



City of
BRADFORD
METROPOLITAN DISTRICT COUNCIL

Infrastructure Funding Statement

2022/2023

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1. Introduction

1.1 The Infrastructure Funding Statement (IFS) is an annual report that has to be published by 31st December each year. The report will be updated annually and published on the Council's website.

1.2 The IFS provides a summary of financial developer contributions secured either through Section 106 Agreements or Community Infrastructure Levy (CIL) payments within Bradford District each financial year.

1.3 Within the IFS the following definitions will apply:

- **Agreed** – contributions agreed and contained within a sealed Section 106 Agreement.
- **Received** – contributions which have been paid to Bradford Council by a developer.
- **Spent/delivered** – contributions which have been spent on infrastructure either in their entirety or pooled with other contributions/funding to help deliver larger schemes

Please note the information reported in this document is the most accurate available at the time of publication.

2. Section 106 Agreements and Obligations

2.1 Under Section 106 of the Town and Country Planning Act 1990 a Local Planning Authority (LPA) may seek obligations to help mitigate the impact a new development may have on the surrounding area.

2.2 Obligations can be provided in either the form of financial payments or through the delivery of on site provision such as affordable housing units.

Contributions sought must be:

- Necessary to make the development acceptable in planning terms
- Directly related to the development
- Fair and reasonable in scale to the development

2.3 Section 106 Agreement information for year 2022/2023 with a financial contribution

2.4 Table 1 details the financial contributions that have been agreed through signed Section 106 Agreements and Deed of Variations to previous Section 106 Agreements in financial year 2022/2023.

Table 1: Financial contributions signed in 2022/2023

Infrastructure area	Contributions agreed
Affordable housing	£394,247.00
Highways infrastructure	£16,000.00
West Yorkshire Combined Authority – public transport infrastructure	£5,115.00
Habitats and Biodiversity mitigation	£83,658.55
Total	£499,020.55

2.5 Section 106 Agreements are legally binding and their compliance will be pursued once the planning permission it relates to is implemented and a trigger point for payment of monies or completion

of physical works is met. When the planning permission is granted, the Section 106 Agreement is registered as a land charge and remains tied to the land whilst ever that development is in use. If the land owner changes over the course of the development, the new land owner will automatically be legally bound to ensure compliance with the Section 106 Agreement and its obligations.

2.6 Table 2 details the Section 106 payments received in year 2022/2023. Section 106 payments are normally due when a particular trigger point has been met. Often a trigger point is based on occupation levels and therefore most of the payments received in year 2022/2023 will come from an Agreement which predates this period.

Table 2: Section 106 Agreements financial payments received in 2022/2023

Infrastructure area	Payments received
Affordable housing	£493,870.00
Education infrastructure	£601,135.64
Active Travel/Great Northern Trail	£25,814.00
Recreation	£54,000.00
Highways infrastructure	£22,000.00
West Yorkshire Combined Authority	£14,748.25
Total	£1,211,567.89

2.7 Section 106 Agreement payments unspent and held by the Council

2.8 Section 106 deposits are held by Bradford Council. Often contributions have to be pooled together to accumulate enough funding to finance a project.

2.9 At present Bradford Council has a balance of £9,212,706.76 in unspent Section 106 contributions. Table 3 provides a breakdown of this balance.

Table 3: Breakdown of unspent Section 106 contributions

Infrastructure area	Balance held
Affordable housing	£4,519,118.37
Education	£1,968,995.92
Habitat mitigation and biodiversity works	£55,259.40
Footpaths / Rights of Way	£178,894.83
Highway works	£938,335.77
Recreation	£1,458,183.21
West Yorkshire Combined Authority	£93,919.26
Total	£9,212,706.76

2.10 The deposits held will be spent on infrastructure and/or geographical area identified in the Section 106 Agreement which secures its payment. Officers are working to identify suitable projects that are in line with the Council's priorities and also comply with the terms of the Section 106 Agreement.



3. Monitoring Fees

3.1 The Community Infrastructure Levy (Amendment) (England) (No2) Regulations 2019 now allow for Local Authorities to charge a monitoring fee through section 106 obligations. The monitoring fee is to cover the cost of monitoring and reporting on delivery of Section 106 obligations.

- Monitoring fees can be used for the monitoring and reporting on any type of planning obligation.
- Monitoring fees cannot be sought retrospectively for historic agreements.
- Monitoring fees are set by individual Authorities and must be proportionate and reasonable.
- Bradford Council currently charged a monitoring fee of £350.00 per obligation in year 2022/2023.

This fee is subject to review and discussions have taken place and concluded to increase this fee to £400.00 per obligation from October 2023.

4. Community Infrastructure Levy (CIL)

4.1 Bradford Council became a Community Infrastructure Levy (CIL) charging authority on 1st July 2017.

4.2 The Community Infrastructure Levy (CIL) is intended as a means of contributing to the funding of infrastructure required to support the delivery of the Local Plan, including the adopted Core Strategy and other Development Plan Documents. It replaces part of the system of Planning Obligations (S106 Agreements), the scope of which has been restricted since 6 April 2015.

4.3 CIL demand notices issued 2022/2023

4.4 CIL is payable when a development commences. A demand notice is raised when the payment becomes due and will set out the number of instalments the payment is to be made in. The instalments are detailed in the adopted instalment policy and are based on the total amount of the liability due.

4.5 The instalment policy allows for payments to be made over 90 days from the date of commencement up to two years from the date of commencement.

4.6 In year 2022/2023 a total of 42 CIL demand notices were issued. The total CIL liability requested for payment through these demand notices was £2,569,698.87.

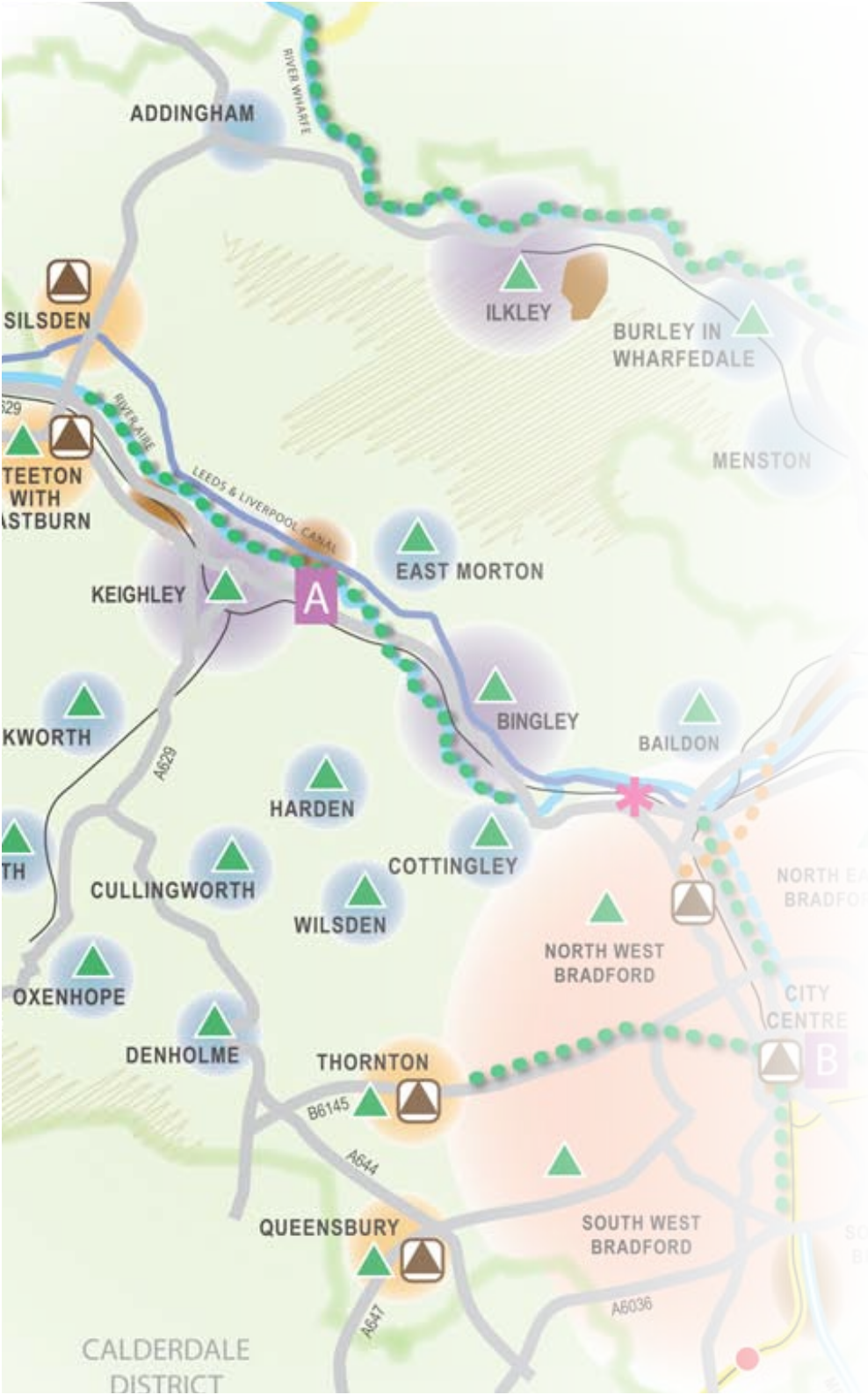
4.7 CIL payments received during 2022/2023

4.8 The total amount of CIL payments received during 2022/2023 was £600,717.66.

4.9 As the instalment policy allows for payments to be made up to two years from the date of commencement, the total CIL payments received in 2022/2023 will be comprised of payments made following demand notices raised in previous financial years and not just 2022/2023.

4.10 CIL regulations allow for up to 5% of the CIL receipts to be retained by the charging authority to cover the costs of administering CIL.

4.11 In line with the CIL Regulations 2010 (as amended) 15% of CIL income will be passed directly to those parish and town councils where development has taken place (the neighbourhood proportion), subject to the cap set in national CIL regulations. This will increase to 25% in any areas with an adopted neighbourhood plan.



4.12 Table 4 provides a breakdown of the CIL payments received, the administration fee retained, the total amount passed to parish and town councils and the total amount retained by the council to be spent in wards where a parish or town council is not in operation but a CIL payment has been received.

Table 4: Breakdown of retained and transferred CIL monies

5% administration sum retained	£42,975.15
Parish/Town Council transfers	£86,175.18
Ward payments held centrally	£16,134.61

4.14 CIL receipts allocated and spent in year 2022/2023

Executive Committee resolved on the 13th July 2023 to allocate the CIL receipts received for year 2022/2023 as follows:

Infrastructure Type	Allocation of CIL Strategic Fund (2022/2023)	Reason for Allocation
Education including primary and secondary provision	30% of the balance after Strategic CIL pot deposit £142,084.41	There is a proven link between the provision of new houses in a given area and increased pressure for additional school places.
Recreation and open space	20% of balance after Strategic CIL pot deposit £94,722.94	There is a proven link between the provision of new houses in a given area and increased pressure on existing recreational facilities.
Habitat mitigation schemes including Suitable Alternative Natural Greenspace	10% of balance after Strategic CIL pot deposit £47,361.47	Required by European legislation.
Active Travel incl cycle links	10% of the balance after Strategic CIL pot deposit £47,361.47	There is a proven link between the provision of new houses and an increased pressure on the existing networks to promote active travel.
Libraries	10% of the balance after Strategic CIL pot deposit £47,361.47	New developments create additional strain on existing facilities. The council has an Executive approved vision for the District to help mitigate demand.
Public Realm	20% of the balance after Strategic CIL pot deposit £94,722.94	To assist in delivery of the Great Horton road and Girlington public realm improvements, ensuring the necessary infrastructure is delivered resulting in a desirable and sustainable streetscape.

4.15 The executive Committee further resolved to agree an in principle decision to allocate a maximum contribution of £400,000.00 to help fund an extension to the Grange Park GP Surgery in Burley in Wharfedale. This allocation will be confirmed at the July 2024 Executive Committee and will be funded solely from the Sun Lane housing development currently under construction in Burley in Wharfedale.

4.16 The allocation will be subject to a funding agreement signed by both the GP surgery and Bradford Council. The funding agreement will detail the terms of the allocation and will include provisions for claiming the funds back if the extension to the surgery does not progress.

4.17 CIL payments allocated and unspent by the Council

4.18 CIL allocations are agreed annually by the Executive Committee. Allocations must be spent within 5 years or the sum is returned to the CIL “pot” for reallocation.

4.19 To date there have been three annual CIL allocations by the Executive Committee. Table 5 (see page 10) provides a breakdown of the total amount allocated and the current unspent balance being held.

Table 5: Breakdown of allocated CIL funds which remain unspent

Infrastructure area	2017/2019 allocation	2019/2020 allocation	2020/2021 allocation	2021/2022 allocation	2022/2023 allocation	Unspent balance
Education	£90,274.76	£125,605.45	£240,576.56	£312,216.39	£142,084.41	£142,084.41
Recreation	£67,706.07	£89,718.18	£160,384.38	£191,587.34	£94,722.94	£528,410.81
Green Infrastructure	£33,853.04	£53,830.90	n/a	n/a	n/a	£87,683.94
Habitat mitigation	£33,853.04	£53,830.90	£120,288.28	£70,958.27	£47,361.47	£326,291.96
Electric vehicle charging points	n/a	£35,887.27	£40,096.09	n/a	n/a	£0.00
Active travel incl cycle links	n/a	n/a	£80,192.18	£70,958.27	£47,361.47	£198,511.92
Clean air plan	n/a	£35,887.27	£40,096.09	n/a	n/a	£0.00
Libraries	n/a	n/a	£80,192.18	£63,862.44	£47,361.47	£191,416.09
Public Realm					£94,722.94	

4.20 Members of the Executive Committee in July 2019, resolved that a minimum of 20% of CIL receipts received each year shall be retained and not allocated to a specific infrastructure area.

4.21 The aim of this funding pot would be to support the delivery of future strategic infrastructure projects which may come forward in the future.

4.22 This funding pot would be separate to any CIL funds allocated to internal infrastructure providers such as education, recreation and green infrastructure.

4.23 The Executive in July 2023 agreed the following allocations from this funding pot:

Project	Allocation
Top of Town public realm	£150,000.00
Allotments refurbishments	£150,000.00

5. Habitat Mitigation payments for the South Pennine Moors SPA/SAC

5.1 The South Pennine Moors Special Protection Area (SPA) and Special Area of Conservation (SAC) is a network of moorland sites which are designated for their habitats which provide key feeding areas for some key moorland breeding species.

5.2 Bradford Council is identified as the “competent authority” who, under the Habitat Regulations, is responsible for assessing negative implications on the SPA/SAC. One such type of implication is the impact of additional recreational pressure which arises from new development which falls within a 7km radius of the SPA.

5.3 It was decided, and agreed by Executive Committee July 2021 that a new developer contribution would be introduced to help mitigate the impact of development which falls within 7km of the SPA/SAC.

5.4 The contribution is £375.61 per new dwelling and is paid as part of the validation process for all housing applications within the 7km area. This figure reflects the overall costs of mitigation measures shared across the scale of development set out in the Local Development Plan.

5.5 The contributions paid will be used to fund habitat mitigation projects to help mitigate the additional recreational impact of the new developments.

5.6 Where a planning application is withdrawn, refused or dismissed at an appeal the SPA/SAC fee paid will be returned.

5.7 Where a planning application is approved and progresses to commencement, the SPA/SAC fee will be made available for spend by Bradford Council.

5.8 Where a planning application is approved but does not commence and the planning permission expires, the SPA/SAC contribution will be returned when the planning application has expired (three years from the date the planning permission was granted).

5.9 The SPA/SAC payment became mandatory 1st April 2022 and in year 2022/2023 a total of £109,024.91 was paid for SPA mitigation. Of that, £25,165.87 has been refunded for reasons set out in 5.6.

6. Conclusion

Bradford Council are committed to ensuring all planning contributions are used in a fair and transparent way whilst meeting the requirements set out in either the Section 106 Agreement or CIL regulations.

A need to improve on the utilisation of developer funding received has been identified and steps are being taken to progress and develop the spend process as part of a coordinated response.

