

# Mole Valley District Council

## Annual Infrastructure Funding Statement

### For Community Infrastructure Levy and Section 106

Reporting Period:

From 01 April 2019 to 31 March 2020

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## 1.0 **Introduction**

- 1.1 The Infrastructure Funding Statement (IFS) is an annual report detailing all financial contributions for the Community Infrastructure Levy (CIL) and Section 106 Agreements (S106) within the Mole Valley District Council (MVDC) area, for each financial year.
- 1.2 The Council is required to publish the IFS annually, in accordance with Regulation 121A, Schedule 2, Section 1 of the Community Infrastructure Levy Regulations (2019 amendment).
- 1.3 This IFS is for the financial year 2019/20, covering the period of 01/04/2019 – 31/03/2020.
- 1.4 Before the IFS, Mole Valley District Council published annual monitoring reports for each financial year, setting out the total CIL receipts and expenditure for the reported year, summary details of expenditure including the amount of CIL passed to parish councils, CIL receipts carried forward, and infrastructure received in lieu.
- 1.5 Copies of the CIL annual monitoring reports are published on the MVDC [website](#).

# Community Infrastructure Levy Matters

## Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 1

### 2.0 Background

- 2.1 CIL was introduced by Mole Valley District Council on 1 January 2017.
- 2.2 The Community Infrastructure Levy (CIL) is a charge on the development of new floor space. Its purpose is to help fund infrastructure needed to support growth in the area.
- 2.3 The type of development on which CIL is collected, and the charging rates are set out in the CIL charging schedule, available on the MVDC [website](#).
- 2.4 The use of CIL receipts collected by MVDC falls into three categories:
- administration - up to 5% of CIL income per annum can be used for administrative purposes.
  - neighbourhood element - between 15-25% of CIL income is for use in the community area in which it is collected. The minimum amount of neighbourhood CIL is 15%, subject to a cap<sup>1</sup>. This rises to 25% in areas with a neighbourhood development plan and is uncapped. In areas with no parish council, the neighbourhood element is retained by MVDC, for spending in the respective neighbourhood area, after consultation with the local community.
  - strategic element - the remaining CIL income (70-80%) is retained by MVDC to contribute to the delivery of infrastructure that is needed to support new development.
- 2.5 MVDC is required to apply the strategic element of CIL to fund *'the provision, improvement, replacement, operation or maintenance of infrastructure<sup>2</sup> to support the development of the area<sup>3</sup>*. CIL funding may be applied to infrastructure outside Mole Valley where to do so would support the development of the area. Applying CIL includes the ability to pass it to other organisations where its use would have the same effect.
- 2.6 The neighbourhood element of CIL can be used by parish councils (or MVDC in the case of unparished areas) for the same purposes specified in paragraph 2.5, and in addition 'anything else that is concerned with addressing the demands that development places on an area'.<sup>4</sup>

### 2.7 Strategic Element

- 2.8 The strategic element of CIL is intended to fund infrastructure required to support development of the District. Decisions on spending the strategic element sits with the Cabinet, either on an annual basis at the same time the annual monitoring report is approved, or for large infrastructure schemes as required, dependent on the timing and agreement with organisations providing the infrastructure. One of the advantages of CIL is

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<sup>1</sup> The cap is calculated as a maximum aggregate of £100 per dwelling in the relevant civil parish.

<sup>2</sup> 'Infrastructure' is defined as: 'including roads and other transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting and recreational facilities, and open spaces (S216 Planning Act 2008).

<sup>3</sup> CIL Regulation 59.

<sup>4</sup> CIL Regulation 59C.

that receipts can be pooled and used anywhere in the District to address infrastructure needs.

- 2.9 CIL funding cannot be used to fund feasibility work unless it is capitalised as part of a commenced project.
- 2.10 While collected funds are growing, the current strategic fund is still relatively small in relation to the cost of major infrastructure projects. The strategic element of CIL can be used to assist in financing projects detailed in the Infrastructure Delivery Plan that underpins the Local Plan.
- 2.11 **Neighbourhood Element**
- 2.12 For parished areas, the neighbourhood element of CIL will be passported to the respective parish council in which development took place. Payments will be made twice yearly<sup>5</sup>. For the purposes of the IFS, payments received between 1 April and 30 September in any financial year will be paid by 28 October of that financial year. Similarly, payments received between 1 October and 31 March in any financial year will be paid by 28 April of the following financial year (and therefore appear in the following IFS).
- 2.13 It is for parish councils to decide how the money is spent within the terms of the CIL Regulations (see paragraph 2.6). Guidance on the responsibility for spending CIL in accordance with the Regulations has been issued to parish councils and is available on the MVDC [website](#). Parish councils have been reminded of these responsibilities, and the opportunities and limitations on the CIL funding passed to them.
- 2.14 For the unparished areas of the District, similar provisions are applied by MVDC, but MVDC retains the funding and facilitates its use to fund projects local to the area in which each receipt is collected, within the wider terms applicable to parish councils (see paragraph 2.6).
- 2.15 Spending the neighbourhood element of CIL in unparished areas was agreed by Council as following a process similar to that used to determine community grant funding. Local community groups or infrastructure providers can bid for the neighbourhood element of CIL in the same way that they can bid for community grants. In all cases, interested parties are expected to put forward a justification to support their projects, with the type of information needed appropriate to the scale and cost of the scheme in question.
- 2.16 For amounts above £10,000, Cabinet approval will be required to determine CIL funding on an annual basis. For smaller amounts up to £10,000, the decision is made under delegated powers by the Executive Head of Service (Place and Environment) in consultation with the Cabinet Member for Planning, and Ward Members.
- 2.17 Further guidance for interested parties wishing to bid for the neighbourhood element of CIL, and the opportunities and limitations on its use, is published on the MVDC [website](#).
- 2.18 **Collected**
- 2.19 The total value of demand notices issued in the reported period is £3,130,789.85. Of total value, the amount from Liability Notices (liable floorspace after any relief that has been granted) is £3,073,842.87.

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<sup>5</sup> By 28 April and 28 October for the preceding whole six months.

- 2.20 The total value from surcharges imposed due to breaches of the Community Infrastructure Levy Regulations is £55,436.74, and the total value of the late payment interest accrued is £1,510.24.
- 2.21 The total amount of CIL collected within the reported period totals £1,592,331.31.
- 2.22 The amount of CIL collected prior to the reported period totals £2,355,395.86. Of this total, the following amount was collected in Cash and as Land Transactions (including payments in kind and infrastructure payments), and the following amounts remain unallocated:

Type	Received	Unallocated
<b>Cash</b>	£2,355,395.86	£1,771,752.10
<b>Land Payment</b>	£0.00	£0.00

- 2.23 The total amount of CIL collected prior to the reported period, allocated in the reported period in relation to cash received is £127,337.20, and in relation to land payments (including payments in kind and infrastructure payments) is £0.00.

#### 2.24 **Spending**

- 2.25 The total CIL expenditure recorded for the reported period is as follows:

Type	Expenditure
<b>Admin CIL</b>	£80,049.25
<b>Neighbourhood CIL</b>	£59,634.57
<b>CIL Land Payments</b>	£0.00
<b>Other CIL Cash</b>	£0.00
<b>Total Value</b>	£139,683.80

- 2.26 The total amount of CIL allocated and not spent during the reported period is as follows. This does not include allocations made within the reported year that have been fully spent:

Type	Allocated	Spent	Remaining
<b>Admin CIL</b>	£80,049.25	£80,049.25	£0.00
<b>Neighbourhood CIL</b>	£96,315.55	£45,143.37	£51,172.18
<b>CIL Land Payments</b>	£0.00	£0.00	£0.00
<b>Other CIL Cash</b>	£200,000.00	£0.00	£200,000.00

- 2.27 The items of infrastructure on which CIL (including land payments) has been spent within the reported year, and the amount of CIL spent on each item is £0.00.
- 2.28 The amount of CIL spent on repaying money borrowed, including any interest, and details of the items of infrastructure which that money was used to provide (wholly or in part), is £0.00.
- 2.29 The amount of CIL collected towards administration expenses is £79,616.57. This was 5% of the total CIL receipts collected (£1,592,331.31) in the reported period.
- 2.30 Mole Valley District Council has set a collection percentage of 5.00%. The percentage taken may differ due to Land Payments (including payments in kind and infrastructure payments)

not being allocated to administration expenses, Surcharges and Late Payment Interest not being split with Neighbourhood Areas.

- 2.31 The amount of CIL spent on administration expenses during the reported year was £80,049.25. This was 5.03% of the total CIL collected within the reported year. The overspend was collected during the previous financial year and unspent. The amount was reallocated to this financial year in accordance with Regulation 61(3)(a).
- 2.32 Regarding CIL collected and allocated within the reported year that has not been spent, summary details of what has been allocated, is remaining to be spent and what it has been allocated towards, is as follows:

Infrastructure	Amount Allocated	Amount Unspent	Allocation Dated
<b>Surrey Infrastructure Feasibility Fund</b>	£200,000.00	£200,000.00	February 2020

- 2.33 The total amount of CIL passed to a neighbourhood zone under Regulation 59A (collected on behalf of the neighbourhood zone in cash), cash collected and allocated towards Neighbourhood CIL, and 59B (cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have received on a payment in kind), are as follows:

Zone	Date	Amount Passed
<b>Abinger Parish</b>	28 April 2019	£294.62
<b>Bookham</b>	09 January 2020	£9,848.40
<b>Brockham Parish</b>	28 April 2019	£21,075.00
<b>Capel Parish</b>	28 April 2019	£6,764.01
<b>Capel Parish</b>	28 October 2019	£12,747.29
<b>Dorking</b>	07 June 2019	£4,559.00
<b>Dorking</b>	29 July 2019	£1,039.17
<b>Dorking</b>	09 January 2020	£9,848.40
<b>Headley Parish</b>	28 October 2019	£2,418.36
<b>Leatherhead</b>	20 June 2019	£10,000.00
<b>Leatherhead</b>	09 January 2020	£9,848.40
<b>Newdigate Parish</b>	28 April 2019	£5,624.06
<b>Ockley Parish</b>	28 October 2019	£1,687.50
<b>Wotton Parish</b>	28 April 2019	£561.34

- 2.34 The following amounts were allocated towards Neighbourhood Zones under Regulation 59B, cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have received on a payment in kind, during the reported year is £0.00
- 2.35 The following spends within the reported year have been passed to a third party to spend on the provision, improvement, replacement, operation or maintenance of infrastructure under Regulation 59(4), is £0.00.
- 2.36 The total collected by Mole Valley District Council for the reported year under Regulation 59E (CIL returned to the Charging Authority after 5 years if not spent) was £0.00, and under Regulation 59F, CIL collected and retained by the Charging Authority for areas that are not designated Neighbourhood Zones, is £0.00.
- 2.37 The amount of CIL allocated during the reported year under Regulation 59E, CIL returned to the Charging Authority that had been passed to a Neighbourhood Zone and had not been applied to infrastructure after a 5-year period, during the reported year is £0.00.

- 2.38 The amount of CIL spent under Regulation 59E during the reported year is, £0.00.
- 2.39 The amount of CIL allocated during the reported year under Regulation 59F during the reported year is £0.00.
- 2.40 The amount of CIL spent under Regulation 59F during the reported year is £0.00.
- 2.41 The amount of CIL requested under Regulation 59E for the reported year is £0.00. The amount of CIL still outstanding for recovery under Regulation 59E at the end of the reported year, for all years, is £0.00.
- 2.42 The amount of CIL collected, not assigned for Neighbourhood CIL or CIL Administration, for the reported year and that had not been spent is £1,217,858.83.
- 2.43 The amount of CIL collected, not assigned for Neighbourhood CIL or CIL Administration, from 01 January 2017 to the end of the reported year that had not been spent is £3,059,662.74.
- 2.44 The amount CIL collected and that had not been spent under Regulations 59E and 59F during the reported year are as follows:

Type	Retained
<b>Regulation 59E</b>	£0.00
<b>Regulation 59F</b>	£0.00

- 2.45 The amount of CIL collected from 01 January 2017 to the end of the reported year under Regulations 59E and 59F that has not been spent, is as follows:

Type	Retained
<b>Regulation 59E</b>	£0.00
<b>Regulation 59F</b>	£0.00

## Overview of CIL for the Financial Year 2019/20 (01/04/2019-31/03/2020)

Neighbourhood Zone	COLLECTED: Neighbourhood	COLLECTED: Strategic	ALLOCATED: Neighbourhood	ALLOCATED: Strategic	SPENT: Neighbourhood	SPENT: Strategic	AVAILABLE: Neighbourhood	AVAILABLE: Strategic
Abinger Parish	£0.00	£0.00	£294.62	£0.00	£0.00	£0.00	£0.00	£0.00
Wotton Parish	£561.34	£3,373.81	£561.34	£0.00	£0.00	£0.00	£0.00	£3,373.81
Ockley Parish	£1,687.50	£11,137.50	£1,687.50	£0.00	£0.00	£0.00	£0.00	£11,137.50
Capel Parish	£24,987.14	£69,964.02	£19,511.30	£0.00	£0.00	£0.00	£5,475.84	£69,964.02
Holmwood Parish	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Newdigate Parish	£0.00	£0.00	£5,624.06	£0.00	£0.00	£0.00	£0.00	£0.00
Charlwood Parish	£26,002.68	£138,680.98	£0.00	£0.00	£0.00	£0.00	£26,002.68	£138,680.98
Leigh Parish	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Betchworth Parish	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Buckland Parish	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Brockham Parish	£0.00	£0.00	£21,075.00	£0.00	£0.00	£0.00	£0.00	£0.00
Mickleham Parish	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Headley Parish	£3,933.57	£23,354.02	£2,418.36	£0.00	£0.00	£0.00	£1,515.21	£23,354.02
Bookham	£71,316.02	£199,684.81	£9,848.40	£0.00	£9,848.40	£0.00	£61,467.62	£199,684.81
Fetcham	£87,792.13	£473,908.61	£0.00	£0.00	£0.00	£0.00	£87,792.13	£473,908.61
Leatherhead	£2,268.61	£12,099.23	£19,848.40	£0.00	£19,848.40	£0.00	£0.00	£12,099.23
Ashted	£51,124.19	£150,091.82	£0.00	£0.00	£10,000.00	£0.00	£51,124.19	£150,091.82
Westhumble and Pixham	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Boxhill	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Westcott	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Dorking	£25,182.73	£135,564.03	£15,446.57	£0.00	£19,937.77	£0.00	£9,736.16	£135,564.03
No Zone	£0.00	£0.00	£0.00	£200,000.00	£0.00	£0.00	£0.00	£1,017,858.83

## Section 106 Matters

### Community Infrastructure Levy Regulations (2019 Amendment)

#### Regulation 121A Schedule 2 Section 3

#### 3.0 **Background**

- 3.1 Planning obligations (Section 106 agreements) are legal agreements made between local authorities and developers to mitigate the impacts of an unacceptable development to make it acceptable in planning terms.
- 3.2 The land itself, rather than the person or organisation that develops the land, is bound by the Section 106 (S106) agreement.
- 3.3 S106 agreements can:
- a. Secure affordable housing.
  - b. Secure financial contributions for affordable housing or infrastructure.
  - c. Restrict the development or use the land in a specified way.
  - d. Require specific operations or activities to be carried out.

#### 3.4 **Collected**

- 3.5 The total amount of money to be provided under any planning obligations, which were entered during the reported year, is £0.00. This figure does not consider indexation (inflation/deflation) that may be applied when the money becomes due.
- 3.6 The total amount of money received from planning obligations during the reported year was £321,138.35. Of this amount £311,891.35 was allocated to affordable housing.
- 3.7 The total amount of money received prior to the reported year that has not been allocated is £2,845,952.23. Of this amount, £2,799,625.11 was allocated to affordable housing.
- 3.8 During the reported year the following non-monetary contributions have been provided under planning obligations:
- i. The total number of affordable housing units to be provided is 31.
  - ii. No educational provisions have been funded by offsite S106 or other funding sources during the reported year.
- 3.9 Summary details of all non-monetary obligations agreed within the reported year are as follows:

Service	Obligation	Planning Application
<b>Affordable Housing</b>	Agricultural worker's dwelling house for any purposes to support the ongoing operation and security of Snowerhill Farm including managing deliveries to Snowerhill Farm.	MO/2018/1427
<b>Land</b>	Transfer of land to the Council relating to the Deepdene trail.	MO/2019/0103

### 3.10 Spending

- 3.11 The total amount of money from planning obligations allocated towards infrastructure during the reported year was £28,436.33. Of this amount, £0.00 was not spent during the reported year.
- 3.12 The total amount of money from planning obligations spent during the reported year was £28,436.33. Of this amount, £0.00 was spent by a third party on behalf of Mole Valley District Council.
- 3.13 In relation to money which was allocated and spent by Mole Valley District Council during the reported year:
- i. The items of infrastructure that planning obligation money has been spent on and the amount spent are as follows:

Infrastructure	Spent	Date Spent	Spend Description
<b>Playspace</b>	£386.93	04/04/2019	Recreation Ground stile in Leigh
	£392.80	02/04/2019	Tree works in Great Bookham
	£785.60	02/04/2019	Tree works in Bookham High Street
<b>Playspace</b>	£1,000.00	07/06/2019	Chrystie Recreation Ground – Phase 2
<b>Transport</b>	£4310.00	19/07/2019	Paint bollards in Highlands Road, The Plough roundabout and rails in Leret Way, Leatherhead
<b>Community Facilities</b>	£599.50	14/08/2019	Clear Young Street Verge
<b>Environmental Improvements</b>	£40.50	14/08/2019	Clear Young Street Verge
<b>Playspace</b>	£4,215.00	15/10/2019	Chrystie Recreation Ground and Lower Road Recreation Ground safety surfaces
<b>Community Facilities</b>	£387.00	04/11/2019	Repair Capel Parish Church wall
<b>Footways &amp; Towns</b>	£1,197.00	04/11/2019	Update signage on the Ashted section of Thames Down Link path
<b>Environmental Improvements</b>	£1,899.00	20/12/2019	Leatherhead environmental improvements
<b>Playspace</b>	£9,570.00	21/01/2020	Children’s Playground at Merebank, Beare Green
<b>Environmental Improvements</b>	£789.00	13/03/2020	Leatherhead environmental improvements
<b>Playspace</b>	£2,904.00	05/05/2020	Improvements for safety surfaces at Meadowbank, Dorking

- 3.14 The amount of planning obligation money spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide, is £0.00.

- 3.15 The amount of planning obligation money spent in respect of administration of planning obligations and monitoring in relation to the delivery of planning obligations during the reported year was £20,249.04.
- 3.16 The total amount of money retained at the end of the reported year is £3,167,090.58.
- 3.17 If S106 contributions are not spent within 5 years, they are refunded to the developer.