

Infrastructure Funding Statement

Cabinet Member for Housing & Local Plan

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Agenda item: 5

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Key decision? YES

Local ward members All wards



Lichfield
District Council

Cabinet

1. Executive summary

- 1.1 The purpose of this report is to present the 2024 annual Infrastructure Funding Statement (IFS) and revised Infrastructure List (IL). The report also details the amount of Community Infrastructure Levy (CIL) and Section 106 (S106) monies received and spent during the 2023/24 financial year.
- 1.2 The IL outlines the strategic infrastructure projects that the council considers eligible for CIL funding applications in the financial year 2024/25. The IL reflects priorities identified in the Infrastructure Delivery Plan (IDP), adopted Local Plan, Lichfield District 2050 Strategy and ongoing discussions with infrastructure providers, including the Integrated Care Board (ICB) who confirmed their health care priorities.

2. Recommendations

- 2.1 To approve the publication of the IFS 2024 (attached at **Appendix A**) on the District Council website, in line with statutory requirements set out in the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019.
- 2.2 To note monies received, held and spent from CIL and s106 in the financial year 2023/2024.
- 2.3 To approve the proposed Infrastructure List (IL), which outlines a shortlist of strategic projects and/or types of projects eligible for CIL funding applications in 2024/2025.

3. Background

- 3.1 The requires local authorities to submit an annual [Infrastructure Funding Statement](#) (IFS) no later than 31st December of the reporting year. The 2023-24 IFS at **Appendix A** summarises the financial and non-financial developer contributions, also known as planning obligations, that Lichfield District Council sought and received for the provision of infrastructure in 2023-24.
- 3.2 The IFS is made up of three parts. Regulation 121A and Schedule 2 state that the IFS must include:
 - **An Infrastructure List (IL)** – A statement of infrastructure projects or infrastructure types the authority intends to be funded by CIL
 - **A Community Infrastructure Levy (CIL) report** – setting out required details on income and expenditure in relation to the previous financial year
 - **A Section 106 (S106) report** – setting out required details on planning obligations secured, received and spent within the previous financial year.

Key Headlines

CIL

- 3.3 In the financial year 2023/24, a total of £472,671.29 in CIL receipts was collected. Of this amount, £339,283.90 was collected for strategic infrastructure, though none was allocated for spending within the reporting year. £4,933.65 was collected for the Cannock Chase Special Area of Conservation and £23,633.56 was received for administrative expenses under CIL Regulation 61. Additionally, £109,753.83 in Neighbourhood CIL was collected and distributed to parish and town councils for local infrastructure projects.
- 3.4 Since Lichfield District Council started charging CIL on 13th June 2016, a total of £3,321,537.38 was collected for strategic infrastructure at 31st March 2024. Of this, £2,129,000.00 has been allocated, and £375,642.60 has been spent on strategic infrastructure projects. As of 31st March 2024, £816,894.78 remains unallocated for future strategic CIL spending.

Section 106

- 3.5 In the 2023/24 reporting year, the council received £1,586,982.41 through S106 obligations, primarily for open spaces, community facilities and Cannock Chase SAC mitigation. Non-financial obligations fulfilled included the delivery of 211 affordable homes. During this period, £516,308.11 of S106 funds were spent on Cannock Chase SAC mitigation, ecology, open space, and social and community projects.
- 3.6 As of 31st March 2024, the Section 106 balance was £4,342,325.68. Of this, £2,195,315.10 is allocated to specific projects, £542,120.15 is allocated for long-term open space maintenance, £71,011.07 for the Cannock Chase SAC and £573,364.53 for ecological mitigation. Additionally, £960,514.83 is committed to future projects that must meet the specific requirements outlined in the relevant Section 106 agreements.
- 3.7 More detailed information on CIL and S106 income and expenditure can be found in the main IFS report at **Appendix A**.

Infrastructure List

- 3.8 The IFS is required to detail the schemes or types of infrastructure that the council intends to “wholly or partly fund from CIL.”
- 3.9 The CIL Regulations specify that CIL income must be allocated as follows:
- Administration Fund: Up to 5% of CIL income can be used for implementing and administering CIL by the charging authority.
 - Neighbourhood Fund: 15% (subject to a cap based on the number of existing dwellings in the parish) rising to 25% in areas with a 'made' Neighbourhood Plan, is passed to the Parish Council where the contributing development is located.
 - Strategic Infrastructure: The remaining 70-80% must be spent on infrastructure that supports growth within the CIL Charging Authority's area.
- 3.10 In March 2024, Cabinet approved a proposal to replace the existing open bidding approach to CIL allocations with an Infrastructure List (IL) which sets out the types of scheme/infrastructure which the council will fund from CIL in the coming year. The IL is intended to provide clearer guidance to infrastructure providers, developers and residents and make it clear that only strategic infrastructure projects or types of projects that are on the IL will be funded through CIL.
- 3.11 It is important to note that the proposed IL relates only to the strategic element of CIL, while responsibility for the neighbourhood portion of CIL funds lies entirely with individual parish councils.
- 3.12 In March 2024 [Cabinet approved](#) the following measures:

- **Reinstatement of the officer led Strategic Infrastructure Group (SIG):** SIG was re-established with updated membership and revised Terms of Reference.
- **Introduction of an annual IL:** An annual list within the IFS was introduced, providing a shortlist of strategic projects or types of projects eligible for CIL funding in that financial year.
- **Revision of CIL governance and administration procedures:** The CIL governance and administration procedures were updated, along with guidance documents on the allocation and expenditure of CIL funds, to reflect these changes.

3.13 Following the adoption of the revised [CIL Governance and Administration Procedures](#), consultation with SIG and infrastructure providers was undertaken to develop a new IL which is detailed in Table 1.

Table 1 – 2024/25 Infrastructure List

Infrastructure Project	Notes	Main Delivery Body	Engagement with main delivery body
Healthcare provision	CIL funds may be used where evidence is provided that there is no local capacity and expansion of services is required to support growth across the district.	NHS Integrated Care Board	LDC has engaged with the Staffordshire and Stoke-on-Trent ICB to understand their strategic priorities within the district. ICB confirmed health priorities which include improved provision in Burntwood.
Transport infrastructure	Improvements to the Strategic Highway Network as identified by the National Highways and the transport improvement scheme from the integrated Transport Strategy for Lichfield district outlined by Staffordshire County Council.	Staffordshire County Council	Discussions held with Staffordshire County Council as part of Call for Sites funding through HS2, including projects such as Trent Valley Island, Lichfield Bus Station, Burntwood Transport Package and Sankeys Corner.
Environment and biodiversity	CIL funds may be spent on improving the public realm, landscapes and habitats and improving access to green space.	Environment Agency/Lichfield District Council/Staffordshire County Council	The LDC 2050 Strategy has committed to creating two new nature reserves in the district which, once identified, will require funding for

Infrastructure Project	Notes	Main Delivery Body	Engagement with main delivery body
			<p>technical surveys, production of management plans, capital works and ongoing maintenance.</p> <p>Potential candidate sites in process of being identified but further work is needed to establish the suitability of these sites long-term.</p>
<p>Low carbon initiatives/carbon investment fund</p>	<p>CIL funds can be used to support projects that contribute to achieving the Lichfield District 2050 Strategy goal of district-wide carbon neutrality by 2050.</p>	<p>Lichfield District Council</p>	<p>The council's Internal Carbon Reduction Plan has been revised and many of the actions in it require funding to realise (installation of solar panels, rollout of EV charging points across council car parks, electrification of street scene/ parks vehicles, etc.)</p> <p>A district-wide plan is in the early planning stage, and key stakeholders will be engaged to determine what actions will make most impact in the reduction of their carbon footprints.</p>

3.14 The proposed IL has been informed by the Infrastructure Delivery Plan (IDP), the adopted Local Plan and the Lichfield District 2050 Strategy, as well as input from SIG members and infrastructure delivery bodies, such as the NHS Integrated Care Board (ICB) and Staffordshire County Council. Additionally, a new IDP will be developed as part of the evidence base for the Local Plan 2043. The inclusion of a

project or type of infrastructure on the IL does not imply a commitment by the council to fund it (either fully or partially) through CIL, nor does the order of the projects on the list indicate priority.

- 3.15 Infrastructure providers responsible for projects on the IL will need to formally apply for funds from the central strategic CIL pot through a structured application process to support the delivery of the listed infrastructure. Applicants will be required to present strong, evidence-based cases, including detailed delivery plans for their proposed projects, along with information on potential and secured match funding.
- 3.16 It is important to recognise that CIL funding alone is rarely sufficient to fully finance projects that support growth and advance the objectives of the Local Plan and the Lichfield District 2050 Strategy. Therefore, CIL must be leveraged alongside other funding sources, such as the Shared Prosperity Fund, contributions from other public bodies, or funding available to town and parish councils. This approach is reflected in the [Allocating and Spending CIL Additional Guidance](#).
- 3.17 It is also important to note that the primary purpose of CIL is to fund infrastructure that is directly linked to supporting or mitigating the impact of plan led growth and new development. The current planning context is set by the adopted Local Plan to 2029 and the [Developer Contributions SPD](#) (2016). The above list has been drawn up with regard to the priorities and policies set out within these documents, as well as the Lichfield 2050 Strategy and IDP.
- 3.18 The IL will be reviewed annually by SIG and Overview & Scrutiny Committee prior to approval by Cabinet, in line with the approved CIL governance arrangements. A new bidding round will be opened each year in line with the updated IL. Organisations with smaller or less strategic projects that previously submitted bids under the former system will be advised to explore alternative funding options, including accessing neighbourhood CIL funds available through parish councils.

Next steps

Subject to Cabinet approval of the IL, the proposed timetable for the next CIL bidding round is set out in Table 2.

Table 2 – CIL bids timetable

Date	Action
03 October 2024	IL/IFS report presented to O+S
08 October 2024	IL/IFS report presented to Cabinet
16 October 2024	Call in period ends
17 October 2024	SIG Meeting takes place to update all members and update on other S106 projects
21 October 2024	Launch date for EOI sent to infrastructure providers for CIL applications
22 November 2024	Closing date for CIL applications
29 November 2024	Applications sent to SIG Bid Assessor Group
04 December 2024	SIG Bid Assessor Group return scores
06 December 2024	SIG Bid Assessor Group Moderation takes place
09 December 2024	SIG Bid Assessor Group Scores shared with wider SIG
11 December 2024	SIG meeting takes place to sign off scores
14 January 2025	CIL allocations report presented to Cabinet
21 January 2025	Call in period ends
22 January 2025	Successful applicants made aware of decision
01 February 2025	Grant agreements sent to successful parties
01 June 2025	Progress update from successful projects shared with SIG

<p>Alternative options</p>	<p>IFS Financial Report:</p> <ul style="list-style-type: none"> No other options have been considered as the IFS is a factual record setting out developer contributions received and how they have been used. It is a legal requirement to publish an IFS no later than 31st December each year. The content is dictated by the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019. <p>Infrastructure List:</p> <ul style="list-style-type: none"> The council could choose to not adopt the proposed Infrastructure List and revert to the previous process of open bidding. This may result in a larger number of projects bidding for CIL monies and risks CIL being awarded to projects that do not support the Local Plan but score highly using the previous criteria. This approach would contradict the council's own adopted procedures and the requirements set out in the Community Infrastructure Regulations. As such, a new approach would need to be established to ensure the council undertakes its duties in respect of planning obligations. The council could establish an alternative approach to the governance and administration of CIL monies to that proposed. The council can adopt any approach it sees fit, however the one proposed has regard to best practice from other authorities and was approved by Cabinet on 5th March 2024.
<p>Consultation</p>	<ul style="list-style-type: none"> The report has been prepared following consultation with Overview and Scrutiny Committee on 30th January 2024, Cabinet on 5th March 2024 and the Strategic Infrastructure Group on 30th April and 25th July. Consultation with those bodies responsible for the delivery of infrastructure including Staffordshire County Council (Transport and Education), ICB (Health), Environment Agency and internal departments and stakeholders to inform the proposed IL. In line with the adopted CIL Governance Administration Procedures, the Infrastructure List will be presented to Overview and Scrutiny committee on 2 October 2024. A supplementary report, noting the comments from O&S will be prepared following that meeting and presented to Cabinet with this report.
<p>Financial implications</p>	<ul style="list-style-type: none"> Paragraphs 3.3 and 3.8 of the report set out the status of the council's CIL and S106 balances. The IFS is a financial statement of account on a range of information relating to the approval, receipt, allocation and spend of S106 and CIL developer contributions within the 2023/24 financial year. Whilst there are no direct financial implications arising from this report, the balance of remaining CIL and S106 funds will need to be considered for any future allocation to the types of infrastructure listed in the Infrastructure List. The approval of the IFS/IL will not affect the relevant CIL allocations to Parish and Town Councils or the use of the 5% CIL administration fee by the Council. Up to 5% of funds collected via the levy can be retained by the Charging Authority to recover the cost of the administration and management of the levy. For the monitoring year 2023/24, £23,633.56 (5%) of the funds collected were retained by the Council for these purposes.

Approved by Section 151 Officer	Yes
Legal implications	<ul style="list-style-type: none"> Local authorities are required to submit an IFS no later than 31st December of the reporting year. This is a mandatory requirement set out within the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019). The second part of this report relates to changes required to the council's CIL allocations process. The proposed Infrastructure Funding Statement and Infrastructure List will need to be approved by Cabinet.
Approved by Monitoring Officer	Yes
Contribution to Lichfield District 2050	<ul style="list-style-type: none"> The proposed IL enhances the clarity and transparency of Lichfield District's infrastructure planning process, reinforcing the Lichfield District 2050 Strategy's 'infrastructure first' approach to growth and development across the district. Including transport projects in the IL aligns with the goal of developing diverse transport options and enhancing public transport services across the district. Environment and biodiversity projects in the IL support the ambition to invest in green spaces, contributing to improved health, wellbeing, and physical activity levels. Delivering a new leisure centre at Stychbrook Park in north Lichfield is a key objective of the 2050 Strategy, partially funded through S106 contributions from housing developments across the district. Plans to enhance district-wide leisure facilities—including adventure golf, climbing walls, padel tennis and obstacle course racing—are bolstered by a £1.4 million allocation of the council's CIL strategic fund. Including low-carbon initiatives in the IL supports the goal of achieving district-wide carbon neutrality, helping mitigate the impact of climate change. Allocating CIL and S106 funds to the Cannock Chase SAC Partnership will aid in restoring lowland heathland and habitats connecting Cannock Chase to Sutton Park. The inclusion of environment and biodiversity projects in the IL could help to support the introduction of two new nature reserves, pocket parks and wildlife ponds. Funding allocations from S106 and CIL to the River Mease SAC will support river restoration efforts and contribute to the protection of rare species and habitats.
Data assessment	<ul style="list-style-type: none"> The Social Progress Index will be a useful tool as part of the decision-making process in determining where to direct CIL and S106 funding, to ensure that it is addressing the needs of our communities and mitigates the demands arising from new development.
Equality, diversity, and human rights implications	<ul style="list-style-type: none"> Any future allocation of CIL or S106 will be assessed for its equality implications.

EIA logged by Equalities Officer	Yes
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Crime & safety Issues	There are no crime and safety issues.
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Environmental impact (including climate change and biodiversity)	<ul style="list-style-type: none"> The IFS sets out the council's commitment to utilising developer contributions for enhancements to environmental improvements, low carbon and biodiversity initiatives.
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GDPR / privacy impact assessment	<ul style="list-style-type: none"> Organisations applying for CIL funding will need to provide personal details, including name and contact information. A DPIA will be completed once the details of the CIL application scheme have been finalised.
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	Risk description & risk owner	Original score (RYG)	How we manage it	New score (RYG)
A	Without the appropriate spending of CIL, the District Council will not be undertaking its statutory duty as a charging authority to spend funds that assist in mitigating the impact of development, which benefits local communities and supports the provision of local infrastructure.	Likelihood: Green Impact: Yellow Risk: Yellow	The recommended course of action seeks to set a strategic infrastructure list as part of the annual IFS. This will provide clarity as to the types of projects which will be funded by CIL and ensure that funds will be effectively monitored, and future funds are allocated appropriately.	Likelihood: Green Impact: Green Risk: Green
B	Not approving the Infrastructure List could result in less strategic projects scoring highly against existing CIL bidding criteria, even if they do meet a recognised infrastructure need within the district.	Likelihood: Red Impact: Yellow Risk: Yellow	The report seeks to shorten the list of strategic infrastructure projects on the Infrastructure List to ensure that CIL helps to deliver strategic infrastructure to support planned growth.	Likelihood: Green Impact: Green Risk: Green
C	Not publishing the IFS would likely lead to an increase in the number of FOI requests in relation to developer contributions income and spending.	Likelihood: Yellow Impact: Yellow Risk: Yellow	Publishing the IFS will avoid the cost of answering individual FOIs in relation to developer contributions and reduce staff time in responding to such requests.	Likelihood: Green Impact: Yellow Risk: Yellow

Background documents	Lichfield District Council Community Infrastructure Levy Charging Schedule Infrastructure Funding Statement Infrastructure Delivery Plan Adopted Local Plan
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Relevant web links	Overview and Scrutiny Report – 30th January 2024 Cabinet Report – 5th March 2024
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