

	Cabinet 9 December 2024
	Report from the Corporate Director of Neighbourhoods and Regeneration
	Lead Member – Leader and Cabinet Member for Housing, Regeneration, Planning & Growth (Councillor Muhammed Butt)
Brent Infrastructure Funding Statement 2023/24	

Wards Affected:	All, excluding parts of Alperton, Harlesden and Kensal Green, Stonebridge and Tokyngton where Old Oak and Park Royal Development Corporation is the Local Planning Authority
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
List of Appendices:	One: Appendix A: Brent Infrastructure Funding Statement 2023/24
Background Papers:	None
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1.0 Executive Summary

- 1.1 This report introduces the Council's fifth Infrastructure Funding Statement (IFS), which has been prepared in line with the Community Infrastructure Levy (CIL) Regulations (amended 2019).
- 1.2 The Annual Infrastructure Funding Statement outlines how much CIL and S106 income has been received for the previous year, what it has been spent on, and future spending priorities. This must be published each year by 31st December. Reporting on CIL and S106 in this way allows our communities to have a better

understanding of how developer contributions have been used to deliver infrastructure in Brent.

2.0 Recommendation(s)

2.1 For Cabinet to note the content of this report and approve Appendix A: Brent Infrastructure Funding Statement 2023/24 for publication on the Council's website.

3.0 Detail

3.1 Cabinet Member Foreword

3.1.1 The Infrastructure Funding Statement (IFS) is an opportunity for the Council to highlight its work in collecting CIL and S106 monies which is then allocated to a wide variety of infrastructure projects across the borough. The IFS demonstrates the positive impact of development within Brent through projects that are undertaken in Brent, and facilitates growth identified in the Brent Local Plan which aims to benefit all communities.

3.1.2 It is important to understand that the funds received from CIL and S106 cannot be spent on regular Council business and the criteria for use are set out by legislation. Given the current uncertainties in local government funding, it is essential for the Government to enhance sector funding.

3.1.3 Through Neighbourhood CIL (NCIL) project allocations, the IFS demonstrates how the Council is consistent with Thriving Communities Priority 3: Desired Outcome 1 of 'Enabling our communities' as outlined in the Borough Plan.

3.1.4 Through the NCIL project allocations, the Council encourages communities to collaborate and bid for NCIL contributions. These projects aim to improve the community and support growth, demonstrating the Council's dedication to working with and empowering local communities.

3.1.5 The Borough Plan includes commitments to providing affordable housing, tackling climate change, air quality, employment and training, skills, and education.

3.1.6 The IFS demonstrates how the Council is meeting strategic priorities through the approval of affordable housing and showcasing the collection and subsequent allocation of affordable housing and carbon offset contributions to projects, improving the lives of current and future residents.

3.1.7 The IFS also links to and aligns with the priorities and ambitions of several other Council plans and policies including:

- Affordable Workspace Strategy
- Brent Local Plan
- Climate and Ecological Emergency Strategy
- Inclusive Growth Strategy

- Long Term Transport Strategy

3.2 Background

- 3.2.1 The Council has been collecting the borough's Community Infrastructure Levy (CIL) since July 2013. CIL is a levy applied to most developments granted planning permission that commence and is to help deliver the infrastructure needed to support the development of the area. CIL is also important in demonstrating to communities the benefits that new development can bring, including through key infrastructure projects, place-making and local improvements.
- 3.2.2 This is the Council's fifth IFS, and it covers the financial year **2023/24**. It has been prepared in line with the Community Infrastructure Levy (Amendment) Regulations 2019 and covers income and expenditure relating to CIL, Section 106 (S106) planning obligations and S278 highways agreements.
- 3.2.3 It also, where possible, sets out future spending priorities on infrastructure in line with the growth identified in the Brent Local Plan, Borough Plan, Capital Pipeline and Long Term Transport Strategy.
- 3.2.4 CIL is allocated within the framework of the Council's capital programme governance arrangements.
- 3.2.5 The borough CIL receipts can be broken down into three portions – Strategic CIL, Neighbourhood CIL, and Administration CIL. A Mayoral CIL of £60 per sqm is collected as well and passed on to Transport for London (TfL) on a quarterly basis. The borough keeps 4% of this levy for administrative purposes. All London boroughs are subject to this levy, with the money used to fund the Elizabeth Line.
- 3.2.6 Strategic CIL must be used to fund the improvement or replacement of infrastructure (e.g. education, transport facilities, medical facilities, schools, sporting, and open space/recreation facilities) that supports growth in the borough. Whilst it cannot be used to resolve pre-existing deficiencies, it can secure improvements to existing infrastructure if it is shown that this supports development.
- 3.2.7 The Council also enters into S106 agreements with developers - a mechanism which makes a development proposal acceptable in planning terms. S106 agreements are focused on site-specific mitigation of the impact of development. CIL, on the other hand, is designed to raise funds for infrastructure needed generally as a result of an increase in development in an area and is spent on infrastructure projects across the borough.
- 3.2.8 The IFS is a statement of spend as required by the regulations and not a statement on the allocation process of CIL and S106.

Summary of CIL performance in 2023/24

3.2.9 The IFS 2023/24 is set out at Appendix A of this report.

3.2.10 Brent CIL is made up of Strategic CIL (SCIL), Neighbourhood CIL (NCIL) and CIL Admin. A summary of Brent CIL receipts, allocation, and expenditure for 2023/24 is set out below:

Table 1: Total Brent CIL receipts 2023/24

Brent CIL Item	Total Receipts
The total value of CIL set out in all demand notices (sent to those who have provided a commencement date to pay CIL) issued in 2023/24*	£31,981,520.67
The total amount of SCIL received	£28,293,587.81
The total amount of NCIL received	£5,390,172.42
The total amount of CIL Admin received	£1,772,829.50
Total BCIL receipts received	£35,456,589.74

**These may not all be due to be paid in the same financial year as the financial year in which they are issued.*

Strategic CIL performance in 2023/24

3.2.11 In 2023/24 SCIL was allocated to the following infrastructure items:

Table 2: Total SCIL allocated in 2023/24

Infrastructure Project	SCIL Allocation	Ward(s)
Alperton Housing Zone Parks Improvements	£525,466.00	Alperton and Wembley Central
Grove Park Pavilion Refurbishment	£500,000.00	Kingsbury
Medical Centre, South Kilburn*	£600,000.00	Kilburn
Neasden Town Centre Connectivity and Place Strategy	£200,000.00	Dollis Hill and Welsh Harp
Northwick Park Mortuary Expansion	£900,621.00	Northwick Park
Northwick Park Spine Road	£3,000,000.00	Northwick Park
Picture Palace	£3,400,000.00	Harlesden & Kensal Green
Preston Community Library Redevelopment*	£600,000.00	Preston
Total SCIL allocated	£9,726,087.00	

**Additional funding.*

3.2.12 In 2023/24 SCIL was spent on the following infrastructure items:

Table 3: Total SCIL expenditure in 2023/24

Infrastructure Project	SCIL Expenditure	Ward(s)
Carlton Vale Boulevard	£53,512.18	Kilburn
Harlesden Library	£133,506.71	Harlesden & Kensal Green
Medical Centre, Wembley	£701,596.00	Wembley Park
New Community Café and External Amenity Space as part of the Stonebridge Redevelopment	£102,427.26	Stonebridge
New Community Centre as part of the Brent Indian Community Centre Redevelopment	£2,479,770.31	Willesden Green
New Community Centre as part of the Learie Constantine Centre Redevelopment	£2,643,445.04	Willesden Green
Northwick Park Spine Road	£3,000,000.00	Northwick Park
Preston Community Library Redevelopment	£1,615,684.77	Preston
Wembley Hostile Vehicle Measures	£71,661.34	Wembley Park
Wembley North End Road (Wembley Transport Improvements)	£36,689.17	Wembley Park
Total SCIL Expenditure	£10,838,292.78	

3.2.13 A summary of SCIL at the end of the reported year:

Table 4: SCIL at the end 2023/24

CIL Type	Total Unallocated	Total Allocated	Total Unspent*
SCIL	£87,328,249.17	£55,676,567.90	£143,004,817.07

**Unspent is money which is yet to be allocated along with money that has been allocated and has yet to be drawn down by the projects to which it is allocated.*

Neighbourhood CIL performance in 2023/24

3.2.14 For the reported year **£5,390,172.42** of NCIL was collected.

3.2.15 **£1,297,445.18** was spent on projects during the same period.

3.2.16 The Council approved 32 projects for NCIL funding to deliver a variety of infrastructure projects across the borough. The projects and allocated NCIL

amounts, along with NCIL spend, are outlined in Appendix 1 of the Infrastructure Funding Statement.

3.2.17 The successful NCIL project organisations were notified that they were successful and due to be allocated NCIL funding on 28 March 2024. Successful organisations must have signed an agreement with the Council prior to being able to commence their project. Once the agreement is signed, they have two years to complete it. The first organisations signed their contracts to enable them to start spending their NCIL allocations on 29 July 2024 with contracts being signed through the year, subject to discussions between the Council and organisation.

Table 5: NCIL position at the end of 2023/24

CIL Type	Total Unallocated	Total Allocated	Total Unspent*
NCIL	£12,769,862.25	£2,907,418.64	£15,677,280.89

**Unspent is money which is yet to be allocated along with money that has been allocated and has yet to be drawn down by the projects to which it is allocated.*

Summary of S106 performance in 2023/24

3.2.18 During the reported year, 22 S106's and two Unilateral Undertakings were negotiated and agreed which are outlined in paragraph 3.1.2 of the IFS.

Table 6: S106 Receipts

Regulation Requirement	S106 Amount
The total amount of money to be provided under any planning obligations which were entered into during 2023/24	£14,949,743.83*
The total amount of money under any planning obligations which was received during 2023/24	£6,491,632.75
The total amount of money under any planning obligations which was collected in years previous to 2023/24 and carried forward into 2023/24 which has not been allocated by the authority prior to 2023/24	£1,966,606.58

**Subject to index linking and future calculations for Carbon Offsetting and Affordable Housing.*

Table 7: Summary of S106 allocation and expenditure

Regulation Requirement	S106 Expenditure
The total amount of money (received under any planning obligations) which was allocated but not spent during 2023/24 for funding infrastructure	£1,295,913.92
The total amount of money (received under any planning obligations) which was spent by the authority (including transferring it to another person to spend)	Spent by Brent: £1,514,061.46 Transferred to TfL: £0.00 Total: £1,514,061.46

3.2.19 The total amount of money received (under any planning obligations) during any year which was retained at the end of 2023/24 is £21,301,195.35. Table 8 shows the breakdown of these funds. Appendix 2 of the IFS shows the projects which had S106 money allocated to them in 2023/24.

Table 8: S106 position at the end of 2023/24

Total Unallocated S106 Funds	Total Allocated S106 Funds	Total Unspent*
£6,465,054.45	£10,869,746.78	£17,334,801.23

**Unspent is money which is yet to be allocated along with money that has been allocated and has yet to be drawn down by the projects to which it is allocated.*

3.2.20 For non-monetary contributions – **301** affordable housing units were secured. The names of the schemes along with the number of affordable housing units secured are in Table 13 of the IFS.

3.2.21 During 2023/24 the Council entered into nine S278 highways agreements. The associated developments along with the description and value of these highway works are outlined in Table 16 of the IFS.

Future spending priorities

3.2.22 The Brent Local Plan outlines proposals to accommodate development in the borough up to 2041. Over this time, the borough will continue to see a significant increase in its population, similar to levels seen over the last 20 years. This will require a substantial number of new homes, jobs and associated physical and social infrastructure.

3.2.23 To support this, a programme of capital expenditure, and Strategic CIL will be used to fund, in part or full, some of these items, which are outlined in the Infrastructure Delivery Plan (IDP), and which meet Borough priorities.

3.2.24 The Council will continue to focus the spending of CIL and S106 receipts on essential infrastructure to support the level of growth outlined in the Local Plan and the projects identified in the IDP. It will do this jointly with partners through

effective and ongoing engagement ensuring key infrastructure is delivered at the right time and in the right place to support growth and development.

3.2.25 SCIL funds have matured over a number of years; prudent financial practice and good future infrastructure planning demands that the fund is judiciously allocated over time. This allows for important infrastructure coming forward in the future to be funded. In view of this, the Council is currently updating its IDP to help with the future planning of infrastructure across the Borough ensuring it aligns with the growth anticipated to come forward in the Local Plan and Borough priorities. This provides transparency to residents, members, infrastructure providers and the wider development industry on the type of infrastructure required to support long-term growth and development of the borough.

3.2.26 It is important to highlight that although a significant amount of SCIL has been collected over the past couple of years, the Council has nevertheless secured a significant amount of infrastructure investment through other mechanisms. These include planning consents, infrastructure provided within developments and funding for infrastructure secured via S106 legal obligations. Infrastructure has also been secured through work that has been undertaken with partners such as the Department for Education and TfL.

Next Steps

3.2.27 Following Cabinet, if agreed, the IFS will be published online at: <https://www.brent.gov.uk/planning-and-building-control/planning-policy-and-guidance/community-infrastructure-levy-and-section-106#howcillispent>.

Alternative Options Considered

3.2.28 The requirement to produce an annual Infrastructure Funding Statement is set out in the amended CIL regulations (2019). The Council must prepare an IFS for 2023/24 and publish it online before 31st December 2024. For these reasons, no alternative options have been considered.

4.0 Stakeholder and ward member consultation and engagement

4.1 Quarterly reporting on infrastructure priorities and projects, as well as CIL and S106 expenditure and income, has been provided to the Cabinet Member for Regeneration, Planning & Growth over the financial year. This reporting provides clear links back to decisions, which in turn help to deliver priorities and objectives of the Brent Local Plan and other Borough priorities. The IFS 2023/24 has been presented to the Cabinet Member on 30 September 2024, the Corporate Management Team (CMT) on 23 October 2024, and the Policy Coordination Group (PCG) on 13 November 2024.

5.0 Financial Considerations

5.1 There are no financial implications as a result of this report.

6.0 Legal Considerations

6.1 The CIL Regulations (as amended, 2019) require local planning authorities to produce an Annual Infrastructure Funding Statement and publish it each year by 31st December. It will include:

- The total value of CIL set out in all demand notices issued in the reported year;
- The total amount of CIL receipts for the reported year;
- The total amount of CIL receipts, collected by the authority before the reported year but which have not been allocated;
- The total amount of CIL receipts, collected by the authority before the reported year and which have been allocated in the reported year;
- The total amount of CIL expenditure for the reported year; and
- The total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year.

6.2 In relation to CIL expenditure for the reported year, summary details of:

- The items of infrastructure on which CIL (including land payments) has been spent, and the amount of CIL spent on each item;
- 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); and
- 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.

6.3 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.

6.4 The Statement must address CIL collection and spend, infrastructure projects and S106 collection and spend.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

7.1 The public sector equality duty set out in Section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not share that protected characteristic. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

7.2 The infrastructure projects have been established as part of the evidence work to support the Local Plan which has been subject to Equality Impact

Assessment. This has informed the policies and projects including analysis of potential alternatives, to seek to reduce adverse impacts and wherever possible improve the outcomes for those with protected characteristics and the social, economic, and environmental outcomes of the Plan.

8.0 Climate Change and Environmental Considerations

8.1 The Council declared a climate and ecological emergency in 2019 and set out to do all reasonable in the Council's gift, within available resources and competing priorities, to aim for carbon neutrality for the borough by 2030. The Council has subsequently adopted a Climate and Ecological Emergency Strategy (2021-2030) which sets out the Council's route map to achieve this aim.

8.2 The IFS demonstrates Brent's commitment to the Brent Climate & Ecological Emergency Strategy through showcasing the use of CIL and S106 allocations which meet the Key Themes of the document, in particular:

- Key Theme 2 - '1. Supporting and Encouraging Active Travel' through the Neasden Town Centre Connectivity and Place Strategy SCIL project;
- Key Theme 3 - '1. Improving Energy Efficiency' through the Social Housing Decarbonisation S106 project;
- Key Theme 4 - '1. Enhancing Green Spaces and Biodiversity': Chalkhill Parks Improvements, Heather Park Dog Station, Lawrence Avenue Open Space Improvements, and One Tree Hill Paths S106 projects; and
- Key Theme 5 - '3. Brent Carbon Offset Fund' through the collection of Carbon Offset S106 contributions throughout the financial year.

8.3 Since 1 October 2016, under the London Plan, any development that fails to achieve on-site zero carbon must make cash in lieu contributions to a Carbon Offset Fund within the borough that they are operating, collected via S106. These contributions are used to fund local carbon reduction projects, thereby offsetting the development's carbon emissions shortfall.

8.4 The London Plan requires local planning authorities to:

- Set up a Carbon Offset Fund that is ring-fenced to secure delivery of carbon savings within the relevant LPA;
- Set a price for carbon, i.e. price per annual tonne of carbon, that developers pay to make up any shortfall in on-site carbon savings, securing contributions through S106 agreements;
- Identify a suitable range of projects that can be funded through the Fund;
- Put in place suitable monitoring procedures to enable reporting to the GLA.

8.5 The GLA has specific guidance on the Carbon Offset Fund, but the fundamental purpose is that it should be used for tangible carbon reduction projects in homes and buildings, although education projects are also eligible. There are specific criteria related to the amount of carbon reduction achieved.

- 8.6 Since Cabinet agreement was obtained in October 2022, the Council has allocated its Fund via a three-way split between Housing (60%), Community Schools (30%), and other (10%). A decision was made by Brent's Cabinet at its meeting on 14 October 2024 to remove this existing allocation split, and for the fund to be utilised in a more agile and flexible way going forward. The expenditure and allocation to date following the current policy is set out below:

Category	Percentage Allocated	Total Allocation	Expenditure to Date	Amount Remaining
Housing	60%	£2,774,716	£900,000	£1,874,716
Schools	30%	£1,387,358	£595,910	£791,449
Other	10%	£462,453	£139,503	£322,950
Total	100%	£4,624,527	£1,635,412	£2,989,115

9.0 Human Resources/Property Considerations (if appropriate).

- 9.1 There are no Human Resources/Property implications as a result of this report.

10.0 Communication Considerations

- 10.1 The IFS will be published on the Brent Council website before 31st December 2024 as required the CIL regulations (as amended, 2019).

Report sign off:

Alice Lester

Corporate Director of Neighbourhoods and Regeneration