

## INFRASTRUCTURE FUNDING STATEMENT – PRIORITIES

Cabinet – 14th December 2023

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

**Status:** For recommendation to Cabinet

**Also considered by:** Development and Conservation Advisory Committee – 12 December 2023

**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 31<sup>st</sup> December 2023. 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. Simon Reay

**Contact Officer(s):** Carlyn Kan ex 7264, Emma Henshall ex 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 21-33 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 4<sup>th</sup> August 2014. From this date until beginning of November 2023, the Council has collected just over £15 million in CIL contributions.
- 2 The Government's updated CIL Regulations came into effect on 1<sup>st</sup> 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 31<sup>st</sup> 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 its new 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 2022, 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 2022 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:

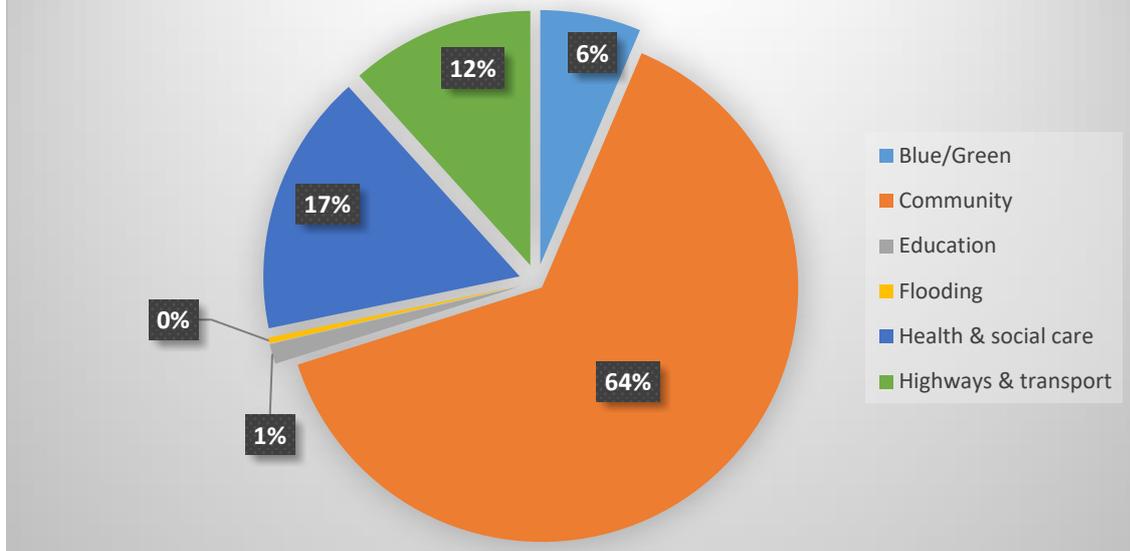
	<b>Infrastructure Type</b>	<b>Projects</b>
1	Flooding	Upper Darent Flood alleviation scheme
2	Highways and Transport	<ul style="list-style-type: none"> <li>• Swanley transport improvement measures;</li> <li>• Junction 3 M25 Swanley – improvements required to address increased capacity and accessibility for pedestrians;</li> <li>• Improvements to bus services in and around Swanley;</li> <li>• Junction improvements at Bat &amp; Ball;</li> <li>• Edenbridge junction improvements; and</li> <li>• Edenbridge – sustainable transport improvements.</li> </ul>
3	Utilities	<ul style="list-style-type: none"> <li>• Badgers Mount water supply upgrades; and</li> <li>• Swanley supply water upgrades.</li> </ul>

	Infrastructure Type	Projects
4	Health and Social Care	<ul style="list-style-type: none"> <li>• Northern Sevenoaks Health;</li> <li>• Swanley;</li> <li>• Hextable;</li> <li>• Farningham;</li> <li>• New Ash Green;</li> <li>• Hartley;</li> <li>• Fawkham;</li> <li>• South Darent;</li> <li>• Expansion of GP Practices in Sevenoaks Urban Area; and;</li> <li>• To increase the capacity of Otford Health Services (related to Fort Halstead).</li> </ul>
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 Net Zero ambitions and its mental health and wellbeing agenda.
7	Education	No specific projects are identified in the IDP for the next 5 years, the need for education facilities will be on going over the plan period and subject to change as new development comes forward.
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?

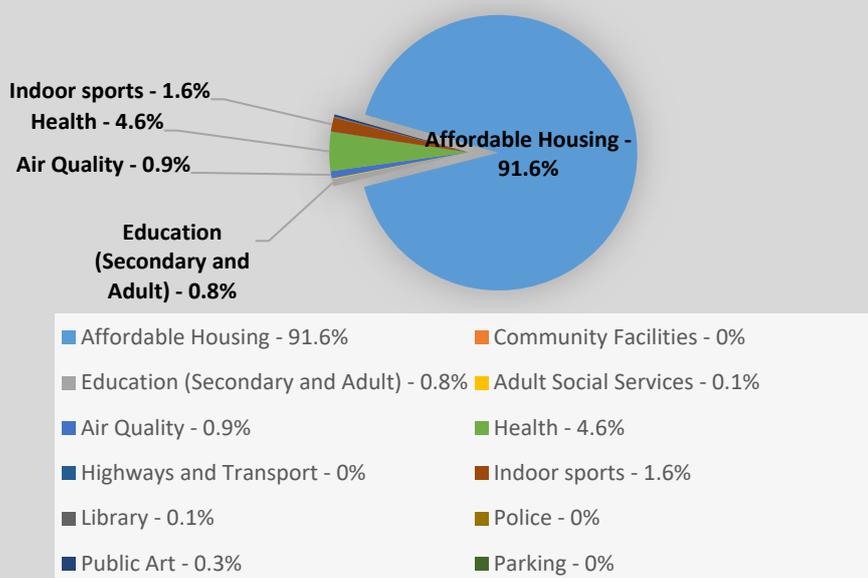
- 8 The following chart shows how CIL funding has been allocated since the introduction of the Council's Charging Schedule in 2014. Further detail can be found at **Appendix E**.

## CIL Spend since 2014 to date



- 9 The majority of funding has been spent on Community Facilities (64%), including village halls and playgrounds. The second largest allocation is for Health and Social Care (17%), where CIL has been awarded to a health centre in Edenbridge and a health pod in Otford. Thirdly, Highways and Transport has received 12% of funding, including proposals to improve train stations and footpaths.
- 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.

## Section 106 Monies Received 2014 to date



### Evidence in the Local Plan and Infrastructure Delivery Plan

#### Local Plan

- 12 Members will be aware of the Council's Regulation 18 version of the emerging Local Plan, which was consulted on between 16 November 2022 to 11 January 2023. This focused on the potential to make best and most efficient use of land in existing settlements.
- 13 The Council is currently undertaking a second Regulation 18 version of the emerging Local Plan which will run until 11<sup>th</sup> January 2024. This continues to focus on development opportunities in built up areas, but also considers Green Belt land in exceptional circumstances.
- 14 The Plan sets out three development scenarios or growth options. All of the options include, as a baseline, the sites which were found to be suitable through the Strategic Housing and Employment Land Availability Assessment process, including sites within settlements and on the edge of higher-tier settlements, in the Green Belt.

	Baseline	Option 1 'Multiple sites'	Option 2 'Settlement'	Option 3 'Combined'
Suitable sites – within existing settlements / edge of higher-	✓	✓	✓	✓

	Baseline	Option 1 'Multiple sites'	Option 2 'Settlement'	Option 3 'Combined'
tier settlements, in the Green Belt				
AONB and Green Belt sites on the edge of higher-tier settlements		✓		✓
Standalone settlement in AONB and Green Belt (Pedham Place)			✓	✓
Approximate total	8,500	9,500	11,000	12,000
Summary	Does not meet need	Approx. Meets need	Meets need	Exceeds need

- 15 The Plan contains policies on infrastructure provision to reflect the latest evidence and to ensure that any growth is supported by appropriate and timely infrastructure.

### Infrastructure Delivery Plan (IDP)

- 16 The most recent IDP can be found at 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 any planned works, identified need and pinch points for Sevenoaks District.
- 17 Engagement with infrastructure providers has 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.
- 18 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

- 19 Infrastructure requirements for major development sites coming forward for development in the District will be included in the latest version of the IFS.

## Priorities for spending this year

- 20 Notwithstanding the progress on the emerging Local Plan and its associated evidence, there have been no significant alterations to the IDP, but some refinements are proposed based on engagement with infrastructure providers. 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 recommended for approval.

## Flooding

- 21 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

- 22 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;
  - Improvements to bus services in and around Swanley;
  - Junction improvements at Bat & Ball;
  - Edenbridge junction improvements; and
  - Edenbridge – sustainable transport improvements.
- 23 The IDP Statement 2022 includes a summary of Kent County Council Highways response which states the Four Elms planning application 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 growth location 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

- 24 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.
- 25 Edenbridge is identified as a location requiring increased clean water 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 clean water capacity in Edenbridge is included as funding priority in the forthcoming IFS.

### **Health and Social Care**

- 26 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:
- Edenbridge Memorial Health Centre
  - 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.
- 27 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.
- 28 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**

- 29 Affordable housing continues to be an acute need across the District. The priority is for developers to provide affordable units on site. When financial contributions are received, their use will reflect our current planning policies and Supplementary Planning Documents. The income will be spent in accordance with the appropriate legal agreements and portfolio holder discussions.

## **Corporate Priorities**

- 30 It is proposed that projects which 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**

- 31 Kent County Council 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
  - In/around Edenbridge: Requirement for the expansion of existing primary schools
  - West Kingsdown: Requirement for the expansion of the existing primary school
- 32 The need for education facilities will be on going 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**

- 33 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**

- 34 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. It is therefore proposed that the provision of developer contributions towards community facilities is not an identified priority in this year's IFS.

## **Other options Considered and/or rejected**

- 35 The provisions of this report are based on the latest available evidence and discussions with officers and members across the Council.
- 36 The Committee could determine that the 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 more appropriate.

## **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.

### Net Zero Implications

The decisions recommended through this paper have a remote or low relevance to the council's ambition to be Net Zero by 2030. 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.

## **Conclusions**

It is requested that the Committee agree to the following:

1. That the criteria for prioritising infrastructure projects for funding in the Infrastructure Funding Statement should remain.
2. That the specific projects and types of infrastructure recommended in paragraphs 21-33 of this report are identified in the IFS as having a priority for full or partial funding.

## **Appendices**

Appendix A – Last year's IFS Report to DCAC December 2022 and Cabinet December 2022

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**