



**WATFORD
BOROUGH
COUNCIL**

**Watford Borough
Council
Infrastructure
Funding Statement**

Report 2019/20

Published December 2020

Introduction

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.

The IFS provides a summary of financial developer contributions secured either through Section 106 Agreements or Community Infrastructure Levy (CIL) payments within Watford Borough Council.

This report covers the period between 1 April 2019 to 31 March 2020 and sets out details about CIL and section 106 planning obligation receipts and anticipated expenditure.

The report is split into two sections

- Community Infrastructure Levy Matters
- S106 Matters

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

Community Infrastructure Levy

Watford became a Community Infrastructure Charging Authority on 1 April 2015. CIL is the main way in which the council now collects contributions from developers for infrastructure provision to support development in the Local Plan.

Our CIL income is split in accordance with the regulations in the following way:

- 15% of the money received will be spent on priorities to address demands that new development places on our neighbourhoods in Watford. This portion of the income is referred to as Neighbourhood CIL.
- 5% is used to administer CIL in Watford
- The remaining 80%, will be spent on infrastructure projects that benefit the whole borough. This is referred to as Watford's Strategic CIL.

Community Infrastructure Levy Matters

Between 1st April 2015 and March 31st 2019 Watford Borough Council collected a total of £2,766,620.64, this amount was collected and unallocated prior to this reporting period.

Amount of CIL collected in previous years

Table 1

Year	Amount collected
2015/16	£160,275.84
2016/17	£421,060.02
2017/18	£762,986.63
2018/19	£1,422,298.15
2019/20	£3,290,420.11

The amount of CIL payable by developers is dependent on where the development is located within the borough and the type of development. Our charging schedule details our rates and a map of our charging areas [Community Infrastructure Levy Guidance Notes and Charging Areas](#).

CIL Receipts 2019/20

A total of £3,290,420.11 was collected in the period 1 April 2019 to 31 March 2020.

Table 2

Strategic CIL	£2,633,570.38
Neighbourhood CIL	£492,328.72
CIL Administration	£164,521.01
Total	£3,290,420.11

CIL Expenditure

The Council is currently preparing a new Local Plan, alongside which an Infrastructure Delivery Plan (IDP) will be drafted. The IDP will identify the improvements which are required to local infrastructure to support the growth identified through the plan and priorities the use of CIL income to deliver improvements and unlock potential growth.

Projects from the IDP will be prioritised and where appropriate fed into the Council's Capital Programme and Neighbourhood CIL process as outlined in our developer contribution governance.

As Watford is not parished, the Neighbourhood Portion received is set aside by the by the council to spend on community infrastructure projects.

The following priorities have been identified for Neighbourhood CIL spending.

NEIGHBOURHOOD CIL PRIORITIES

- Town and local centres
- Transport and roads
- Community spaces and cultural facilities
- Parks and green spaces
- Sustainability and Climate Change initiatives

Our first round of shortlisting has been unfortunately delayed due to the COVID-19 pandemic. It is anticipated that the process will commence in April 2021 in accordance with our CIL Decision Process Protocol.

S106 Planning obligations

Under section 106 (s106) of the Town and Country Planning Act 1990 a Local Planning Authority (LPA) can mitigate the potential impacts of new development through planning obligations when it is considered that the impacts cannot be appropriately mitigated through conditions on the planning permission.

The obligations may be provided by the developers “in kind” – that is, where the developer builds or provides directly the matters necessary to fulfil the obligation. This might be to build a certain number of affordable homes on-site, for example. Alternatively, planning obligations can be met in the form of financial payments to the Council to provide off-site infrastructure works or contributions towards providing affordable housing elsewhere in the Borough. In some cases, it can be a combination of both on-site provision and off-site financial contributions.

The obligations within a S106 agreement must meet three legal tests;

- Necessary to make the development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

Due to these tests, contributions secured through s106 agreements will normally be subject to more detailed restrictions in terms of how these contributions can be allocated and spent.

Obligations requested by Hertfordshire County Council as service provider are often included within the S106 agreement and are paid directly to them.

Section 106 Matters

A total of £579,011.04 was collected in the period 1 April 2019 to 31 March 2020.

Table 3

S106 Contribution	Amount collected
Affordable Housing	£555,292.00
Children’s Play Space	£1,117.18
Public Open Space	£1,401.86
Traffic regulation orders	£6200.00
Conservation monitoring contribution	£15,000.00

S106 monies unallocated and available to spend 2019/20

Since March 2020 a number of requests for funding have been approved and funds have been allocated to projects in accordance with the specific legal agreements, this spend will be reported on in our next IFS report.

Table 4

S106 contribution	Amount held
Affordable Housing	£1,481,906.51
Children's Play Space	£37,146.85
Cycle provisions	£66,101.28
Public Open Space	£17,373,52
Tree planting	£5059.01
Watford Museum Contribution	£72,315.45
Public Realm	£67,092,98
Traffic regulation orders	£6,200.00
Conservation monitoring contribution	£15,000.00
Total	£1768,195.60

S106 Expenditure

Expenditure during the reported period highlights the councils focus on spending S106 monies to ensure the delivery of infrastructure, including affordable homes, open spaces and transport improvements.

Projects funded by S106 during the reported year

Table 5

Project	S106 contribution	Amount Spent
Garston park Improvements	Parks and open space	£16,539.00
Watford Junction Cycle Park	Cycle provisions	£12,362.00
Watford Cycle hire Study	Cycle provisions	£4,460.00
Brow Development	Affordable housing	£300,000.00
Total S106 Spend		£333,361.00

**Matters to be included in the annual infrastructure funding statement
(Regulation 121 Schedule 2)**

1	CIL report	
a	the total value of CIL set out in all demand notices issued in the reported year	£3,781,341.12
b	the total amount of CIL receipts for the reported year	£3,290,420.11
c	the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year but which have not been allocated;	£2,766,620.64
d	the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year and which have been allocated in the reported year;	£0
e	the total amount of CIL expenditure for the reported year;	£0
f	the total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year;	£0
g	in relation to CIL expenditure for the reported year, summary details of—	
	i the items of infrastructure on which CIL (including land payments) has been spent, and the amount of CIL spent on each item;	£0
	ii the amount of CIL spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part);	£0
	iii the amount of CIL spent on administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation;	£164,521.01 5%
h	in relation to CIL receipts, whenever collected, which were allocated but not spent during the reported year, summary details of the items of infrastructure on which CIL (including land payments) has been allocated, and the amount of CIL allocated to each item;	£0
i	the amount of CIL passed to:-	
	i any parish council under regulation 59A or 59B; and	£0
	ii any person under regulation 59(4)	£0
j	summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year including—	£0
	i the total CIL receipts that regulations 59E and 59F applied to;	£0

	ii the items of infrastructure to which the CIL receipts to which regulations 59E and 59F applied have been allocated or spent, and the amount of expenditure allocated or spent on each item;	n/a
K	summary details of any notices served in accordance with regulation 59E, including—	£0
	i the total value of CIL receipts requested from each parish council;	£0
	ii any funds not yet recovered from each parish council at the end of the reported year;	£0
I	the total amount of—	£0
	i CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied;	£0
	ii CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied;	£0
	iii CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year;	£0
2	For the purposes of paragraph 1—	
a	CIL collected by an authority includes land payments made in respect of CIL charged by that authority;	£0
b	CIL collected by way of a land payment has not been spent if at the end of the reported year—	£0
	i development (within the meaning in TCPA 1990) consistent with a relevant purpose has not commenced on the acquired land; or	n/a
	ii the acquired land (in whole or in part) has been used or disposed of for a purpose other than a relevant purpose; and the amount deemed to be CIL by virtue of regulation 73(9) has not been spent	n/a
c	CIL collected by an authority includes infrastructure payments made in respect of CIL charged by that authority;	£0
d	CIL collected by way of an infrastructure payment has not been spent if at the end of the reported year the infrastructure to be provided has not been provided;	£0

e	the value of acquired land is the value stated in the agreement made with the charging authority in respect of that land in accordance with regulation 73(6)(d);	£0
f	the value of a part of acquired land must be determined by applying the formula in regulation 73(10) as if references to N in that provision were references to the area of the part of the acquired land whose value is being determined;	£0
g	the value of an infrastructure payment is the CIL cash amount stated in the agreement made with the charging authority in respect of the infrastructure in accordance with regulation 73A(7)(e).	£0

3	The matters to be included in the section 106 report for each reported year are—	
a	the total amount of money to be provided under any planning obligations which were entered into during the reported year;	£44,300.00
b	the total amount of money under any planning obligations which was received during the reported year;	£579,011.04
c	the total amount of money under any planning obligations which was received before the reported year which has not been allocated by the authority;	£1,768,195.60
d	summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year, including details of—	
	i in relation to affordable housing, the total number of units which will be provided;	136 units
	ii in relation to educational facilities, the number of school places for pupils which will be provided, and the category of school at which they will be provided	This information will be provided in Hertfordshire County Councils IFS
e	the total amount of money (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure;	None

f	the total amount of money (received under any planning obligations) which was spent by the authority (including transferring it to another person to spend);	£333,361.00
g	in relation to money (received under planning obligations) which was allocated by the authority but not spent during the reported year, summary details of the items of infrastructure on which the money has been allocated, and the amount of money allocated to each item;	N/a
h	in relation to money (received under planning obligations) which was spent by the authority during the reported year (including transferring it to another person to spend), summary details of—	
	i the items of infrastructure on which that money (received under planning obligations) was spent, and the amount spent on each item;	See table 5
	ii the amount of money (received under planning obligations) spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part);	£0
	iii the amount of money (received under planning obligations) spent in respect of monitoring (including reporting under regulation 121A) in relation to the delivery of planning obligations;	£350
i	the total amount of money (received under any planning obligations) during any year which was retained at the end of the reported year, and where any of the retained money has been allocated for the purposes of longer-term maintenance (“commuted sums”), also identify separately the total amount of commuted sums held.	£0
4	The matters which may be included in the section 106 report for each reported year are—	
a	summary details of any funding or provision of infrastructure which is to be provided through a highway agreement under section 278 of the Highways Act 1980 which was entered into during the reported year,	This information will be provided in Hertfordshire County Councils IFS
b	summary details of any funding or provision of infrastructure under a highway agreement which was provided during the reported year.	This information will be provided in Hertfordshire County Councils IFS

5	For the purposes of paragraph 3—	
a	where the amount of money to be provided under any planning obligations is not known, an authority must provide an estimate	n/a
b	a non-monetary contribution includes any land or item of infrastructure provided pursuant to a planning obligation;	n/a
c	where the amount of money spent in respect of monitoring in relation to delivery of planning obligations is not known, an authority must provide an estimate.	n/a

