

# Runnymede Borough Council

## Developer Contributions Governance Arrangements

May 2023

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## 1.0 **INTRODUCTION**

- 1.1 On 1<sup>st</sup> March 2021, Runnymede Borough Council introduced the Community Infrastructure Levy, which allows local authorities in England to raise funds from developers who are undertaking new building projects in their area. The money collected must be used to fund the provision, improvement, replacement, operation or maintenance of infrastructure to support new development. It cannot be used to remedy existing deficiencies unless these are exacerbated by new development.
- 1.2 The Council's adopted CIL charging schedule sets out the levy rates that apply to new developments across the Borough. The schedule was informed by local economic viability evidence and was subject to consultation and independent examination before it was approved for adoption and brought into effect.
- 1.3 As the CIL charging and collecting authority, the Council must administer CIL in direct accordance with the CIL Regulations 2010 (as amended). Those regulations state that the majority of CIL monies must be applied to fund the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of the Council's area. A smaller proportion of monies, collected in an area, are passed to parish or town councils to be spent on projects in their area, with the intent that they can directly benefit the area in which a development occurred. If there are no such parish or town councils, the charging authority retains levy receipts but engages with local communities to agree with them how best to spend the neighbourhood funding. A much smaller proportion of monies are retained by the Borough Council for administration costs. To ensure that the whole process is transparent, the CIL Regulations stipulate that Councils must report all CIL receipts and expenditure on an annual basis.
- 1.4 This document will set the framework relating to the governance of the CIL funding process, as well as the Council's approach to Section 106 (S106) obligations which are also used to fund new infrastructure.
- 1.5 Whilst CIL relates to the overall cumulative impact of development in general, legislation governing the use of S106 obligations means that they must be used to offset the implications of an individual development (necessary to make a development acceptable in planning terms, directly related to the development and fairly and reasonably related in scale and kind to the development). Therefore, whilst CIL funds are held within a centralised pot, with flexibility on how to spend those receipts, S106 agreements specify a particular use for the sums received. The expenditure process for CIL and S106 therefore must differ. Nevertheless, the 2019 CIL regulations amendments have made reporting of both CIL and S106 receipts and expenditure mandatory from December 2020, within a new 'Infrastructure Funding Statement'. The Government is keen to improve public accessibility to transparently reported data relating to developer contributions.
- 1.6 CIL revenue, and decisions relating to its expenditure, must operate within a collection of multiple inter-related documents, plans and frameworks (Figure 1). Clear governance, prioritisation and effective project management are required to

ensure that CIL funds, and any existing or future S106 funds, are used most effectively to deliver infrastructure across the Borough and to successfully mitigate the impacts of development. This approach will assist in securing a high quality environment and sustainable economic growth in Runnymede.

1.7 This document will set out:

- The identification of infrastructure needs
- Overview of S106 and CIL
- Expenditure process for S106 commuted sums
- Expenditure process for CIL monies
- Monitoring and Reporting

*Figure 1: Documents feeding into the CIL Funding Process*



## 2.0 **IDENTIFYING INFRASTRUCTURE NEEDS IN RUNNYMEDE**

### **Infrastructure Delivery Plan**

2.1 The Infrastructure Delivery Plan (IDP) provides important evidence regarding the infrastructure required to support development in the Borough, advising on both current provision and delivery, and anticipated future requirements. Infrastructure is essential to support additional (as well as existing) housing provision and economic

growth, to mitigate the current and anticipated effects of climate change, and to create thriving and sustainable communities.

- 2.2 The IDP is prepared in close liaison with a range of infrastructure and service providers and is an iterative process, designed to continue to identify and respond to infrastructure opportunities and needs in close partnership with providers.
- 2.3 The Council's 2017 IDP was produced to inform the preparation of the Runnymede 2030 Local Plan which was adopted in July 2020, and further revisions will be published periodically. In particular, as the Council starts to prepare a new Local Plan, an updated IDP will form an important part of the background evidence.

### **Infrastructure Delivery Schedule**

- 2.4 Alongside the IDP, sits an Infrastructure Delivery Schedule (IDS) which lists all the infrastructure schemes identified as being necessary to support the developments proposed through the adopted Local Plan. It is a live document, which can be updated at any time.
- 2.5 The IDS records the details for each of the individual schemes listed within it, including, where known, delivery timescales, anticipated costs and any identified funding streams which can assist delivery. This information helps to identify and evidence a funding gap i.e. those schemes where a funding deficit remains and where CIL may be considered in order to plug this gap. Not all schemes within the IDS will require CIL funding, as they may be deliverable through other sources including Government or private/developer funding. The inclusion of a project in the IDS does not guarantee that it will receive CIL funding in the future; indeed, CIL is not capable of funding all infrastructure. CIL can, however, be used as a mechanism to lever in additional funding and projects, particularly where match funding is sought.
- 2.6 The purpose of the IDS is therefore, in the first instance, to record infrastructure schemes to support new development. Yet the IDS also comprises an important part of the CIL Expenditure Process, which will be explained below in Section 5.0.

### 3.0 **PLANNING CONTRIBUTIONS (SECTION 106 AGREEMENTS)**

- 3.1 S106 obligations must be used to deliver benefits to local communities that can offset the negative impacts caused as result of a specific development. The CIL Regulations 2010 (as amended) state that obligations may only be used where it is:
- i) necessary to make a development acceptable in planning terms;
  - ii) directly related to the development; and
  - iii) fairly and reasonably related in scale and kind to the development.
- 3.2 Historically, S106 obligations have been used by the Council to secure financial contributions for affordable housing, transport and highways improvements and public open space contributions or on-site affordable housing provision. Although S106 obligations can be used to secure other infrastructure requirements such as health and education provision, there has been limited usage of such obligations within the borough for these types of infrastructure.
- 3.3 Since the introduction of the CIL Regulations in 2010, the Government's intent has been that the use of S106 obligations should be scaled back to site specific issues and that the focus for developer contributions should be on an up-front CIL system to help deliver infrastructure requirements that provides more certainty to all.
- 3.4 To ensure that developers were not 'double-charged' for developer contributions, through both CIL and S106, CIL Regulation 123 required that Councils published a list of infrastructure projects or types which it intended to fund wholly or partly through CIL. Any items not included within the Regulation 123 list were to then be secured through a S106 obligation where this requirement met the above statutory tests. It also prevented a Council from pooling contributions from more than five S106 obligations, entered into after 6 April 2010, to deliver an infrastructure project or type. These measures were designed to encourage local authorities to move away from S106 obligations to CIL.
- 3.5 The 2019 CIL amendments, introduced on 1<sup>st</sup> September 2019, abolished Regulation 123 and in doing so removed pooling restrictions and the requirement for a Regulation 123 list. Instead, Councils have been required, from December 2020, to annually produce an Infrastructure Funding Statement which includes a requirement to set out those infrastructure types or projects it intends to fund through CIL, along with estimates of anticipated future receipts, as well as revenue and expenditure to date. The Infrastructure Funding Statement will be discussed in more detail later in this document. The changes also mean that Councils are no longer restricted in terms of how many obligations they can pool together to fund a single infrastructure project.

#### **Use of S106 contributions**

- 3.6 In accordance with the statutory tests governing the use of planning obligations, S106s continue to be used to address site specific issues and to secure affordable housing and SANG, where these matters cannot be addressed through planning conditions. Whether the use of a S106 contribution(s) is appropriate is considered on a site by site basis and taking into account infrastructure requirements contained in the adopted Local Plan, and any other requirements contained in relevant Supplementary Planning Documents (SPDs) in effect at the time of decision-making.
- 3.7 To support the implementation of a Community Infrastructure Levy (CIL) in the Borough, the Council has prepared and adopted an Infrastructure Delivery & Prioritisation Supplementary Planning Document (SPD). The SPD sets out a hierarchy of infrastructure and how the Council will prioritise its infrastructure spending. The SPD also clarifies the Council's approach to Section 106 contributions on adoption of CIL and sets out the basis for calculating developer contributions through Section 106 agreements. The SPD was adopted on 4th November 2020.
- 3.8 The SPD confirms that once CIL is implemented, the Borough Council will secure the physical provision of infrastructure from development through Section 106 or Section 278 agreements as appropriate, where this is indicated in specific policies of the Runnymede 2030 Local Plan and/or where this is preferable to financial contributions in lieu of physical provision.
- 3.9 For 'critical' infrastructure which is not physically provided by a developer (including repayment of the HIF grant for A320 & M25 J11 improvements), the Borough Council will seek contributions in lieu of provision through Section 106 or Section 278 agreements as appropriate.
- 3.10 For other infrastructure priorities or where Runnymede 2030 Local Plan policies indicate a financial contribution in lieu of physical provision, the Borough Council will secure these contributions through the application of the CIL charge.
- 3.11 The Council may apply CIL receipts to infrastructure projects or types which have already been part funded by Section 106 obligations, Section 278 agreements or other funding sources.
- 3.12 Part of table 2-3 of the SPD sets out how securing each type of infrastructure will be approached by the Council following the adoption of CIL in Runnymede, i.e. whether S106/S278 agreements will be sought or whether CIL would cover any requirements. The relevant sections are reproduced below for ease.

**Table 2-3: Section 106 & Application of CIL from the Infrastructure Delivery and Prioritisation SPD.**

<b>Infrastructure</b>	<b>Infrastructure Delivery Mechanism</b>
A320 & M25 Junction 11	Physical provision of required improvements to the A320 & M25 Junction 11 by a developer secured through Section 106 & Section 278 agreement from

	<p>sites contingent on A320 and M25 Junction 11 improvement works as identified in Local Plan Policy SD2 where this is preferable and equivalent to a financial contribution; or Financial contributions in lieu of A320 and M25 Junction 11 improvement works secured through Section 106 &amp; Section 278 agreements from sites contingent on A320 and M25 Junction 11 improvement works as identified in Local Plan Policy SD2;</p>
Thames Basin Heaths SPA avoidance measures	<p>Provision of SANG as avoidance for the Thames Basin Heaths SPA and its management &amp; maintenance in perpetuity secured physically or through financial contributions in lieu of provision through Section 106 agreements<sup>1</sup>; and</p> <p>Financial contributions towards Strategic Access Management &amp; Monitoring (SAMM) secured through Section 106 agreements (Includes Unilateral Undertakings for sites less than 10 units and/or less than 0.5ha in area).</p>
Other Highway Mitigation and/or Improvements (beyond A320 and Junction 11 M25 improvements)	<p>Physical provision or financial contributions in lieu of site-specific mitigation or improvements to the local road network as identified through individual Travel Plans/ Transport Assessments secured through Section 106 and Section 278 agreements; and/or</p> <p>Financial contributions from CIL to the local or strategic road network as identified in the IDP Schedules or Runnymede Local Transport Strategy.</p>
Active & Sustainable Travel	<p>Physical provision or financial contributions in lieu of site-specific mitigation or improvements for active &amp; sustainable travel projects as identified through Travel Plans/Transport Assessments secured through Section 106 &amp; Section 278; and/or</p> <p>Financial contributions from CIL for active &amp; sustainable travel projects as identified in the IDP Schedules or Runnymede Local Transport Strategy.</p>
Education	<p>Physical provision of on-site early years and primary education facilities at Longcross Garden Village secured through Section 106. Financial contributions in lieu of secondary education facilities secured through Section 106 from Longcross Garden Village; or</p>

<sup>1</sup> Includes Unilateral Undertakings for sites less than 10 units and/or less than 0.5ha in area.

	<p>From sites other than Longcross Garden Village, financial contributions from CIL in lieu of early years, primary and secondary education facilities.</p>
Health	<p>Physical provision of on-site land and/or facilities for health-related infrastructure required by Local Plan Policy IE8 and physical provision of on-site land for health related infrastructure required by Local Plan Policy SL12 secured through Section 106; and</p> <p>From sites other than Local Plan allocation IE8, financial contributions from CIL in lieu of health related infrastructure facilities;</p>
Flood defence and drainage	<p>Physical provision of flood defence/mitigation and/or drainage infrastructure and their management &amp; maintenance secured through Section 106; and/or</p> <p>Financial contributions from CIL in lieu of flood defence/mitigation and drainage infrastructure and their management &amp; maintenance;</p>
Green Infrastructure (Children & Teenager Playspace)	<p>Physical provision of on-site equipped and unequipped playing space for children and teenagers and its management &amp; maintenance as required by Local Plan Policies SD10, SL3, SL5 to SL18 and SL26 secured through Section 106; or</p> <p>From sites other than Local Plan allocations SD10, SL3, SL5 to SL18 and SL26 financial contributions from CIL in lieu of equipped and unequipped playing space for children &amp; teenagers and their management &amp; maintenance.</p>
Green Infrastructure (Outdoor Sports)	<p>Physical provision of outdoor sports facilities and/or playing pitches and their management &amp; maintenance as required by Local Plan Policies SD10, SL6, SL11, SL12 &amp; SL26 secured through Section 106; or</p> <p>From sites other than SD10, SL6, SL11, SL12 &amp; SL26, financial contributions from CIL toward outdoor sports/ playing pitches and their management and maintenance.</p>
Green Infrastructure (Parks & Gardens)	<p>Physical provision of a Park &amp; Garden and its management &amp; maintenance as required by Local Plan Policy SL9 secured through Section 106; or</p> <p>For sites other than Local Plan allocation SL9 financial contributions from CIL toward parks &amp; gardens and their management &amp; maintenance.</p>

Green Infrastructure (Allotments)	Physical provision of allotment plots and their management & maintenance as required by Local Plan Policies SD10, SL6, SL11, SL12 & SL26 secured through Section 106; or  For sites other than SD10, SL6, SL11, SL12 & SL26 a financial contribution from CIL toward allotment plots and their management & maintenance.
Blue Infrastructure	Physical provision of blue infrastructure projects and their management & maintenance secured through Section 106; or  A financial contribution from CIL toward blue infrastructure projects and their management & maintenance.
Built Community Facilities	Physical provision of land for a Community Hub Building required by Local Plan Policy SL14 secured through Section 106; or  For sites other than SL14 a financial contribution from CIL toward provision or enhancement of built community facilities.
Biodiversity	Physical provision of biodiversity improvements and priority habitat restoration and their management & Maintenance secured through Section 106 (not SANG); or  Financial contributions from CIL toward Green and Blue Infrastructure projects not already set out in this table including biodiversity improvements and priority habitat restoration (not SANG);
Emergency Services	Financial contributions from CIL toward emergency services facilities.

### **Expenditure Process for S106 Obligations**

- 3.16 Whilst the Council will use CIL as the primary method of collecting planning contributions, historic S106 funds along with any newly secured funds on a site by site basis will continue to be spent in accordance with the related legal agreements as drafted. Therefore, a protocol to manage this process must be in place.

### **Non-specific schemes**

- 3.17 Historically, S106 agreements have been used to secure funding through the broadest definition of provision, for example 'alternative transport' or 'new or improved public open space'. The expenditure of S106 contributions must be done in line with the specific wording of the relevant S106 agreement to ensure that it is a legitimate use of the monies. The Council must ensure that proposed projects meet the stipulations of the agreements that the monies stem from.

- 3.18 Where the spending is non-specific matter, the matter will be referred to the Developer Contributions Advisory Group or directly to Corporate Management Committee.

### **Specific schemes**

- 3.19 In some cases, particularly since the introduction of CIL, the Council has stipulated that certain projects or types of infrastructure must be provided using S106 obligations. The ultimate use of the monies is clearly stated and so there is less of a requirement to check that the project accords with the definitions of the agreement. In these cases, the relevant departments at Borough or County Council, or other relevant infrastructure providers, are notified of the availability of monies with which to develop that project's design. Detailed information on the project, including costs and delivery, must be submitted to officers, who will check the appropriateness of the scheme. Subject to the details being acceptable, specific schemes may be authorised by the Chief Executive or Assistant Chief Executive for authorisation to proceed with the project.
- 3.20 Once projects are approved, through either route, officers with responsibility for the area where the contribution will be spent will liaise to ensure project delivery within the timeframes of the agreement and project.

## 4.0 **COMMUNITY INFRASTRUCTURE LEVY**

### **CIL funding splits and apportionment**

4.1 The CIL regulations specify how CIL funds should be apportioned for expenditure.

#### **Administration Fee – 5%**

4.2 Of the 100% of CIL revenue collected, the regulations permit the Council to retain 5% for the purpose of administering the CIL. This money is used by the Council's Development Management service to allow for the cost of preparing the CIL charging schedule, the additional Council resources to administer the collection, spending and monitoring of CIL funds and for the cost of IT software to help administrate the CIL process.

#### **Neighbourhood Portion - 15 or 25%**

4.3 There are no parish or town councils in any part of Runnymede Borough. The Planning Practice Guidance (PPG) confirms how charging authorities should manage the neighbourhood portion of CIL receipts it receives where there is no parish or town council, but where there may be a neighbourhood plan in place – summarised in the following table.

<b>Neighbourhood Plan in Place?</b>	<b>Levy</b>
Yes	25% uncapped local authority consults with community about how funds can be used, including to support priorities set out in neighbourhood plans
No	15% capped at £100/dwelling (indexed for inflation), local authority consults with community to agree how best to spend the neighbourhood funding

Adapted from PPG Paragraph: 145 Reference ID: 25-145-20190901, Revision date: 01 09 2019

4.4 The PPG confirms that a 25% neighbourhood portion will be retained by the Borough Council in areas of Runnymede which have an adopted neighbourhood plan and a 15% neighbourhood portion (capped in line with the terms set out) will be retained in areas without an adopted neighbourhood plan.

4.5 In line with regulation 59F of the CIL Regulations 2010 (as amended), the Council must spend the funds within the "relevant area", i.e. this is ring fenced for expenditure in the settlement where the development took place (see chapter 5 for further details). CIL Planning Practice Guidance requires that the Council engages with the local community in an open and transparent way in order to prioritise how these funds should be spent.

4.6 Where a neighbourhood plan is adopted, the 25% is applied to those liabilities created after the date of adoption (i.e. planning permissions granted after the date of the neighbourhood plan's adoption). It is not applied retrospectively to existing liabilities or receipts.

## **Strategic Portion – 70% or 80%**

- 4.7 The Borough Council is able to retain the majority of the CIL revenue collected in order to deliver strategic infrastructure priorities. Once the administration fee and the neighbourhood portion have been deducted, this will leave either 70% or 80% of the funds depending on whether there is a neighbourhood plan or not. This can be spent on strategic priorities for infrastructure identified by the Borough Council, in consultation with infrastructure providers, the public and other stakeholders. This strategic portion does not have to be spent within the settlement area in which development occurs but can be pooled and spent anywhere in the Borough, as long as it is on infrastructure that supports new development.

### **Definition of Infrastructure**

In terms of what the strategic portion can be spent on, the CIL Regulations 2010 (as amended), Regulation 59(1) reads as follows:

*A charging authority must apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area.*

- 4.8 In terms of how infrastructure is defined in the context of this regulation, Section 216(2) of the Planning Act 2008 provides an inclusive list of infrastructure types that can fall within the definition of infrastructure for the purposes of CIL. Section 216 goes on to allow the CIL regulations to vary this list, which it does through CIL Regulation 63 (by excluding affordable housing from the definition of infrastructure). Infrastructure therefore includes:

- (a) roads and other transport facilities,*
- (b) flood defences,*
- (c) schools and other educational facilities,*
- (d) medical facilities,*
- (e) sporting and recreational facilities, and*
- (f) open spaces.*

- 4.9 The list, however, is not exhaustive and so, in line with the guidance, CIL can be used to fund a wider range of items. CIL Planning Practice Guidance<sup>2</sup> states that “the levy can be used to fund a very broad range of facilities such as play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare facilities, district heating schemes and police stations and other community safety

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<sup>2</sup> Paragraph: 144 Reference ID: 25-144-20190901, Revision date: 01 09 2019

facilities.” but emphasises, in accordance with CIL Regulation 63, the levy cannot be used to fund affordable housing.

- 4.10 The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development.

## **5.0 THE NEIGHBOURHOOD PORTION: APPORTIONMENT AND APPLICATION OF 'LOCAL' CIL MONIES**

### **Expenditure of the Neighbourhood Portion in Runnymede**

- 5.9 As set out in chapter 4, in Runnymede, there are no areas covered by a parish or town council. This means that regulation 59F of the CIL Regulations 2010 (as amended), which addresses the use of CIL in an area without a 'local council' is applicable across the whole of Runnymede.
- 5.10 For clarity, where funds are collected in an area without a parish council in place, the neighbourhood portion is not ring fenced to the ward in which development has taken place but the neighbourhood portion may be spent in the entire 'relevant area' without a local council.

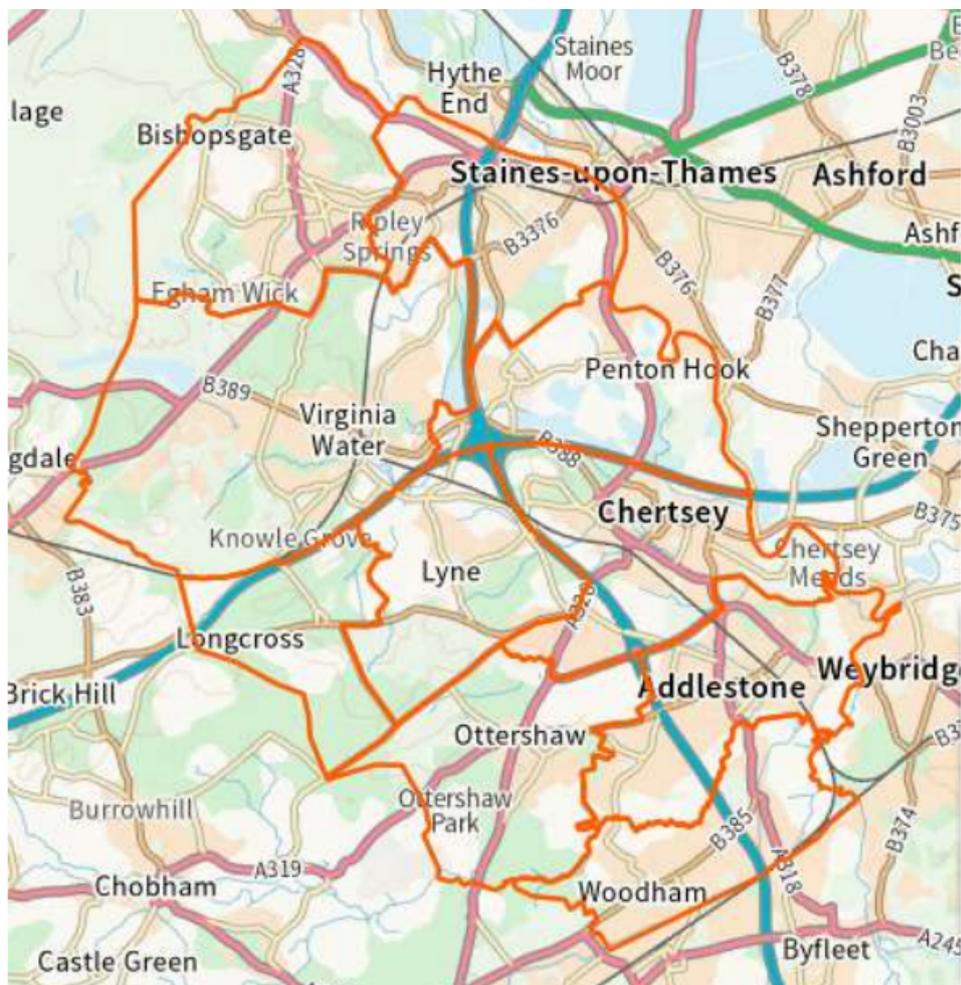
### **The definition of relevant areas in Runnymede**

- 5.11 The Council, as part of its review of the Runnymede 2030 Local Plan has defined the different settlement areas of the Borough as the basis for a 'place based' approach which is to be taken in developing the next Local Plan. What this means is that whilst considering development needs across the Borough, the next iteration of the Plan will do so by focussing on each settlement area so it can tailor the approach and choices available for individual places and set the basis for Neighbourhood Planning. Identifying the extent of each settlement area also ensures development distribution is monitored accurately.
- 5.12 To define the extent of the Borough's settlement areas, the settlement areas relied upon in the Runnymede 2030 Local Plan have been taken as the starting point, with account also being taken of other place boundaries such as electoral wards and neighbourhood plan areas whose boundaries may give a closer correlation or be more functionally related to other areas. The full methodology and conclusions drawn can be viewed in the Council's Sustainable Places Stage 1 work which can be accessed on the Council's website<sup>3</sup>. The figure below shows the breakdown of the Settlement Areas in Runnymede.

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<sup>3</sup> [Runnymede Local plan review - Sustainable Places Stage 1](#)

Figure 2: Settlement Areas in Runnymede



- 5.13 The Council will retain the neighbourhood portion of the CIL receipts but must engage with the local community where development has taken place and agree with them how best to spend the neighbourhood portion.
- 5.14 Regulation 59F(3) of the CIL regulations (as amended) states that the charging authority may use the CIL to which this regulation applies, or cause it to be used, to support the development of the relevant area by funding—
- (a) the provision, improvement, replacement, operation or maintenance of infrastructure; or
  - (b) anything else that is concerned with addressing the demands that development places on an area.

**Approach to consulting communities with a view to agreeing how the neighbourhood portion should be spent.**

- 5.15 The Council will retain the neighbourhood portion of the CIL receipts and will engage with the local community as to how the neighbourhood funding should be spent. The Borough Council will then be responsible for reporting CIL receipts and expenditure on an annual basis through its Infrastructure Funding Statement.
- 5.16 Periodically, the Council will consult on the use of the Neighbourhood Portion available to each relevant Settlement Area. The Council will publish, on its website, details of consultation processes. Neighbourhood Fora are encouraged to set out priorities within their neighbourhood plans.
- 5.17 On an annual basis an opportunity will also be provided for community bidding within the relevant area. Details of any bidding process available for local community groups, infrastructure providers and Council service areas (for example Parks and Open Spaces) will be able to bid for the neighbourhood element of CIL using a simple application form. Time frames and assessment criteria will be published by the Council. Only infrastructure projects relating to the relevant area will be considered.
- 5.18 Infrastructure identified through consultation exercises, neighbourhood plan priorities and infrastructure contained in any bids received will be considered by the Council's Developer Contribution Advisory Group who will make recommendations to the Council's Corporate Management Committee to make a final decision on successful bids.
- 5.19 In cases where settlement areas/neighbourhood plans have identified a priority for particularly expensive local infrastructure, it is possible that none or only a proportion of the available monies will be released in a particular year, as this would allow the local CIL pot to grow and therefore fund more expensive local priorities when sufficient funding is in place.
- 5.20 Once the project is decided, the delivery body will be asked to submit a plan for delivery of the agreed project including key milestones with a timetable, detailing any other funding to be provided, when this is to be available and also advising when the funding will be drawn down for each milestone. In accordance with Regulation 59E, funds must be spent within a 5-year period from receipt.

## **6.0 THE STRATEGIC PORTION – PROCESS FOR PRIORITISATION AND EXPENDITURE**

- 6.1 Once CIL funds are received and the Council has deducted the allocations to the administration fee and the neighbourhood portion, it is vital that there is a robust and transparent mechanism in place for prioritising how the strategic portion is spent.

### **The Infrastructure Delivery Plan and Schedules**

- 6.2 The Infrastructure Delivery Plan (IDP) and Infrastructure Delivery Schedules (IDS) helped to support and underpin the Runnymede 2030 Local Plan and demonstrate the funding gap with which to justify the introduction of the CIL Charge. It records those infrastructure projects that have been identified as needed to support the growth and development across the Borough. The IDS records details of infrastructure schemes including information (where known) about their costs, funding gaps, other funding sources, and delivery timescales. The IDS is a “live” document, regularly updated with the latest information on infrastructure projects and improvements. The IDS, therefore, forms an appropriate base for considering how the spending of strategic CIL funds may be prioritised.
- 6.3 In order to allow elected members and officers to think more broadly and strategically about infrastructure delivery, the IDS will continue to include schemes and projects expected to be delivered within the short term and medium term (between to 0-5 years) and long term (5 years plus). The IDS is a live document and will be updated as new information and data becomes available and published, as considered appropriate by the LPA, in conjunction with the CIL Infrastructure Funding Statement to inform decision- making on how CIL monies should be spent.

### **Updating the IDS via engagement with Infrastructure Providers**

- 6.4 The Council will continue to liaise as appropriate with a range of infrastructure and service providers to update information on existing projects and to identify any new projects for inclusion on the IDS. These providers include, but are not limited to:
- *Surrey County Council*
  - *Individual departments within Runnymede Borough Council*
  - *Surrey Heartlands Integrated Care Board (ICB) and Integrated Care Partnership (ICP)*
  - *Surrey Wildlife Trust*
  - *Environment Agency*
  - *Network Rail*
  - *National Highways*
  - *South East Coast Ambulance Service*

- *Surrey Police*
- *Surrey Fire and Rescue*
- *Affinity Water*
- *Thames Water*

- 6.5 Through discussions, providers are required to identify where infrastructure issues will be made more severe or will become apparent as a result of new development and growth. Where possible, they are then required to suggest schemes or projects to assist in meeting the deficiency and, if appropriate, these would then be included in the IDS. Providers are encouraged to provide as much information as possible on delivery timescales and other sources of funding in order to enable the Council to make informed decisions.
- 6.6 Periodically the Council will contact infrastructure and service providers, Members, Neighbourhood Fora and Residents Associations to invite them to submit updated information relating to existing strategic schemes on the IDS, or to submit new schemes for consideration for inclusion in the Council’s Infrastructure plans. This will be undertaken in the run up to any update to the IDS.
- 6.7 Schemes to be included in the IDS should meet an infrastructure need generated by new development in the current Local Plan period (which covers the period up to 31<sup>st</sup> March 2030).

**Prioritisation of infrastructure spending in Runnymede**

- 6.8 The Council’s Infrastructure Delivery and Prioritisation SPD sets out how the Council’s IDP ranks infrastructure projects and types which are required to support the level of development expected to be delivered over the period of the Local Plan into those which are critical, essential, a policy high priority or desirable. A description of each of these categories is set out in Table 2-1 of the SPD based on the descriptions in the IDP, and table 2-2 sets out the types of infrastructure within each Priority category. For ease, a combined version of tables 2-1 and 2-2 is reproduced below:

<b>Prioritisation level</b>	<b>Description</b>	<b>Infrastructure project/type</b>
<b>Critical</b>	Infrastructure which must happen to enable growth. Without critical infrastructure development cannot proceed and the Plan cannot be delivered.	Suitable Accessible Natural Greenspace (SANG);  Improvements to junctions and links on the A320 Corridor and M25 Junction 11 as identified in the A320 North of Woking bid as awarded and at the St Peter’s Hospital Roundabout (junction 8).

Essential	Infrastructure required to mitigate impacts arising from the operation of development. Lack of delivery is unlikely to prevent development in the short-term but failure to invest could result in delays to development in medium-long term as infrastructure capacity becomes constrained.	<p>Improvements to the Local or Strategic Road Network not identified as A320 Corridor improvements as specified above;</p> <p>Active and sustainable transport improvements and facilities;</p> <p>Early years, primary and secondary education facilities including SEN; .</p> <p>Primary, secondary and mental healthcare facilities;</p> <p>Flood defence and drainage projects.</p>
Policy High Priority	Infrastructure supporting wider strategic or site-specific objectives as set out in Plan Policies but lack of delivery would not prevent development.	<p>Green and Blue Infrastructure (GI &amp; BI) including outdoor sports, playspace for children &amp; teenagers, parks &amp; gardens, amenity greenspace, main rivers, water courses, floodplains, river corridors and wetlands;</p> <p>Built community space and facilities;</p>
Desirable	Infrastructure required for sustainable growth but unlikely to prevent development in short to medium term.	<p>Allotments;</p> <p>Natural and semi-natural greenspace not designated as SANG;</p> <p>Biodiversity Opportunity Area (BOA) projects and Priority Habitat restoration/enhancement projects;</p> <p>Emergency service infrastructure</p>

6.9 The SPD confirms that Borough Council will coordinate and prioritise contributions or physical delivery of infrastructure secured from development through Section 106/Section 278 and/or CIL in accordance with the hierarchy of prioritisation it

contains. This includes Local Plan allocation sites unless the allocation Policy specifically indicates otherwise.

- 6.10 The SPD sets out that the hierarchy is used to ensure the Council determines which infrastructure projects or types should be prioritised for funding. The hierarchy is broadly established by the IDP but also reflects the infrastructure priorities of the Local Plan. As such, there are some infrastructure projects/types which the Borough Council give a higher priority than the IDP, specifically on highway impacts and need for additional built community space.
- 6.8 The hierarchy sets out the Council's preferred priorities on infrastructure. Whilst consideration of schemes higher up the hierarchy are likely to be viewed as more critical, there will be times that the particular circumstances of schemes lower down the hierarchy are given preference due to the particular merits of a scheme or the perceived benefits that they bring.

#### **Shortlisting Projects and bidding for CIL funding**

- 6.9 The Council's IDS and Infrastructure Funding Statement constitute the key evidence base setting out the infrastructure projects that are eligible for strategic CIL funding. Only infrastructure that supports the growth outlined in the Council's adopted Development Plan is included, or other infrastructure projects that have come forward that support growth. Schemes will be considered for funding based on their level of priority using the hierarchy contained in the table above and also based on their suitability for delivery using CIL funding.
- 6.10 On an annual basis, stakeholders involved in development and in delivery of infrastructure will also be invited to put forward projects for consideration for funding through CIL. While it is expected that Runnymede Borough Council Services and Surrey County Council will be the main bidders and beneficiaries, external organisations are also key deliverers of infrastructure to support development, and bidding rounds are open to these organisations. Details of timelines and other relevant information will be published on the Council's website and published as appropriate.
- 6.11 These, together with the level of CIL funding available, will inform and justify which schemes can be funded. Annually, the Council will publicise the amount of CIL funding collected in accordance with statutory requirements in the form of the Infrastructure Funding Statement (IFS).
- 6.12 In addition to being identified in the IDS/IFS, schemes should be shown to deliver enduring benefits and preferably be identified within a relevant strategy(s) document including the Council's Corporate Plan. Schemes may be favoured where they offer multiple and/or wider as well as local benefits and lever in other funds that wouldn't otherwise be available (match funding). The deliverability of the project will also be assessed.

#### **Assessment**

6.13 To assess projects for CIL funding, and to assist in prioritising those projects which are suitable, the Council uses the information submitted on each project to assess schemes against a number of key criteria.

1. *Are CIL monies needed to deliver the project?*
2. *Which category does the project sit within in the Council's hierarchy of prioritisation?*
3. *Does the project meet a local need or demand that has arisen from new development i.e. is the project clearly defined as 'Infrastructure' as per the CIL Regulations?*
4. *When can the infrastructure be delivered?*
5. *Are clear project costs and funding known? Are other sources of funding available? Is the delivery of the infrastructure already in the strategy of another agency to fund and deliver?*
6. *Are there 'Neighbourhood' CIL monies available in the Settlement Area in which the project is located that could be used to wholly or partly fund the project?*
7. *Does the project help meet at least one of the Council's corporate priorities?*
8. *Is the project listed in the Council's Infrastructure Delivery Schedule / Infrastructure Funding Statement or is it for infrastructure that supports growth of the area identified within a relevant local strategy, e.g. any of the Council's Corporate Plans or Strategies?*
9. *Could the scheme help facilitate or accelerate the delivery of other major infrastructure in the Borough, particularly if aligned with other funding sources.*

6.14 The first criterion ensures that all infrastructure projects which do not require CIL monies are separated off at the outset, reducing unnecessary assessment of projects. Schemes from third parties or other infrastructure providers which have other sources of funding or delivery strategies potentially available to them should utilise those funding sources first and are not likely to be given high priority for CIL monies. The second criterion helps ensure that the level of priority for each project is clearly understood. The third is essential as CIL monies can only be spent on infrastructure that meets a local need or demand that has arisen from new development, as per the definition of 'Infrastructure' in the CIL Regulations. Use of these criteria enable officers to rule out all infrastructure projects which are ineligible to receive CIL monies from further assessment, based on information existing at that time.

6.15 The fourth criterion is necessary to understand whether the project is technically deliverable within a reasonable time period of receiving the funding and so might benefit from having CIL monies allocated to it for spending in the following financial years. The fifth criterion allows the Council to consider whether there are clear and realistic costs and firm funding proposals (other than a request for CIL monies) in place that would confirm that the project is not only technically deliverable but

financially deliverable as well. Where costs are unknown, the assessment assumes the project is not financially deliverable within the next two years as the Council needs to see more robust proposals before allocating CIL monies to a project. Where a project proposes match-funding from another source, if that match-funding has not been secured, there must also be questions over the deliverability of that project, albeit those questions may not ultimately rule out a project entirely in this assessment, depending on the precise circumstances of the match-funding.

- 6.16 A further consideration within this fifth criterion, but not a definitive one in decision-making, is also whether the project will provide greater value for money by using CIL monies to lever in other funding. While leveraging in match-funding would clearly be a positive, it would not be appropriate to disadvantage a project simply because it does not have access to other funding and would rely solely on CIL monies, hence this factor is not a key criterion.
- 6.17 The sixth criterion allows the Council to consider whether a project might be more suitably funded by "Neighbourhood" CIL monies that are available in an area (the 15% or 25% of CIL income under the Neighbourhood Portion, set aside by the Council to spend specifically in that area) in order to save "strategic" CIL monies for the larger projects that serve a wider area.
- 6.18 The seventh and eighth criteria are necessary to help differentiate and prioritise between projects that meet all of the first other criteria (i.e. when the assessment produces a fairly long shortlist) by considering whether the projects help meet at least one of the Council's Corporate Priorities and/or are identified within a relevant infrastructure list and/or local strategy as being of strategic importance. The ninth criteria ensures the Council makes the most of match funding opportunities and early delivery opportunities.

### **Match Funding**

- 6.19 CIL alone will be unable to fund all required infrastructure in the Borough and is instead designed to lever-in match funding opportunities. As set out above, projects which cannot secure additional match funding will not be discounted from consideration, however, the Council will look favourably to those projects who identify and secure other funding sources.

### **Draft CIL Funding Programme (CFP)**

- 6.20 Identified schemes and applications for funding which meet the eligibility criteria will go through an initial assessment and validation process by Officers of the Council, and will then be considered by the Developer Contributions Advisory Group made up of Elected members and the Corporate Leadership Team of the Council. The Developer Contributions Advisory Group shall review monies available and preferred potential projects and this shall result in the production of a draft CIL Funding Programme (CFP) report. The Developer Contributions Advisory Group shall then make recommendations to Corporate Management Committee, who will make the ultimate decision on the contents of the authorisation of the CFP.

### **Timescales for the CIL Funding Programme**

- 6.21 The timescales for producing the CFP should sit alongside the Council's process for the Capital Spending Programme to ensure that the IDS reflects the Council's corporate priorities and explores all opportunities for match funding. Below is an indicative timescale for the CFP preparation:

### **Decisions on spending CIL outside of the normal process/timetable**

- 6.18 It is possible that on occasion other urgent or unforeseen infrastructure projects may come forward during the year which require CIL funding. By resolution of Corporate Management Committee in relation to a specific report, CIL funds may be released by Corporate Management Committee outside of the normal bidding or identification processes. This is not expected to occur frequently, however it is important to indicate that this is within the authority of the Corporate Management Committee as the responsible Committee for the expenditure of CIL funds.

### **Following approval of monies**

- 6.19 Where projects are being delivered by external parties, that provider will be required to sign an agreement with the Council, confirming how the CIL monies must be used, any timeframes, and agree that any unspent or unused funds will be returned to the Council.
- 6.20 Where projects are being delivered by the Borough or County Council, that provider will be required to provide full details of costs and delivery timescales, and seek any relevant approvals required by the Council Constitution before commencing the project.

### **Publicity**

- 6.21 The Government is keen to ensure that the CIL process is transparent and that communities understand the benefits that are being delivered as a result of CIL monies. Subsequently, recipients of CIL monies will be encouraged to ensure that any project materials, for example promotional boardings erected on site as the project is delivered, make clear that the project is, at least in part, being funded by Borough Council CIL monies.

## **7.0 PAYMENTS IN KIND**

- 7.1 The CIL regulations allow, in certain circumstances, for the Council to accept land and/or infrastructure to be provided, instead of money, in order to satisfy all or part of the charge arising from the levy. This may be appropriate where the Council has already planned to invest CIL receipts in a project as there may be time, cost and efficiency benefits in accepting completed infrastructure from the party liable for payment of the levy.
- 7.2 Although payment in kind is subject to a number of conditions and is at the discretion of the Council, where these are accepted, for the purposes of the neighbourhood portion, the equivalent value must still be provided for spending in the relevant

settlement area in cash. Therefore, accepting payments in kind has a number of financial implications which must be considered.

- 7.3 Any Payments in Kind policy will need to consider how land and / or infrastructure which is transferred into the ownership of the Council is included on the Council's Asset Register, any land searches necessary before the Council take ownership, any necessary legal agreements relating to how the Council can dispose of it in the future and any issues over the liability for maintaining the land and / or infrastructure.
- 7.4 Ultimately, there are two types of payment in kind: a land payment or an infrastructure payment.

### **Land Payments**

- 7.5 The Council may choose to accept a land payment by entering into an agreement to accept a piece of land equivalent to the value of part or all of a party's CIL liability. The Council would also need to be satisfied that the land in question is suitable and necessary to help deliver all or part of a piece of infrastructure that is consistent with the infrastructure types and projects on the Infrastructure Funding Statement.
- 7.6 Regulations 73 and 74 govern the process of land payments and a land agreement must be entered into before development commences. Payment in kind and land payments can only be accepted where:
- the chargeable amount in respect of the chargeable development exceeds £50,000;
  - where the land is acquired by the Council or a nominee of the Council; and
  - the person from whom the land is acquired has assumed liability for the CIL payment.
- 7.7 The agreement cannot form part of a S106 planning obligation and must comply with all the relevant conditions set out in regulation 73 of the CIL Regulations 2010 (as amended) relating to the purpose of acquisition and the valuation process.

### **Infrastructure Payments**

- 7.8 Charging authorities may also enter into agreements to receive a piece of newly developed infrastructure as payment. Where a charging authority chooses to adopt a policy of accepting these infrastructure payments, they must publish a policy document which sets out the conditions attached to such payments in detail.
- 7.9 This policy document will confirm that the authority will accept infrastructure payments and set out the infrastructure projects, or types of infrastructure, they will consider accepting as payment. The infrastructure types have been set out through an Infrastructure Funding Statement. The infrastructure provided must be identified to support development within the Borough.
- 7.10 As with land payments, infrastructure payments are subject to a number of conditions set out in regulations 73, 73A, 73B and 74 and the infrastructure provided

must not be infrastructure that would be necessary to make the development acceptable in planning terms, i.e. the type of measures that may be site specific and would usually form part of a Section 106 obligation under the CIL regulations.

## **8.0 MONITORING & REPORTING**

### **Infrastructure Funding Statement (Borough Council)**

- 8.1 The CIL Regulations require the Council to publish annual reports (for the previous financial year) detailing received and anticipated receipts and expenditure. In accordance with the CIL Regulation amendments in September 2019, this must be reported through an Infrastructure Funding Statement (IFS), which replaces both the former Regulation 123 list and Annual Reports. The IFS must detail monies relating to both the Council's Community Infrastructure Levy and Section 106 obligations.
- 8.2 Following the removal of CIL Regulation 123, which had required Councils to set out a list of those infrastructure types or projects which they intended to fund through CIL and had imposed pooling restrictions on S106 obligations, Councils must now use the IFS to identify infrastructure needs, the total cost of the infrastructure, anticipate funding from developer contributions, and the choices the authority has made about how these contributions will be used. When preparing an IFS, the Council should consider known and expected infrastructure costs taking into account other possible sources of funding to meet those costs, which will help identify and evidence the infrastructure funding gap in anticipation of future reviews of both the Local Plan and the CIL Charging Schedule.
- 8.3 Authorities can also pool funding from different sources to fund the same infrastructure, providing that they set out in their IFS which infrastructure they expect to fund through the levy and which infrastructure they expect to fund through planning obligations. This enables CIL and S106 receipts to be used on the same items of infrastructure, for example a planning obligation to deliver a new school on a strategic site can be supported with additional CIL funds.
- 8.4 The Council's Infrastructure Funding Statements for each financial year can be viewed on the Council's website<sup>4</sup>. The IFS provides a summary of all financial and non-financial developer contributions relating to S106s and CIL within Runnymede for each annual period. It includes a statement of infrastructure projects that Runnymede Borough Council intends to be, or may be, wholly or partly funded by CIL.

### **County Councils**

- 8.5 County Councils must also publish an IFS for their receipts and expenditure. The Borough Council will need to ensure the reports align.

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<sup>4</sup> [How we spend CIL payments – Runnymede Borough Council](#)

## **Reporting spend of the Neighbourhood Portion**

8.7 As Runnymede is an unparished Borough, the Council is required to determine how the local monies should be spent. The Council will prepare a section in the IFS and publish it on the Council website. This report will set out within each Settlement Area:

- How much CIL has been collected;
- How much of that money has been spent;
- The items of infrastructure on which it has been spent;
- The amount of expenditure on each item of infrastructure;
- The details of any CIL funds recovered by the Council; and
- The amount of CIL retained at the end of the reported year

**For all information contained within this document contact:**

Runnymede Borough Council  
The Civic Centre  
Station Road  
Addlestone  
Surrey KT15 2AH

Tel 01932 838383

email: [Planning@runnymede.gov.uk](mailto:Planning@runnymede.gov.uk)

[www.runnymede.gov.uk](http://www.runnymede.gov.uk)

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