of infrastructure on which CIL (including land payments) has been spent, and the amount of CIL spent on each item;</p> <p>(ii) the amount of CIL spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part);</p> <p>(iii) the amount of CIL spent on administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation;</p>	<p>(i) As (e) above</p> <p>(ii) nil</p> <p>(iii) £164,201.92 (5%)</p>
<p>(h) in relation to CIL receipts, whenever collected, which were allocated but not spent during the reported year, summary details of the items of infrastructure on which CIL (including land payments) has been allocated, and the amount of CIL allocated to each item;</p>	<p>(h) As above £250,000 per annum joint feasibility funding allocated not spent.</p>
<p>(i) the amount of CIL passed to—</p> <p>(i) any parish council under regulation 59A or 59B; and</p> <p>(ii) any person under regulation 59(4);</p>	<p>(i) £498,454.74</p> <p>(ii) nil</p>

<p>(j) summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year including—</p> <p><i>Note: 59E relates to the recovery of CIL where a local council has not spent CIL within 5 years of receipt or has spent CIL on non-infrastructure items. 59F relates to how CIL should be applied in non-parished areas.</i></p> <p>(i) the total CIL receipts that regulations 59E and 59F applied to;</p> <p>(ii) the items of infrastructure to which the CIL receipts to which regulations 59E and 59F applied have been allocated or spent, and the amount of expenditure allocated or spent on each item;</p>	<p>(i) – (ii) Nil</p>
<p>(k) summary details of any notices served in accordance with regulation 59E, including—</p> <p>(i) the total value of CIL receipts requested from each parish council;</p> <p>(ii) any funds not yet recovered from each parish council at the end of the reported year;</p>	<p>(i) – (ii) Nil</p>
<p>(l) the total amount of—</p> <p>(i) CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied;</p> <p>(ii) CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied;</p> <p>(iii) CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year;</p> <p>(iv) CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year.</p>	<p>(i) £4,474,620.75 retained by Tandridge District Council £502,605.92 retained by Parish retained amount (to March 20)</p> <p>(ii) £230,403.06 at 18/19 retained</p> <p>(iii) nil</p> <p>(iv) nil</p>

Community Infrastructure Levy Expenditure

This section sets out how CIL income will be spent and prioritised over the next reporting period (as per the requirements set out in relevant planning practice guidance and the CIL regulations).

The level and timing of CIL funding will depend on the nature and scale of development, the number of implemented planning permissions, build-out rates, and the phasing of development etc.

CIL receipts have been committed and spent on the following projects in Table 4 and Table 5 respectively.

Table 4: Community Infrastructure Levy Committed Projects

Ward	Description	Estimated timescale	Estimated CIL £
Burstow	Burstow Road Safety Scheme	2020-2022	£360,000
Oxted	Master Park Pavilion	2021-2023	£500,000
Whyteleafe	Whyteleafe Surgery	2020-2021	£502,000
Burstow	Smallfield Flood Alleviation Scheme	2021-2022	£150,000
TOTAL:			£1,512,000

Table 5: Community Infrastructure Levy Spent Projects

Ward	Description of scheme	Delivered date	Cost
Burstow	Smallfield Flood Alleviation Scheme	2017	£150,000
TOTAL:			£150,000

Further work on the governance arrangements and prioritisation programme around CIL spending is to be undertaken by the Council next year.

5. Conclusion

This report has been prepared in accordance with the CIL (Amendment) (England) Regulations 2019. It provides an overview of s106 and s278 agreements over the year 2019/2020 as well as CIL payments received, committed and spent.