

# Report to the Cabinet

Date of meeting: Monday 9 December 2024



**Epping Forest  
District Council**

**Portfolio:** Shaping our District Portfolio Holder

**Subject:** Infrastructure Funding Statement

**Responsible Officer:** Nick Finney, Nigel Richardson, Interim Implementation Team Manager, Service Director (Planning Development)  
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## Recommendations/Decisions Required:

- (1) That the Infrastructure Funding Statement 2023/2024 (see Appendix 1) is agreed for online publication by 31 December 2024.
- (2) That the Delivering Infrastructure in the District: Developer Contributions Strategy monitoring fee schedule be adjusted to set a minimum monitoring contribution of £150.

## Executive Summary:

This report provides the annual Infrastructure Funding Statement (IFS). Appendix 1 sets out the proposed Infrastructure Funding Statement for the District for 2023/2024. The IFS applies to financial year 2023/2024 and sets out s106 legal agreements completed in that year, the types and values of contributions included in the agreements and the monies paid to the Council.

At the close of 2023/2024 financial year the s106 funds retained amounted to £3,164,600.15. The table below provides a break-down of these retained sums.

Topic	Sum	Status
Epping Forest Special Area of Conservation - Recreational Pressure Contributions	£434,987.64	Funds to be utilised on the implementation of the Strategic Access Management and Monitoring Strategy partnership agreement. The strategy includes a range of measures to mitigate the impact of visitor pressure on the forest.  The full balance has subsequently been transferred in the current financial year (FY) to the Epping Forest Conservators as the strategy delivery body.
Epping Forest Special Area of Conservation - Air Quality Contributions	£257,148.35	Funds to be utilised on an ongoing basis to support activities within the Interim Air Pollution Mitigation Strategy including air quality monitoring.

Epping Forest Special Area of Conservation - Roding Valley Recreational Ground Enhancement Project	£318,102.23	Funds to be utilised for the enhancement project which is currently at a scheme development stage.
Green Infrastructure	£204,734.49	Miscellaneous project specific sums to be deployed in the delivery of the EFDC Green Infrastructure Strategy.
Primary Healthcare	£265,618.31	Funds to be utilised for capacity enhancement works to primary healthcare facilities in the vicinity of the relevant developments. Hertfordshire and West Essex Integrated Care Board will draw down the funds as projects are implemented.
Stansted Abbot Parish Room Contribution	£141,399.13	Project funds to be drawn down as project for utilisation is identified and confirmed.
Affordable Housing – Payments in Lieu	£1,495,145.91	Funds ringfenced and to be utilised as part of the EFDC Council House building programme.
Miscellaneous project specific small sums	£47,473.27	
Total	£3,164,600.15	

### Reasons for Proposed Decision:

To comply with the Council's general obligations as a local planning authority and the requirements set out in national planning guidance. Every Local Authority is required to publish an Infrastructure Funding Statement ('IFS') by 31 December each year that sets out the amount of planning obligation expenditure where funds have been allocated.

National Planning Practice Guidance sets out that:

*"Reporting on developer contributions helps local communities and developers see how contributions have been spent and understand what future funds will be spent on, ensuring a transparent and accountable system."*

*Paragraph: 172, Reference ID: 25-172-20190901*

The Council's Infrastructure Delivery Plan has identified the infrastructure projects that are required to deliver development in the District to 2033.

### Other Options for Action:

Not to update members on the progress on the above issues would be contrary to the commitment made by the Implementation Team as noted in the 18 October 2018 Cabinet Report.

Not to publish the Infrastructure Funding Statement within the deadline would result in a failure to comply with the Community Infrastructure Levy Regulations.

## Report:

1. Authorities are required to prepare Annual Infrastructure Funding Statements. Appendix 1 sets out the proposed Infrastructure Funding Statement for the District for 2023/2024. The Infrastructure Funding Statement (IFS) applies to financial year 2023/2024 and sets out s106 agreements completed in that year, the types and values of contributions included in the agreements and the monies paid to the Council. The IFS also sets out how the s106 income will be spent and prioritised over the plan period. The IFS does not consider the Community Infrastructure Levy as one has not been put into place in EFDC at the current time.
2. Subject to meeting the three tests set out in regulations charging authorities can use funds from S106 planning obligations to pay for the same piece of infrastructure regardless of how many obligations have already contributed towards an item of infrastructure. The tests that must be satisfied for obligations to be required in respect of development proposals must be:
  - necessary to make the development acceptable in planning terms;
  - directly related to the development; and
  - fairly and reasonably related in scale and kind to the development.
3. In line with recommended practice the Council has been monitoring data on section 106 planning obligations in line with the Government's data format. This data includes details of the development and site, what infrastructure is to be provided including any information on affordable housing, and any trigger points or deadlines for contributions. Local authorities should also record when developer contributions are received and when contributions have been spent or transferred to other parties.
4. The Council procured an online s106 tool known as Exacom that enables the administration, monitoring of current, historic S106 contributions and future contributions that the Council will be required to secure to deliver the infrastructure for the growth included in the emerging Local Plan.
5. In line with the Infrastructure Delivery Plan the Council will be seeking a broader range of developer contributions in order to deliver the growth identified in the emerging local plan.
6. For larger developments the use of S106 agreements will extend to strategic infrastructure such as new schools; primary healthcare; and strategic highway and transportation improvements if they are needed as part of the development.
7. The Council has produced guidance, Delivering Infrastructure in the District: Developer Contributions Strategy on the approach to seeking developer contributions that provides a framework for the consideration of proposals to ensure that the appropriate infrastructure is realised in accordance with the policies in the Local Plan. It also set out how s106 contributions will be managed and monitored.
8. The Council has a s106 funding grant scheme to allocate s106 monies for local community facility mitigation when funds are held and can be used for that purpose. This is open to all community-based organisations that operate on a not-for-profit basis in Epping Forest District. The application process seeks to capture all the information required to enable a fair and considered assessment. It is important to note that S106 monies may therefore

only be spent on facilities where the new development has, at least in part, contributed to the need for the facilities. s106 funding is available for capital projects only. Revenue funding towards on-going running costs is not available.

9. The District Council is the accountable body for the spending of S106 monies and therefore must ensure that:
  - The funding is spent on facilities that can be demonstrated to be required because of the new development taking place
  - The process is transparent and fair to all
  - Projects supported are necessary, viable, will deliver the required social and community benefits, and will be well managed.
10. At the close of 2023/2024 financial year the s106 funds retained amounted to £3,164,600.15. The table included in the Executive Summary of this report provides a break-down of those retained sums. The sums will be released for the purpose that they were secured as projects are implemented.
11. Subsequently to the 2023-2024 reporting year the first payment has been made to the City of London Corporation as Conservators of Epping Forest under the terms of the Epping Forest SAC Strategic Access Management and Monitoring (SAMM) Strategy 2021. The sum of £434,987.64 paid, represented receipts in 2023-2024 and all proceeding years.
12. The Council is allowed to charge a fee through section 106 agreements to contribute towards the cost of monitoring and reporting on developer contributions. The regulations state that this fee should be "fair" and "reasonable" and reflect the authority's estimate of the cost of monitoring. The EFDC Cabinet Meeting of the 11th July 2019 endorsed the default position for administration charges being 5% of the total contributions (up to a maximum of £50,000). Subsequent to that position the monitoring burden of the large number of low value EFSAC Mitigation Contributions has become clear. To rectify that position and ensure reasonable monitoring fees are paid it is proposed that a minimum monitoring contribution of £150 is set. The position will therefore be 5% of the total contributions but with a minimum level of £150.

### **Scrutiny Comments**

N/A

### **Resource Implications:**

The noting of the contents of this report do not give rise to additional resource implications.

### **Legal and Governance Implications:**

The IFS has been developed in accordance with Government policy (NPPF and NPPG) and Planning Law.

### **Consultation Undertaken:**

N/A

### **Background Papers:**

N/A

**Risk Management:**

N/A

**Equality:**

An Equality Impact Assessment was carried out and there was no significant impact.  
(Please amend as required - Note the EIA must be carried out and retained but is not required to be submitted)