

Divisions Affected - All

CABINET

17 December 2024

Infrastructure Funding Statement 2023/24

Report by Director of Economy and Place

RECOMMENDATION

1. **The Cabinet is RECOMMENDED to**
 - a) **Consider the content of the Infrastructure Funding Statement 2023/24**
 - b) **Approve the publication of the report onto the Oxfordshire County Council website**
 - c) **Delegate authority to make any minor amendments to the report prior to its publication to the Director of Economy & Place in consultation with the Chief Executive**
 - d) **Note the comments from the Place Overview & Scrutiny Committee set out at paragraph 15**

Executive Summary

2. The Infrastructure Funding Statement is a statutory statement of fact to be reported annually, by 31 December 2024 on developer contributions secured, spent or received during the previous financial year, 1 April 2023 – 31 March 2024.

3. The Infrastructure Funding Statement will be published on the authority's website and shows that:

- a) The county council secured 53 new planning obligations in 2023/24 for developer contributions worth £59m;
- b) £33.5m funding was spent on projects in 2023/24;
- c) £64.7m of developer contributions were received in 2023/24, mainly for education and transport;
- d) Future service priorities to be funded either in full or part from developer contributions include new schools, school expansions and transport infrastructure. The projection for future spend in 2025/2026 is c.£60m;

- e) £241,000 was received in administration fees which contributes towards the service costs of monitoring the planning obligations and collecting developer contributions
- f) There is £261m of funding held to fund future projects; this includes funding received in 2023/24
- g) Of the funding that is held, £136.6m is committed to projects. The remainder will fund the delivery of other strategic and local infrastructure projects, which will inform the pipeline of future capital investment
- h) During the last three financial years from 2021/22 to 2023/24 £12,958 was repaid.

Infrastructure Funding Statement 2024

- 4. Local authorities are required to produce an Infrastructure Funding Statement on an annual basis in accordance with Schedule 2 of the Community Infrastructure Levy Regulations 2010 (as inserted by the 2019 regulations).
- 5. The reporting period is the previous financial year, so this statement covers the period 1 April 2023 to the 31 March 2024. The purpose of the Statement is to give policy makers and communities better insight into how developer contributions are supporting new development and local infrastructure priorities.
- 6. The report is broken down into different sections that cover new planning obligations entered into; funding of projects within the financial year; contributions received and future funding priorities.

New planning obligations entered

- 7. The county council secured 53 new planning obligations in 2023/24. The value of contributions secured from these planning obligations is £59m. The contributions are index linked and invoiced according to relevant trigger points in the delivery of the proposed developments.

Funding of projects

- 8. £33.5m of developer contributions was spent on projects in 2023/24. The majority of this was spent on education schemes such as school expansions or new builds.

Contributions received

- 9. £64.7m of developer contributions was received in 2023/24. The majority was for education, with transport the next highest level of receipts.
- 10. £241,000 was also received in administration fees which contributes towards the service costs of monitoring the planning obligations and collecting developer contributions.

Future funding priorities

11. The report identifies future service priorities to be funded either in full or part from developer contributions. These priorities include new schools, school expansions and transport infrastructure, namely the Connecting Oxford initiative; Oxford zero emission zone and local cycle and walking infrastructure plans.
12. The County Council continues to be effective in securing developer contributions for strategic and local infrastructure investments needed to deliver County Council priorities. Officers undertake regular monitoring and review of S106 spend including governance arrangements to ensure alignment with the County Council's capital programme and pipeline of projects.
13. To ensure that the Council is maximising delivery of schemes to utilise S106 funding, a project is underway to review the whole end to end process of S106 from negotiation through collection to pipeline delivery. The project outputs competed to date include:
 - A deep dive exercise has taken place to review all S106 held monies and to analyse agreements to identify where monies could be brought together to accelerate delivery of projects to the benefit of communities. As a result, it is expected that there will be an acceleration of use of funds from 2025/26, with a projected spend of c.£60m in 2025/2026 mainly through delivery of major education and transport projects. This is an increase from previous years, where delivery has typically been around £25m per year. This acceleration has resulted in the proportion of S106 monies that are identified for delivery through the County Council's Capital Programme increasing from around 40% in the 2023 IFS to around 50% in this year.
 - An audit of the S106 process has identified significant improvement opportunities relating to IT systems. There are three systems which have information separately relating to collection, pipeline and finance. The priority for the next phase of the S106 project is to have these three systems inter-operable before the end of March 2025. In addition, a S106 Dashboard has been trialled and will be rolled out which reports 'live' data of held monies across the County to enable quicker and more effective decision making.
 - A revised approach is being developed in relation to the way in which the Council accesses CIL monies collected in the relevant Oxfordshire CIL Charging Authorities. The revised approach will be framed around delivery of the Council's strategic infrastructure priorities which will ensure it is both maximised and also help in delivering key infrastructure projects. Cherwell District Council and West Oxfordshire District Council consulted on draft CIL Charging Schedules in Autumn 2024, raising the prospect that there will be universal CIL coverage across the County in the near future.

Corporate Policies and Priorities

14. Developer funding can be used to support corporate plan priorities providing the schemes that are to be funded meet with the terms of the planning obligation. Examples include, reducing the impact of climate change and protecting the local environment through transport projects referred to above and striving to give every child a good start in life through the provision and expansion of schools.

Comments from Place Overview & Scrutiny Committee

15. The Place Overview & Scrutiny Committee reviewed the draft statement on 13 November 2024 and made the following comments:
 - The draft statement was noted
 - Members raised significant concerns on the pace of delivery of infrastructure and the funds level of held funding
 - Integration of processes and IT systems is critical
 - Self-assessment tools should be used to evaluate and improve
 - Measures should be implemented to avoid delays in project delivery
 - Clarity on the release of the dashboard for access to live data is needed

Financial Implications

16. Developer contributions provide significant amounts of funding for the Council's capital programme. Prioritising the use of funds before any longstop dates are reached mitigates against the risk of repayment.

Comments checked by:

Filipp Skiffins, Assistant Finance Business Partner,
filipp.skiffins@oxfordshire.gov.uk (Finance)

Legal Implications

17. There are no new legal implications in this report. Legal agreements are used to secure developer contributions which must be spent in accordance with the terms of the agreement. This Infrastructure Funding Statement is required to be produced in accordance with the Community Infrastructure Levy Regulations 2010 (as amended).

Comments checked by:

Jennifer Crouch, Principal Solicitor (Environment)
jennifer.crouch@oxfordshire.gov.uk (Legal)

Staff Implications

18. There are no new staffing implications within this report. The report is introducing the Infrastructure Funding Statement, which is an annual, statutory requirement for the council. The work undertaken to produce the report is achieved within existing resources.

Comments checked by: Alice Lorge, HR Business Partner,
alice.lorge@oxfordshire.gov.uk

Equality & Inclusion Implications

19. There are no equality and inclusion issues arising directly from this report. Equalities will be considered within service areas at the point at which funding is sought for a scheme.

Sustainability Implications

20. There are no sustainability implications from this report. Sustainability will be considered within service areas at the point at which funding is sought for a scheme.

Risk Management

21. There are reputational and financial risks to the Council through publication or non-publication of the report. Publication is a statutory duty. Whilst there are no defined penalties for failing to publish, the reputation of the council could be affected by a failure to publish.

Consultations

22. As the report is a statement of fact no consultations have been undertaken.

Robin Rogers, Director – Economy & Place

Annex: Infrastructure Funding Statement 2023/24
Background papers: None

Other Documents: None

Contact Officer: Chris Stevenson, Planning Obligations Manager
Tel 07825 052782 Email christine.stevenson@oxfordshire.gov.uk

Tel 07851 049640 Nicholas Perrins, Head of Strategic Planning
Email nicholas.perrins@oxfordshire.gov.uk

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