

# INFRASTRUCTURE FUNDING STATEMENT 2023/2024



*City of*  
**BRADFORD**  
METROPOLITAN DISTRICT COUNCIL

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# 1. Introduction

- 1.1** The Infrastructure Funding Statement (IFS) is an annual report that has to be published by 31 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

- 1.4** 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 2023/2024 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 2023/2024.

**Table 1: Financial contributions signed in 2023/2024**

Infrastructure area	Contributions agreed
Highways infrastructure	£1,016,000.00
West Yorkshire Combined Authority – public transport infrastructure	£128,000.00
Habitats and Biodiversity mitigation	£171,070.74
<b>Total</b>	<b>£1,315,070.74</b>

- 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 2023/2024. 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 2023/2024 will come from an Agreement which predates this period.

**Table 2: Section 106 Agreements financial payments received in 2023/2024**

Infrastructure area	Payments agreed
Affordable housing	£108,411.91
Education infrastructure	£1,165,675.00
Active Travel/Great northern Trial	£25,980.00
Recreation	£4,000.00
Highways infrastructure	£9,742.50
West Yorkshire Combined Authority	£40,109.50
Habitats and biodiversity mitigation	£20,750.00
Footpaths and Rights of Way	£14,318.00
Drainage/Bradford Beck	£20,000.00
<b>Total</b>	<b>£1,408,986.91</b>

## **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 £6,430,389.57 in unspent Section 106 contributions. Table 3 provides a breakdown of this balance:

**Table 3: Breakdown of unspent Section 106 contributions**

<b>Infrastructure area</b>	<b>Balance held</b>
Affordable housing	£1,994,497.86
Education	£1,284,822.00
Habitat mitigation and biodiversity works	£63,363.00
Footpaths/rights of Way	£181,811.00
Highway works	£812,551.00
Recreation	£2,023,479.00
West Yorkshire Combined Authority	£69,865.71
<b>Total</b>	<b>£6,430,389.57</b>

**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 charged a monitoring fee of £400.00 per obligation in year 2023/2024.



## 4. Community Infrastructure Levy (CIL)

**4.1 Bradford Council became a Community Infrastructure Levy (CIL) charging authority on 1 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 (Section 106 Agreements), the scope of which has been restricted since 6 April 2015.

**4.3 CIL demand notices issued 2023/2024**

**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 2023/2024 a total of 50 CIL demand notices were issued. The total CIL liability requested for payment through these demand notices was £1,649,498.20.

**4.7 CIL payments received during 2022/2023**

**4.8** The total amount of CIL payments received during 2023/2024 was £1,762,777.93.

**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 2023/2024 will be comprised of payments made following demand notices raised in previous financial years and not just 2023/2024.

**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** The figures below provide 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.

**Breakdown of retained and transferred CIL monies:**

5% administration sum retained	<b>£66,359.15</b>
Parish/Town Council transfers	<b>£413,447.39</b>
Ward payments held centrally	<b>£11,916.33</b>



### 4.13 CIL receipts allocated and spent in year 2023/2024

**4.14** Executive Committee resolved on the 3rd September 2024 to allocate the CIL receipts received for year 2023/2024 as follows:

Infrastructure Type	Allocation of CIL Strategic Fund 2023/2024	Reason for allocation	Reduction in corporate borrowing
Highways	100% of their request from the available CIL Strategic Fund balance <b>£80,000.00</b>	The cost of highway schemes are set based on the cost of materials. By providing a lesser contribution than that requested will jeopardise the delivery of schemes and will impact on highway safety.	Indications from Highways that these are new additional works.
Habitat mitigation schemes including Suitable Alternative Natural Greenspace	100% of their request from the available CIL Strategic Fund balance <b>£32,000.00</b>	Required by legislation see section 3 to ensure Bradford Council is complying with its legal requirements.	This allocation is a legal requirement and will not result in any savings to corporate borrowing.
Education including primary and secondary provision	50% of the remaining available CIL Strategic Fund balance <b>£539,000.00</b>	There is a proven link between the provision of new houses in a given area and increased pressure for additional school places. Allocating this sum to education will also support the capital plan.	This will replace corporate borrowing on Bingley Grammar and SEND expansion. It will result in an estimated saving of £0.033m over a 30 year period.
Parks and green spaces	20% of the remaining available CIL Strategic Fund balance <b>£539,000.00</b>	There is a proven link between the provision of new houses in a given area and increased pressure on existing recreational facilities. Allocating this sum to parks and green spaces will also support the capital plan.	This will replace corporate borrowing on the Playground strategy. The annual estimated saving will be £0.07m over a 10 year period. This saving is included as part of the Capital Plan Review.

#### **4.15 CIL payments allocated and unspent by the Council.**

- 4.16** The Executive in July 2023 agreed in principle to allocate a maximum contribution of £400,000.00 to assist in funding an extension to Grange Park GP Surgery in Burley in Wharfedale. This allocation was to be funded solely from the Sun Lane housing development and was to be subject to a Funding Agreement.
- 4.17** The terms of the Funding Agreement were agreed in spring 2024 and a report was presented to the Executive in April 2024 detailing the contribution.
- 4.18** The Executive resolved to proceed with the allocation.
- 4.19** Works have commenced on the construction of the extension and payments of the allocation are being requested in line with the terms of the Funding Agreement.
- 4.20** 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.
- 4.21** To date there have been four annual CIL allocations by the Executive Committee. Table 4 provides a breakdown of the total amount allocated and the current unspent balance being held.

**Table 4: 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	2023/2024 allocation	Unspent balance
Education	£90,274.76	£125,605.45	£240,576.56	£312,216.39	£142,084.41	£539,000.00	£539,000.00
Recreation	£67,706.07	£89,718.18	£160,384.38	£191,587.34	£94,722.94	£539,000.00	£1,067,410.00
Green Infrastructure	£33,853.04	£53,830.90	n/a	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	£32,000.00	£230,920.00
Electric vehicle charging points	n/a	£35,887.27	£40,096.09	n/a	n/a	n/a	£0.00
Active travel incl cycle links	n/a	n/a	£80,192.18	£70,958.27	£47,361.47	n/a	£166,604.90
Clean air plan	n/a	£35,887.27	£40,096.09	n/a	n/a	n/a	£0.00
Libraries	n/a	n/a	£80,192.18	£63,862.44	£47,361.47	n/a	£91,058.00
Public Realm					£94,722.94	n/a	£94,722.92
Highways	n/a	n/a	n/a	n/a	n/a	£80,000.00	£80,000.00



- 4.22** 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.
- 4.23** The aim of this funding pot would be to support the delivery of future strategic infrastructure projects which may come forward in the future.
- 4.24** This funding pot would be separate to any CIL funds allocated to internal infrastructure providers such as education, recreation and green infrastructure.
- 4.25** The Executive in September 2024 agreed that the held balance in this pot would be included in the allocations. Therefore the allocations in 4.14 include this balance. Bradford Council currently has no held, unallocated CIL receipts.





## 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 1 April 2022 and in year 2023/2024 a total of £143,844.63 was paid for SPA mitigation.
- 5.10** A total of £33,414.30 has been refunded for reasons set out in 5.6. It should be noted that refunds will include payments made in previous financial years and as such only part of the £33,414.30 will be for payments received in year 2023/2024.

## 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.

# **INFRASTRUCTURE FUNDING STATEMENT 2023/2024**

