

London Borough of Waltham Forest

Report Title	Infrastructure Delivery Plan and Infrastructure Funding Statement 2023/2024
Meeting / Date	Cabinet, 3 rd December 2024
Cabinet portfolio	Councillor Ahsan Khan, Deputy Leader (Housing and Regeneration) 
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Wards affected	All
Public access	Open
Appendices	1. Infrastructure Delivery Plan 2024 2. Infrastructure Funding Statement 2023/2024 3. Equalities Impact Assessment

1. Summary

1.1 The purpose of this report is to seek Cabinet's approval of:

- a) The revised Infrastructure Delivery Plan (IDP), an evidence-based document supporting the new Local Plan. The IDP seeks to ensure the delivery of the infrastructure required to support inclusive growth across the borough; and
- b) The annual Infrastructure Funding Statement (IFS) for the financial year 2023/24, attached to this report at Appendix 2, that the Council is required to publish by 31st December 2024.

2. Recommendations

2.1 Cabinet is recommended to:

2.1.1 Approve the revised Infrastructure Delivery Plan (IDP) (Appendix 1).

2.1.2 Approve the Infrastructure Funding Statement (IFS) (2023/24) (Appendix 1) and the incorporated Infrastructure List.

2.1.3 Delegate authority to make any minor amendments necessary to the IDP and IFS (2023/24) before they are published, to the Corporate Director – Regeneration,

Planning & Delivery, in consultation with the Portfolio Lead Member for Housing and Regeneration.

3. Proposals

- 3.1 The spatial strategy and policies of the borough's Local Plan guide and steer development to deliver well planned, inclusive growth including the housing, workspace, community uses and a wide range of other public benefits needed to achieve the Mission Waltham Forest vision of a fairer and more equal borough. Part 1 of the Local Plan was adopted in February 2024 and Part 2 (Site Allocations) has recently undergone public consultation.

Infrastructure Delivery Plan

- 3.2 The infrastructure needed to support inclusive growth in the borough is proactively planned for through the Infrastructure Delivery Plan (IDP), an evidence-based document produced and reviewed in collaboration with all relevant council services, infrastructure providers and external partners.
- 3.3 In 2020, the council produced its first IDP, to support the new Local Plan. The IDP identifies:
- What infrastructure is required;
 - When it will be needed;
 - How much is it likely to cost;
 - How will it be funded;
 - Who is responsible for providing it; and
 - Any predicted funding gaps.
- 3.4 It also includes the estimated costs of delivery and details of who is responsible for the provision of each type of infrastructure, and a list of specific projects considered strategically important to deliver sufficient capacity to support the inclusive growth identified in the Local Plan. The latter is set out in the Infrastructure Delivery Schedule (IDS).
- 3.5 In recognition of the changing demand for infrastructure over the fifteen-year life of the Local Plan (2020-2035), the IDP is a 'live' document, to be reviewed and updated on a regular basis. Reviews are directly informed by the full range of service delivery leads across the council, external infrastructure providers, and delivery partners including TfL, North East London NHS Foundation Trust and North East London Health & Care Partnership.
- 3.6 Over the last year, a two-stage review of the 2020 IDP has been taking place. In the first phase, the review looked at what infrastructure has been delivered since 2020, and what capacity for inclusive growth this has generated. The first stage also updated the cost and phasing assumptions around projects listed in the 2020 IDS, based on the most up to date evidence.
- 3.7 In the second stage of the review, infrastructure providers, delivery partners and council services were asked to consider whether any additional demand for

infrastructure, either physical and social, is likely to be generated by the inclusive growth planned in the Local Plan. Providers were also asked to share their:

- Recent assessment of existing infrastructure provision, together with assessment of current and future needs;
- Information about existing service models and any changes that may affect them in the future; and
- Investment plans and commitments to funding and delivery of planned programme(s) of works.

- 3.8 Analysis of the submitted information allowed the Infrastructure Planning team to generate a picture of the existing, planned and projected infrastructure provision in the borough, and revise the IDP and IDS accordingly. The revised IDS identifies key infrastructural projects that are expected to provide the required future capacity and divides them into those that are 'critical' and those that are 'desirable'.
- 3.9 To help maximise the value of the council's own investment in infrastructure, the IDS has also been updated in alignment with the Capital Investment Strategy.

Key messages from the IDP review

- 3.10 The IDP presents infrastructure as either 'Physical', 'Social and Community' or 'Green and Blue', although all are interconnected. The key messages from the IDP review for each theme are set out in the following paragraphs.

3.11 Physical infrastructure:

- Significant planned investment in the borough's transport hubs is moving to the delivery stage with capacity and accessibility improvement works to both Leyton and Walthamstow Central Stations either underway or imminent. To date, £13.5M of CIL has been committed to these two projects, to complement the UK government funding (previously referred to as "Levelling Up funding) secured for Leyton, and TfL funding for Walthamstow Central.
- Step free access to Overground stations across the borough is required but faces significant funding challenges.
- Planning and investment in the borough's flagship sustainable and active travel schemes continues to complement the existing Enjoy Waltham Forest network.
- Since 2020, a new fibre network has been installed as part of the 'Waltham Forest Gigabit Borough' project. Its initial use is to upgrade CCTV cameras network to improve resident safety.

3.12 Social and Community Infrastructure:

- Locating health infrastructure, including Adult Social Care provision, in partnership with the NHS remains key to inclusive and sustainable growth. The delivery of the new Whipps Cross Hospital is paramount to addressing health needs in Waltham Forest, East London and beyond. New health centres in Blackhorse Lane (Sinnot Medical Centre), Jazz

Yard and Coronation Square have been secured since 2020, and other key locations have been identified in the IDP review for potential future community health facilities.

- Early Years provision requires a major capacity increase to meet the demand generated by the nation-wide extended free childcare policy and the planned inclusive growth in Waltham Forest. The IDP review and the Local Plan identify several sites that could deliver early years facilities to help meet this demand.
- Following review, SEND provision is now explicitly planned for in the IDP.
- Since 2020, developer contributions have supported multiple projects enhancing borough's culture offer including the restoration of EMD cinema, William Morris Gallery, Fellowship Square and replacing the Making Places Programme.

3.13 Green and Blue spaces:

- A significant expansion of the council's network of green and blue spaces is expected through the implementation of the Local Plan's green and blue infrastructure vision, including the Suitable Alternative Natural Greenspace (SANG) Strategy. Further detail and guidance on this will be provided in the emerging Green and Blue infrastructure Supplementary Planning Document (SPD).

3.14 To help deliver the infrastructure needed to support planned inclusive growth, developer contributions are secured when planning permission is granted and/or implemented. These include Community Infrastructure Levy (CIL) payments (non-negotiable payments charged per m² of new floorspace) and Section 106 planning obligations negotiated to mitigate the direct impact of development. Section 106 obligations can be either financial contributions or delivered 'in kind' - for example as affordable housing. CIL is divided between Strategic CIL (80%) and Neighbourhood CIL (15% or 25% in an area where a Neighbourhood Plan has been adopted). The latter must be spent following consultation with the community. 5% of CIL is retained by the Council to cover the administrative expenses of collection and distribution of CIL.

3.15 As such, developer contributions and planning obligations present a unique opportunity to ensure that all communities benefit from the investment development brings. It is therefore essential that they are managed effectively.

3.16 The IDP estimates the anticipated high-level cost of projects listed on the IDS and identifies potential funding sources. Developer Contributions, including CIL, are key as match funding to support the delivery of infrastructure – but they are not expected to cover the total cost of all the infrastructure that is required. Other funding sources include council capital (borrowing and receipts), business rates, New Homes Bonus, private sector funding (through, for example, private investment in regeneration, housing delivery, property and asset management, highways, and waste functions) and national grants (for example, what was

previously known as 'Levelling Up' funding, Heritage Lottery Fund, Sports England). Infrastructure is also delivered by utility providers as part of their own investment plans.

- 3.17 The IDP acknowledges the existence of a 'funding gap' between the known funding available and the total estimated cost of the delivery of infrastructure necessary to support inclusive growth (excluding that to be provided by other delivery partners). Evidence of a 'funding gap' is a justification for charging CIL and can be a useful tool to support efforts to secure other sources of funding and to prioritise areas of investment. It is however also important to continue to monitor the 'funding gap' and work to identify all potential sources of funding available to address it.

Next Steps

- 3.18 The council maximises the use of developer contributions and will continue to do so. Going forward, this will include proactively seeking additional funding opportunities with the aim of reducing the 'funding gap', and publishing an new Developer Contributions Supplementary Planning Document (SPD) that will provide very clear guidance on how and when Section 106 contributions should be sought and where all developer contribution spend should be prioritised.
- 3.19 Updates and future changes to the IDS will be considered by a new Inclusive Infrastructure Planning Forum, through which Council services and external stakeholders will come together regularly to share plans, programmes and strategies to jointly respond to the challenges and opportunities presented by inclusive growth, in line with Mission Waltham Forest principles.

Infrastructure Funding Statement

- 3.20 Each calendar year before 31st December, the Council must publish an Infrastructure Funding Statement (IFS) detailing what CIL and S106 monies have been received in the previous financial year and how such monies have been spent. The IFS must also include infrastructure priorities which the Council intends will be wholly or partly funded by CIL in the following year.
- 3.21 The purpose of the IFS is to help local communities and developers see how contributions have been collected and spent in the borough and understand what future funds will be spent on, ensuring a transparent and accountable system.
- 3.22 All Section 106 monies collected are ringfenced towards specific projects agreed at the time of signing the legal agreement and cannot be used for any other purposes.
- 3.23 The reporting period for the IFS subject to this report is the financial year 2023-24 only. More CIL and S106 funding has been received, allocated and spent since April 2024, and further details will be reported in the next IFS.
- 3.24 Details of all contributions and projects funded are included in the 2023/24 IFS at Appendix 2, but the headline figures are:

Community Infrastructure Levy:

- £2,145,751 of CIL was collected.
- £1,722,855 of CIL was formally requested to be paid.
- £1,702,659 of CIL was spent on various projects, (including £588,000 on public realm improvements, £429,000 on parks network, £398,000 on active transport and £206,000 on culture)
- As of the end of the year, £16,005,384 of CIL was allocated to projects that are planned or being delivered, including £9M allocated to Leyton tube station improvement project, and £2.6M towards Walthamstow Central Station Improvements.

Planning obligations (Section 106 agreements):

- £1,110,744 S106 financial contributions received.
- £2,826,121 of S106 financial contributions spent.
- £4,108,812.43 S106 financial contributions negotiated through new legal agreements signed in 2023/24

Infrastructure List and Spending Priorities

- 3.25 It is a requirement for the IFS to include an Infrastructure List, setting out the infrastructure to be partly or wholly funded by developer contributions in the following year. Please refer to Section 4 of Appendix 1 for this year's Infrastructure List, which reiterates the spending priorities set out in the IDS and Capital Investment Strategy and enables support for immediate priorities that underpin Mission Waltham Forest - specifically projects creating safer neighbourhoods and improving community safety and projects supporting people into work by providing employment, training, and apprenticeship opportunities.
- 3.26 Regardless of inclusion on the Infrastructure List, every application for funding is considered on its individual merits. Allocations are made through a competitive process, which requires bids to demonstrate how they support development and align with Mission Waltham Forest and show how CIL monies could help to unlock additional funding opportunities. The resulting allocations are reported to Cabinet.
- 3.27 A separate allocation process applies to Neighbourhood CIL (NCIL). NCIL is collected in three separate collection zones (North, Central and South), and is directly proportional to the amount of new development in each area.
- 3.28 A new approach to NCIL allocation has been piloted over the last year, including greater engagement with ward members to discuss the priorities for investment in their areas. So far, the themes supported have been parks and play space improvements, greening and improvements to housing estates and a programme of community safety proposals, including specific initiatives to support the delivery of the Council's new preventive approach to serious violence. At the time of writing, all NCIL available in the North and South Collection Zones has been allocated, and c. £600,000 remains in the Central zone.

- 3.29 There has also been clear feedback from members that future NCIL should be invested in town centres, high streets and local business support, informed by the emerging town centre strategies.
 - 3.30 Although the allocation of NCIL is governed by a different process, it is subject to the same reporting rules as CIL and information about receipts, allocations and spend must be included in the IFS and reported to Cabinet.
4. Options & Alternatives Considered
 - 4.1 No other option has been considered in respect of the IFS as the Council has a statutory obligation under the CIL Regulations to publish an Infrastructure Funding Statement for the financial year 23/24 by the end of December 2024.
 - 4.2 A longer Infrastructure List was considered but the List as proposed reflects the current priorities and the programme of investment in infrastructure and as funding is limited, some initial prioritisation is necessary. The List is published annually and it will be reviewed ahead of the publication of the next IFS in 12 months.
 - 4.3 The 'do nothing' option was considered for the IDP but was not recommended as it has been four years since the publication of the last version and the IDP no longer accurately reflects the current and future infrastructure requirements and cost estimates are out of date.
5. Council Strategic Priorities (and other National or Local Policies or Strategies)
 - 5.1 *The Planning Practice Guidance* requires that local authorities spend CIL on infrastructure needed to support the development of their area, and it is for each authority to decide what infrastructure is needed. It goes on to say that, in accordance with the Community Infrastructure Levy Regulations any authority that receives a contribution from development through the levy or section 106 planning obligations must prepare an Infrastructure Funding Statement.
 - 5.2 Both the Infrastructure Delivery Plan and the Infrastructure Funding Statement plan and prioritise infrastructure delivery supporting development and the Mission Waltham Forest vision of a fairer and more equal borough. All six borough missions are supported by the delivery of infrastructure supporting inclusive growth.
6. Consultation
 - 6.1 The IDP is an evidence base document, not a statutory one and as such there is no requirement for public consultation. The review has however been informed by the results of public consultation on the Local Plan, Area Frameworks and SPDs. As the IDP is a 'live' document, new infrastructure requirements identified through future public consultations on other policy documents will be considered for inclusion.

6.2 There is no requirement to consult on the Infrastructure Funding Statement.

6.3 Both documents, if approved, will be published on the Council's website.

7. Implications

7.1 Finance, Value for Money and Risk

7.1.1 While there are no direct financial implications of the IDP review, as it is resourced within existing budgets, the document itself provides a framework for future allocation of developer contributions, identification of other funding sources and general investment in infrastructure. Decisions about the distribution of developer contributions will be made in line with the revised IDS. All applications for CIL funding are required to demonstrate value for money and return on investment as part of the submission process.

7.1.2 The IFS creates an awareness of funds held and spent by the Council to uphold transparency and accountability in the interest of developers, other stakeholders and members of the public. It is also an opportunity to evaluate how the Council is fulfilling its requirements to bring forward infrastructure through developer contributions and other sources of income.

7.1.3 Planning obligations are spent in accordance with developer agreements and the stipulated time limits.

7.1.4 Mayoral CIL is collected on behalf of the Mayor of London and quarterly submissions are made to transfer the collected income.

7.2 Legal

7.2.1 Under Regulation 121A of the Community Infrastructure Levy Regulations 2010 ('the CIL Regs') local authorities who charge CIL or who enter into planning obligations under section 106 of the Town and Country Planning Act 1990 (as amended) must, no later than 31st December in each calendar year, publish an annual infrastructure funding statement that comprises the following:

- a statement of the infrastructure projects or types of infrastructure which the Council intends will be, or may be, wholly or partly funded by CIL ('the Infrastructure List')
- a report on CIL for the previous financial year – this must contain the information listed in paragraph 1 of Schedule 2 of the CIL Regs which includes the total amount of CIL received for the reported year, the total amount of CIL expenditure for the reported year and summary details of how CIL has been spent in the reported year
- a report on planning obligations for the previous financial year – this must contain the information listed in paragraph 3 of Schedule 2 of the CIL Regs which includes the total amount of money to be provided under any planning obligations entered into during the reported year, the total amount of S106 contributions received during the reported year, the total amount of S106 expenditure and a summary of how S106 contributions have been spent in the reported year.

7.2.2 The annual infrastructure funding statement must be published on the Council's website by 31st December 2024.

7.2.3 There is no statutory requirement to have an Infrastructure Delivery Plan, it is an evidence based document prepared to support the Local Plan.

7.3 Equalities and Diversity

7.3.1 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

7.3.2 The delivery of new or improved infrastructure to meet needs related to planned growth is expected to have generally positive impacts on groups with protected characteristics.

7.3.3 An Equalities Impact Assessment (EqIA) has been completed to assess the impact of the revised Infrastructure Delivery Plan and is attached as an appendix.

7.3.4 This EqIA has concluded that the proposed updated IDP will have a broadly positive impact on various groups within the community. By enhancing public transport, healthcare facilities, community services, and infrastructure projects focused on employment, public realm improvements, flood mitigation, water, electricity, digital infrastructure, waste management, burial spaces, culture, parks and play areas, and air quality, the updated Infrastructure Delivery Plan (IDP) aims to support the well-being and integration of all residents.

7.4 Sustainability (including climate change, health, crime and disorder).

7.4.1 Developer contributions are used to mitigate the impact of development and to generate funds to deliver new and improved infrastructure, ultimately supporting the delivery of the Borough's long term spatial strategy – the Local Plan – including the infrastructure identified as being critical to support the Borough's sustainable growth and address the Climate Emergency.

7.4.2 Where major developments do not reach zero carbon, a specific financial contribution is sought to offset remaining emissions from the scheme. These contributions are used to fund the installation, of carbon saving, sustainable projects within the borough, including renewable and low carbon energy solutions. This is known as the Carbon Offset Fund (COF).

7.5 Council Infrastructure

7.5.1 The IDP review and IFS are neutral to Council infrastructure in that they will be implemented within the existing Council infrastructure and resources. The ongoing monitoring of collection allocation and distribution of the Community Infrastructure Levy is carried out by the Place and Design Team and funded by the CIL administration fee retained by the Council.

Background Information (as defined by Local Government (Access to Information) Act 1985)

None