

INFRASTRUCTURE FUNDING STATEMENT

Annual statement for Canterbury City Council for
financial year 2023/2024

December 2024



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1. Introduction

- 1.1. Welcome to our fifth annual Infrastructure Funding Statement (IFS).
- 1.2. The IFS has been produced in accordance with the [Community Infrastructure Levy Regulations 2010 \(as amended\)](#).
- 1.3. The purpose of the statement is to illustrate the income and expenditure relating to developer contributions for the financial year 2023/2024 (1st April 2023 to 31st March 2024).
- 1.4. Along with summary information, the IFS also contains examples of infrastructure projects funded by developer contributions which have been delivered by Canterbury City Council in the financial year 2023/2024.

What are developer contributions?

- 1.5. The purpose of developer contributions is to ensure that developers address or mitigate the impacts of their development on infrastructure. Types of infrastructure include open space such as play areas and parks, schools, transport and community facilities.
- 1.6. Mitigation can be made as financial contributions by way of the Community Infrastructure Levy (CIL) or Section 106 (s106) agreements (also known as planning obligations). Alternatively, planning permissions may require that developers provide infrastructure directly.
- 1.7. Canterbury City Council began charging CIL from 1 April 2020. This year's statement will therefore feature information on developer contributions collected via CIL as well as through s106 agreements.
- 1.8. Canterbury City Council anticipates that s106 agreements will decrease over time and that CIL will become the primary method for collecting developer contributions from small and medium sized sites.

2. Definitions

Status of contributions

- 2.1. **Secured** - in CIL, this means that the demand notice has been issued and the developer is now required to pay all or part of their CIL liability. In terms of s106

agreements, a contribution is secured when it is included within a signed legal document attached to a planning permission. For both CIL and s106, these contributions have not been collected/delivered and if the planning permission is not implemented, they will never be received.

- 2.2. **Received** - contributions received, either monetary or non-monetary (in kind) to Canterbury City Council.
- 2.3. **Allocated** - contributions that have been received and allocated to specific projects. It also includes sums which will be knowingly passed to an external organisation but which are yet to be transferred.
- 2.4. **Spent/delivered** - Monetary or non-monetary contributions that have been spent or delivered. In the case of s106 contributions collected for external organisations such as Kent County Council or NHS, the contribution is deemed as spent once it has been transferred to the receiving body.

Infrastructure types

- 2.5. **Affordable housing** - commuted sums/a financial contribution which is allocated by Canterbury City Council's Property and Regeneration team, to be used for the purpose of enabling affordable housing in the district, either by the council or by a Registered Provider.
- 2.6. **Business support** - 'one to one' or group support to help local businesses with issues (e.g. social media, website, and property issues etc).
- 2.7. **East Kent SAMMS** - contributions made to Bird Wise East Kent, a partnership of local authorities and conservation organisations, who mitigate the potential recreational disturbance to bird populations on the Special Protection Area of the Thanet Coast and Sandwich Bay.
- 2.8. **Health** - contributions that are secured and received for and spent and allocated by NHS Kent and Medway Clinical Commissioning Group (CCG).
- 2.9. **KCC** - contributions secured, received and transferred to Kent County Council (KCC).

- 2.10. **North Kent SAMMS** - contributions made to Bird Wise North Kent, otherwise known as the North Kent Strategic Access Management and Monitoring Scheme (SAMMS) board. It is a partnership of local authorities, developers and environmental organisations, who mitigate the potential recreational disturbance from development on bird populations on the Thames, Medway and Swale estuaries, which are designated Special Protection Areas and Ramsar sites.
- 2.11. **Open space** - contributions that are secured and received for and spent and allocated by Canterbury City Council's Environment team, to be used for the purpose of open spaces, gardens and parks in the district.
- 2.12. **Sustainable transport** - contributions that are secured and received for and spent and allocated by Canterbury City Council's Transportation team on sustainable transport initiatives. Other transportation schemes are funded by KCC Highways.

3. Headlines

Key total figures for developer contributions in financial year 2023/2024

3.1. CIL

- CIL set out in Demand Notices (in the reported year): **£205,000**
- CIL received (in the reported year): **£518,000**
- CIL spent (in the reported year): **£95,000**
- CIL retained (in any financial year): **£1.5m**
- Allocation and spend of CIL funds to follow in later financial years.

3.2. s106

- Total secured or pledged, to be collected (in the reported year): **£4.6m**
- Total received (in the reported year): **£1.9**
- Total spent/transferred to external bodies to spend: **£1.1m**
- Total allocated/retained (in any financial year): **£7.3m**
- Total affordable housing units secured: **1299**

Please note that the figures are rounded up to the nearest thousand.

There is more information on each headline figure within the statement.

4. CIL Report

What is the Community Infrastructure Levy (CIL)?

- 4.1. CIL was introduced nationally in 2010 and has been charged in Canterbury City Council since 1 April 2020.
- 4.2. CIL is a set charge on most new development, based on the gross internal area floorspace of buildings, to help to fund the provision and improvement of infrastructure needed to address the cumulative impact of development across the district.
- 4.3. Canterbury Council's CIL Charging Schedule, which sets out the CIL charging rates, is available on the [CIL and Planning Obligations pages on our website](#).
- 4.4. A CIL charge is payable either within 60 days of commencement of a development or within the terms of an instalment policy set by the CIL charging authority. Canterbury Council allows CIL to be paid in instalments where the chargeable amount is equal to or greater than £50,000. More information can be found in our [Instalments and Payment in Kind Policy](#).
- 4.5. The whole sum payable and the instalments required is set out within the CIL Demand Notice for each CIL chargeable development. There is a difference between the total amount of CIL invoiced in a financial year and the amount received as larger amounts are payable in instalments.
- 4.6. In addition, developments can be altered through further planning permissions over time, often resulting in revised Demand Notices needing to be issued. Any such reissued Notices are not double counted in this report; if a Demand Notice is issued and then reissued in the same reporting year, only the reissued Notice would be included within the figure for CIL invoiced during the year.
- 4.7. Further information on CIL can be found in the [CIL guidance](#) provided by the Department for Levelling Up, Housing and Communities.

Total CIL secured and received in 2023/2024

- 4.8. The total CIL which was set out in Demand Notices in the reported year is £205,184.97.
- 4.9. The total CIL receipts received in the reported year is £518,748.95.
- 4.10. These figures include any late payment or other surcharges, and any late payment interest, included in Demand Notices.

Total CIL allocated and spent in 2023/2024

- 4.11. CIL collected will be used to provide infrastructure to support growth within the district.

Administrative expenses

- 4.12. 5% of total CIL receipts collected in the reported year was both allocated to and spent on administrative expenses associated with the levy such as the set up and software costs and ongoing monitoring/operation.

'Neighbourhood portion'

- 4.13. The CIL Regulations stipulate that the CIL Charging Authority must pass 15% of local CIL receipts to the parish council for the area where a CIL liable development takes place, rising to 25% if the parish has a Neighbourhood Plan in place. This is sometimes known as the neighbourhood portion.
- 4.14. For receipts collected from a development in a parished area, the neighbourhood portion is automatically allocated to the respective parish. The neighbourhood portion is then transferred to parishes twice yearly, in October and in April, but a parish may request early release of funds to facilitate a project.
- 4.15. Parish councils may spend the neighbourhood portion on anything that is concerned with addressing the demands that development places on the parish's area. Parish councils are encouraged to work closely with the community and with Canterbury City Council to identify spending priorities.
- 4.16. In the reported year, Canterbury City Council received a CIL neighbourhood portion for Sturry, Upper Hardres, Chestfield and Blean Parish Councils. The amount of £35,192.45 was transferred to Sturry Parish Council, the amount of £15,147.00 was transferred to Upper Hardres Parish Council, the amount of £4,569.90 was transferred to Chestfield Parish Council in the reported year, and the amount of £2,091.16 was transferred to Blean Parish Council in the reported year.
- 4.17. Parishes which receive neighbourhood funds through the levy are obliged to report this information (see the appendix for the reports from Sturry, Upper Hardres, Chestfield and Blean Parish Councils).
- 4.18. In unparished areas (Canterbury, Herne Bay and Whitstable towns), at least 15% of CIL must be spent within the town where it was collected.

- 4.19. Canterbury City Council seeks to engage with communities in these urban areas to understand the spend priorities, for example, through gathering opinion in the Residents Survey in 2023.

Strategic infrastructure projects

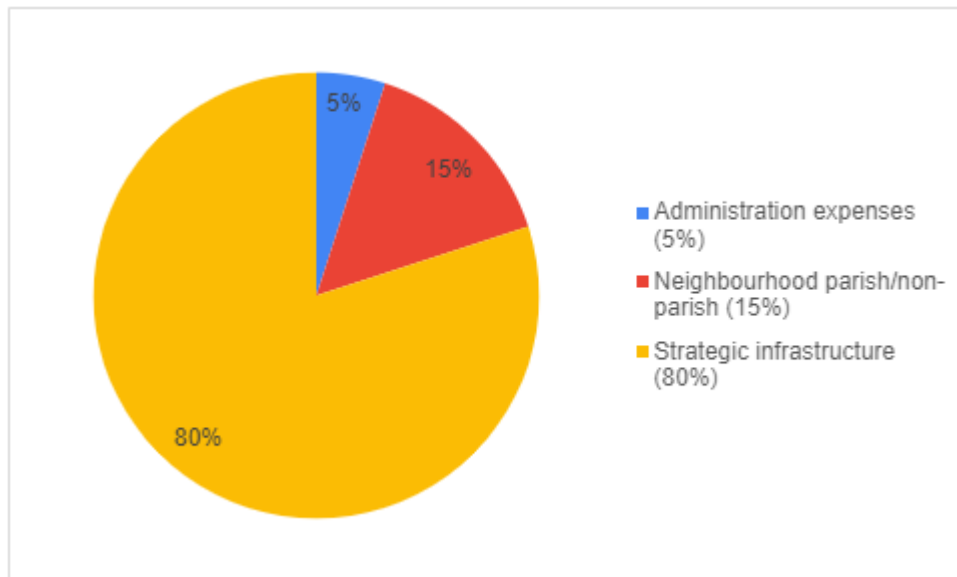
- 4.20. The remaining receipts (80% of total receipts) must be spent on infrastructure needed to support the development of the area. It can be used to fund a wide range of infrastructure including schools, transport, open spaces and parks, GP surgeries and other health and social care facilities.
- 4.21. These CIL receipts will be used to deliver important infrastructure projects which will not be funded by s106 agreements, but which are needed to support the cumulative impacts of Local Plan growth. These projects are identified in Part Two of the council's Infrastructure Delivery Plan.
- 4.22. The Infrastructure Delivery Plan will be updated alongside the new Local Plan to 2040.
- 4.23. Canterbury City Council is in the process of setting up governance arrangements for how this pot of CIL receipts is allocated and spent.

CIL receipts for financial year 2023/2024

4.24. The figures are split into the aforementioned headings for the financial year 2023/2024;

CIL Pot	Received	Spent	Retained
Neighbourhood parish portion (15%) (Reg 59A/B)	£45,538.62	£57,001.51	£0.00
Neighbourhood non-parish portion (15%) (Reg 59E/F)	£58,119.49	£0.00	£182,766.41
Strategic infrastructure (80%)	£518,748.95	£0.00	£1,315,375.61
Administration expenses (5%)	£37,430.24	£37,430.24	£0.00
Total	£659,837.30	£94,431.75	£1,498,142.02

4.25. The pie chart below depicts the received data in table 4.24



See the [CIL Regulations](#) for further information.

5. Section 106 Report

What are Section 106 agreements or planning obligations?

- 5.1. Section 106 of the Town and Country Planning Act 1990 enables a Local Planning Authority to enter into a negotiated agreement – a planning obligation - to mitigate the impact of a specific development, to make it acceptable in planning terms.
- 5.2. The planning obligation might, for example, require the provision or contribution to a new or improved road, school, health facility or local green infrastructure. Local planning authorities can also seek planning obligations to secure a proportion of affordable housing from residential developments. In some instances, s106 planning obligations may require payments to be made to the county council or parish councils.
- 5.3. Canterbury City Council collects some contributions on behalf of Kent County Council, for example, for Education, Libraries and Adult Social Care. However, the majority of contributions for Kent County Council are secured and collected directly by the county council. More information can be found in Kent County Council's annual Infrastructure Funding Statement.
- 5.4. Section 106 agreements or planning obligations are made between the council and developers. Although the agreements are signed by the developer, it's the land itself that becomes bound by a legal agreement and therefore viewable on the local land charge register
- 5.5. Commonly, agreements will include obligations for payment of money to the council as mitigation for impacts of a proposed development, such as providing for community infrastructure.
- 5.6. Canterbury City Council also requires planning obligations for developments affecting Special Protection Areas. These areas cover the Thames, Medway and Swale estuaries and marshes, and Thanet Coast and Sandwich Bay. Following a significant decline in important bird species in Kent, Canterbury City Council has worked with Natural England to create Strategic Access Management and Monitoring Strategies (SAMMS) for these protected sites. If a development is in the SAMMS area, the developer must contribute towards mitigation measures for these areas. The contribution is only paid for new dwellings, including holiday homes, and is paid on the basis of the number of bedrooms proposed in the development.
- 5.7. [Read more about Planning Obligations on the council website.](#)

s 106 agreements for financial contributions secured for the reported year

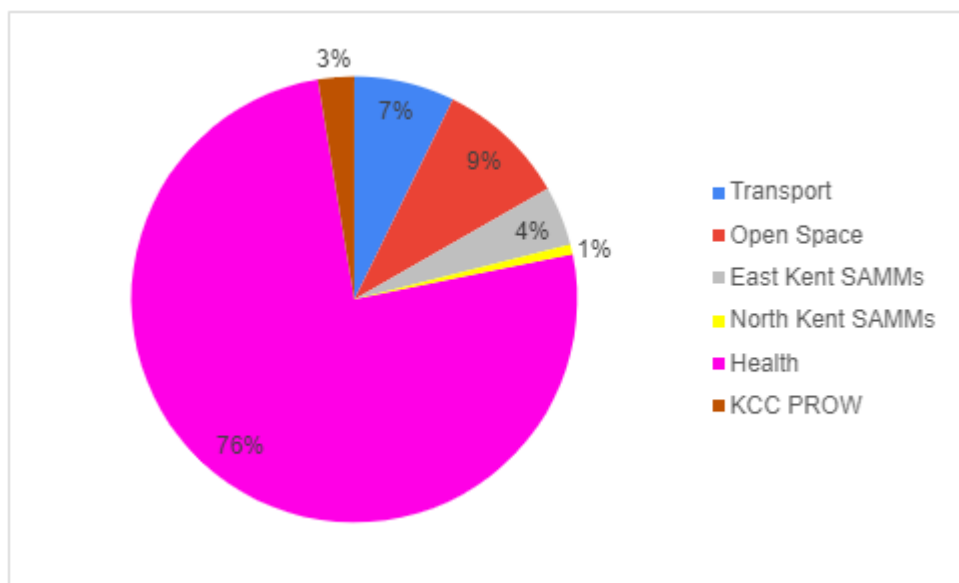
5.8. The following table shows the total developer contributions secured through planning obligations in the reporting year. Although 'secured' through the legal agreement, these contributions only become payable when a 'trigger' for the obligation (as outlined in the agreement) is met.

5.9. Common triggers include: 'on commencement of a certain phase' or 'when development is occupied by a certain percentage'. If a development is not implemented or not completed, it may not meet the triggers and therefore the obligation is not collected.

5.10. **Obligations secured**

Purpose	Amount
Transport	£334,000.00
Open Space	£432,516.72
East Kent SAMMs	£197,399.30
North Kent SAMMs	£33,055.05
Health	£3,465,360.00
KCC PROW	£120,000.00
Total	£4,582,331.07

5.11. The pie chart below depicts the data in table 5.10:



5.12. The figures in the data above do not include money secured for KCC which KCC will collect directly. This information can be found in [Kent County Council's Infrastructure Funding Statement](#).

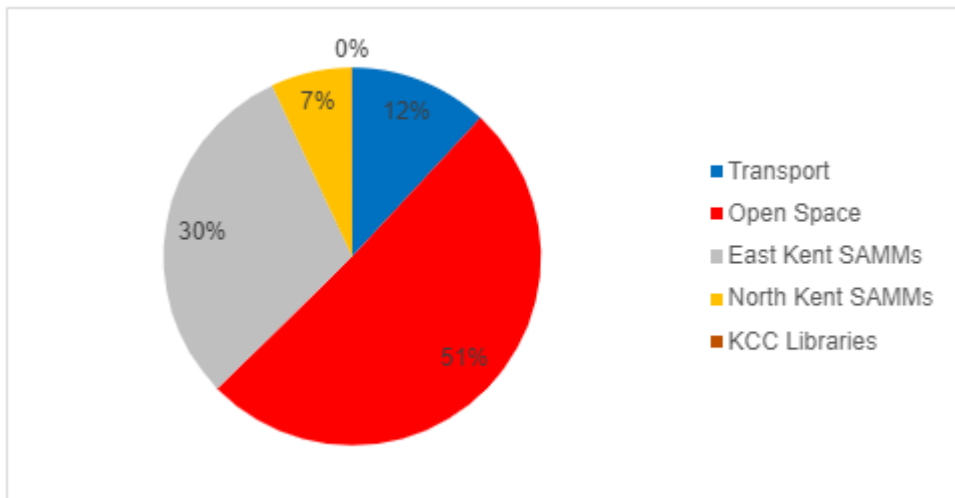
s106 agreements for financial contributions received for the reported year

5.13. The following table shows the total developer contributions received through planning obligations in the reported year.

5.14. **Obligations received**

Purpose	Amount
Transport	£221,650.97
Open Space	£946,118.15
East Kent SAMMs	£565,564.88
North Kent SAMMs	£129,271.97
KCC Libraries	£866.54
Total	£1,863,472.51

5.15. The pie chart below depicts the data in table 5.17:



5.16. The majority of developer contributions for Kent County Council are collected directly by Kent County Council and will feature in Kent County Council's Infrastructure Funding Statement.

Non-monetary contributions during the reported year

- 5.17. In Community Infrastructure Levy Regulations (as amended), Regulation 121A states that for the purpose of the Infrastructure Funding Statement: 'a non-monetary contribution includes any land or item of infrastructure provided pursuant to a planning obligation'.
- 5.18. Non-monetary contributions secured by planning obligations are secured less frequently than monetary contributions and they are typically for land or affordable housing units.
- 5.19. A total of 1299 affordable housing units have been secured in applications.
- 5.20. Most on-site infrastructure provisions are secured through conditions imposed on the planning permission as opposed to planning obligations. In financial year 2023/2024, there were no instances in which infrastructure provisions were provided pursuant to a planning obligation:

s106 agreements for financial contributions allocated but not spent before the reported year

This section contains information on developer contributions which have been allocated by Canterbury City Council and external parties.

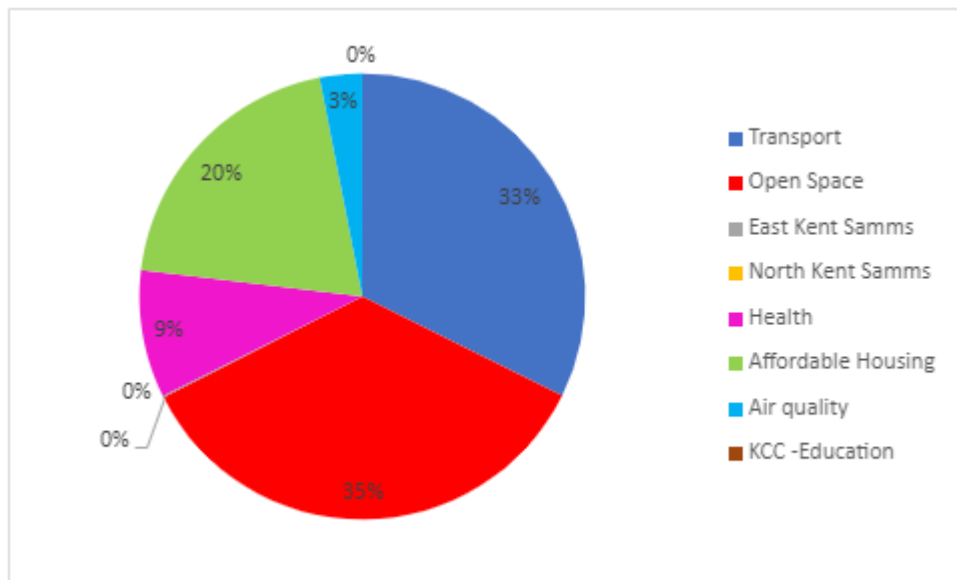
5.21. These external parties include Kent County Council, East Kent SAMMS, North Kent SAMMS and the NHS Kent and Medway Clinical Commissioning Group (Health).

5.22. Contributions for these external organisations are counted as allocated, as per the definition of 'allocated' on page 4.

5.23. Total monies received and allocated

Purpose	Amount
Transport	£2,343,300.31
Open Space	£2,549,077.09
East Kent Samms	£7,235.46
North Kent Samms	£791.96
Affordable Housing	£1,451,156.02
Air quality	£222,214.08
KCC -Education	£477.12
Health	£669,580.25
Total amount received	£7,243,832.29

5.24. The pie chart below depicts the data in table 5.23:



5.25. The IFS requires councils to provide a summary of details of items of infrastructure to which the funds have been allocated. Please see the appendix for this summary. One planning application can fund several items of infrastructure so the summary includes a line for each of these specific allocations.

5.26. The IFS also requires councils to provide information on money which was received before the reported year which is due to be allocated. All funds received prior to the reported year are either allocated or spent.

Developer contributions held at the end of financial year 2023/2024

5.27. The table below shows the total s106 developer contributions that Canterbury City Council retained by 31 March 2024:

Information	Total
Total allocated by end of the financial year (see 5.23)	£7,243,832.29
Total received before FY23/24 which is due to be allocated	£0.00
Total retained	£7,243,832.29

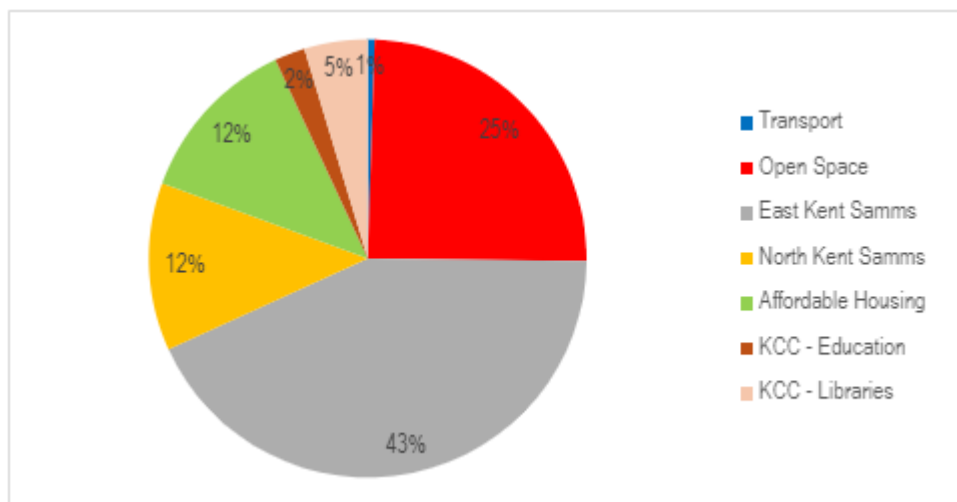
Developer contributions spent in financial year 2023/2024

5.28. This section of the s106 Report includes all developer contributions that have either been spent by the council (e.g. the Environment team) or they have been transferred to external parties (e.g. KCC) to spend.

5.29. *Total contributions spent*

Purpose	Amount
Transport	£5,376.04
Open Space	£260,812.85
East Kent Samms	£454,348.65
North Kent Samms	£130,875.71
Affordable Housing	£131,912.87
KCC - Education	£23,828.82
KCC - Libraries	£49,423.54
Total spent	£1,056,578.48

5.30. The pie chart below depicts the data in table 5.29:



- 5.31. Please refer to KCC's Infrastructure Funding Statement for the reported year for further information on the s106 developer contributions which KCC received from Canterbury City Council and details of how these contributions have been allocated or spent.
- 5.32. For information on the ways in which SAMMS payments contribute to mitigating potential disturbance to bird populations on the coast, please visit [Birdwise website](#).
- 5.33. Canterbury City Council is required to report on the amount spent (under any planning obligations) and item of infrastructure of which that money was spent on. These details are listed in the table below:

Infrastructure Type	App No	Item of infrastructure	Amount
Affordable housing	CA//15/01414	Towards costs of architects, surveys, build costs for Affordable housing developments	£131,912.87
Open Space	CA//11/02145	Sturry Road Community Garden - paths, grounds, seating, lighting	£34.12
	CA//14/01204	Sturry Road Community Garden play area - Paths, grounds, seating, signage, lighting	£34.12
	CA//13/01811	Westmeads Rec improvements	£125.46
	CA//14/00535	Bus Company Island improvements	£310.00
	CA//11/02145	Sturry Road Community Garden play area - Skate park/ball court	£345.33
	CA//14/01204	Sturry Road Community Garden play area - Outdoor Gym/	£345.33
	CA//14/01025	Dane John play area refurbishment	£368.74
	CA//14/01569	West Cliff Bank seating area project	£496.80
	CA//12/00938	West Beach Tennis improvements	£597.89
	CA//14/00032	Sturry Road Community Garden play area - Skate park/ball court	£690.66
	CA//11/02145	Sturry Road Community Garden play area - Play equipment	£765.16
	CA//14/01204	Sturry Road Community Garden play area - Play equipment	£785.16
	CA//15/01414	Refurbishment of the toddler play area at Westmead's recreation ground	£874.54
	CA//12/00731	Dane John play area refurbishment	£1,046.88
	CA//14/01025	Sturry Road Community Garden play area - Play equipment	£1,070.72
	CA//14/00322	Memorial park - play equipment	£1,262.82
	CA//14/01762	Memorial park - play equipment	£1,262.82

	CA//12/01698	West Cliff Bank steps and seating project	£1,380.00
	CA//13/01210	Memorial Park - play equipment	£1,389.50
	CA//17/00800	Refurbishment of play area within Dane John Gardens complex	£1,449.82
	CA//14/00032	Sturry Road Community Garden play area - Play equipment	£1,570.00
	CA//14/00001	Herne Bay Memorial Park	£1,713.15
	CA//15/02786	Herne Bay Coastal Park - Seating, lighting, pathways, grounds	£2,084.00
	CA/20/00925	New grassland and scrub management project and a Norman Motte and Bailey Castle play feature at Duncan Down (aka Gorrel Valey Nature Reserve)	£2,629.91
	CA//14/00276	Memorial Park - Play equipment	£3,157.05
	CA//12/01818	Dane John play area refurbishment	£3,838.39
	CA//11/00097	Dane John play area refurbishment	£4,187.52
	CA/21/01696	West Cliff Bank steps project	£5,255.02
	CA//15/01520	Improvement works to the Wincheap underpass to encourage walking	£5,574.50
	CA//15/02786	Memorial park outdoor sports provision improvements	£6,105.21
	CA/20/00742	Dane John lighting	£7,360.65
	CA//13/02285	Dane John play area refurbishment	£8,113.32
	CA//17/00800	Refurbishment of play area within Dane John Gardens complex	£10,243.72
	CA/21/01696	Refurbishments to Cornwallis Circle play area	£17,867.08
	CA//14/00535	Dane John play area refurbishment	£19,629.00
	CA//16/02931	Refurbishments to Cornwallis Circle play area	£37,837.07
	CA//13/02349	Sturry Road Community Garden play area - Play equipment	£59,567.98
	CA//14/00535	Bus Company Island improvements	£2,113.66
	CA//15/02786	Memorial park - play equipment	£37,950.46
	CA//17/00648	Enhance and improve Tourtel Road pedestrian link to include tree thinning, shrub clearance, planting, widening, rationalisation of existing footpath and improvements to lighting	£9,379.29
Transport	CA//12/02097	Public Realm Improvements	£1,250.00
	CA//17/02907	Works to improve/extend the cycle network, which works shall be carried out on a dedicated route, between the edge of the land and Eddington Lane, Herne Bay	£1,449.92

	CA//13/02349	Towards the provision of the Hersden to Sturry cycle route, the Sturry Road bus route and/or increased capacity at Sturry Road Park and Ride	£2,676.12
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Amount of money spent in respect of monitoring s106 contributions

- 5.34. Canterbury City Council is required to report the amount of money received under planning obligations spent in respect of monitoring in relation to the delivery of planning obligations.
- 5.35. Monitoring refers to tracking progress of developments to understand if they have reached a 'trigger' for payment as set out in their legal agreement e.g. to pay a certain sum prior to commencement or prior to first occupation.
- 5.36. Monitoring activities mostly involve communication between council officers and developers but can also involve site visits as well as accessing council tax and building control data.
- 5.37. On 1st April 2021 Canterbury City Council started charging s106 monitoring fees to cover the administrative costs of monitoring and reporting on s106 agreements. In the reported year £35,766.00 was received. [Read more about s106 monitoring fees on our website.](#)

6. Future spending priorities

- 6.1. Canterbury City Council's Infrastructure Delivery Plan (IDP) (2019) sets out the future spending priorities on infrastructure and provides information on the infrastructure schemes necessary to deliver the Canterbury District Local Plan (2017).
- 6.2. The IDP includes information relating to timing, phasing, delivery, costs and funding of these key infrastructure requirements. Moreover, it outlines how developer contributions such as s106 agreements and the Community Infrastructure Levy (CIL) will be used to deliver planned infrastructure provision.
- 6.3. As mentioned in the introduction of this statement, it is anticipated that infrastructure provision will be increasingly funded by CIL, with the exception of strategic development sites and infrastructure required for site-specific mitigation which will continue to be subject to s106 planning obligations.
- 6.4. Alongside the IDP, the Council's Infrastructure List (2020) specifies the types of infrastructure that may be funded wholly or partly through CIL and that which will be funded through s106 planning obligations.
- 6.5. The publication of the Infrastructure List is intended to provide transparency on how an authority intends to use CIL funds.
- 6.6. Both the Infrastructure List and the Infrastructure Delivery Plan will be subject to periodic review and are currently being reviewed as part of the work to develop a new Local Plan to 2040. [Read more about the new Local Plan on our website.](#)

7. Appendices

CIL Reports from;

Sturry Parish Council

Upper Hardres Parish Council

Chestfield Parish Council

Blean Parish Council.

Total S106 Developer Contributions Allocated