

London Borough of Enfield

Regeneration and Economic Scrutiny Committee

Meeting Date: 30 November 2022

Subject: Infrastructure Funding Statement 21/22

Cabinet Member: Cllr Nesil Caliskan
Executive Director: Joanne Drew

Purpose of Report

1. For information
2. To update members on the income, allocation and spend of Section 106 and the Community Infrastructure Levy.

Relevance to the Council Plan

3. The approach to the current spending and allocation of CIL and S106 funding has been developed to support the overarching priorities set out in the Enfield Council Plan. These are detailed as follows:
4. Good homes in well-connected neighbourhoods: CIL and S106 income will be used to effectively plan and coordinate the delivery of infrastructure and service provision across the borough to meet the demands arising from new development.
5. Sustain strong and healthy communities: CIL and S106 income will be spent in a way that supports development and the creation of sustainable, attractive, and healthy communities, as set out in the Enfield Council Plan, especially in terms of the provision of new infrastructure and supporting services.
6. Build our local economy to create a thriving place: CIL and S106 income will make a significant positive contribution to infrastructure investment and place-making in the borough

Background

7. Each year, the Council is required by the CIL Regulations to outline within its IFS how much CIL and S106 money has been collected and spent over the course of the financial year and how it will be spent to fund infrastructure over the next reporting period.

8. CIL is a tariff-based charge on most new developments, such as homes, retail and commercial developments, in the borough. The money raised through the levy is used to fund a wide range of infrastructure that is needed as a result of development.
9. Section 106 agreements are used to mitigate the impacts of development at the site-specific level and support the provision of services and infrastructure such as highways, recreational facilities, education, employment and skills, health, and affordable housing in association with planning applications. These monies, once received, are ringfenced to spend on the projects identified under the terms of the legal agreement. In most cases, a section 106 agreement specifies how the money collected from the development must be spent.
10. Unlike section 106 agreements, CIL is non-negotiable and can be levied on a much wider range of developments (although there are some exceptions, such as small-scale affordable housing and self-build projects).
11. Enfield also collects separate CIL payments on behalf of the Mayor of London (see section 2 and table 1 in appendix 1).
12. In February 2020, Cabinet/Full Council (KD 5029) gave delegated authority to the Executive Director of Place in consultation with the Cabinet Member for Strategic Planning to approve the publication of future Infrastructure Funding Statements. The same report set up governance arrangements for allocating and spending CIL and S106 in line with the regulations. This year the council has prepared a supplementary publication (see Appendix 02) providing an overview of projects that have been supported through S106 and CIL funds in the borough during the 2021/22 financial year.
13. Both the MCIL and LBE CIL receipts collected in the 21/22 are significantly greater than in the previous financial year 20/21. (See appendix 1, tables 1 and 4). The IFS 21/22 reports that the Council collected:
 - £2,434,208 in Mayoral CIL
 - £3,877,557 in LBE CIL
 - £2,935,999 in financial S106 planning contributions
14. During the 21/22 financial year of the LBE CIL receipts:
 - £3,096,657 (80%) of receipts were apportioned to the Strategic CIL balance.
 - £587,278 (15%) of receipts were apportioned to the Neighbourhood CIL balance.
 - £193,623 (5%) of receipts were apportioned to the administrative portion of LBE CIL.
15. The Council transferred £2,434,208 (96%) of MCIL to Transport for London and retained £97,369 (4%) of MCIL which were used to fund the costs associated with administering Mayoral CIL by the Council.

16. In 21/22, £5.8million of Strategic CIL has been used to fund three key infrastructure projects, which include Enfield Town Liveable Neighbourhoods, the Dugdale Centre refit and the Exeter Road Estate regeneration scheme (see appendix 1, table 5). These allocations have been allocated in line with the current spending priorities for strategic CIL which include:
- Public realm and environmental improvements within the borough's town centres.
 - Major upgrades to the cultural facilities within the borough's main town centres.
 - Sustainable transport links to town centres and key gateways.
 - Community facilities within estate regeneration sites and major town centres.
17. In 21/22 the first allocation of NCIL receipts took place under the Neighbourhood fund with £587,278 allocated to a total of 14 projects (see appendix 1, table 7).
18. In 21/22, £1,897,880 in S106 contributions was allocated to 8 projects (see appendix 1, table 8). A further £1.7 million is allocated to a further 10 projects with draw down yet to take place.

Main Considerations for the Panel

19. To note the important financial role the Community Infrastructure Levy and S106 obligations have in generating revenues used towards the delivery of key infrastructure projects in the London Borough of Enfield
20. Infrastructure covers a broad range of items and Planning Contributions have provided the Council with the opportunity to transform neighbourhoods, support vulnerable communities and redistribute funds among the borough's most disadvantaged areas as part of the Council's ongoing commitment to tackle inequality.
21. Enfield Council hope to continue to fund innovative projects that will help reduce deprivation, improve the physical and social environment, and widen access to opportunities, such as jobs, training, and local services.

Conclusions

22. The ability of the council to effectively deploy its resources is essential to the delivery of the aims of the Enfield Council Plan as well as achieving the vision of being 'a modern council'.
23. The Infrastructure Funding statement (see appendix 1) provides up to date information to the public and other stakeholders on how CIL and section 106 contributions are supporting new development and infrastructure provision in Enfield.

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Appendices

Appendix 1. Infrastructure Funding Statement 2020/21

Appendix 2. Infrastructure Delivery in Enfield: Annual Achievements 2021/022