

READING BOROUGH COUNCIL INFRASTRUCTURE FUNDING STATEMENT 2020-2021



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Executive summary

This Infrastructure Funding Statement reports on contributions from development towards infrastructure between 1st April 2020 and 31st March 2021. It covers both Community Infrastructure Levy (CIL) and Section 106 contributions.

CIL

- The total CIL collected by Reading Borough Council in 2020-2021 was **£5.857 million**
- The total CIL allocated in 2020-2021 was **£1.342 million**
- The total CIL spent in 2020-2021 was **£1.648 million**
- CIL liability notices were issued in 2020-2021 for **£15.032 million**

Section 106

- The total of financial contributions under Section 106 collected by Reading Borough Council in 2020-2021 was **£1.288 million**
- The total of financial contributions under Section 106 allocated in 2020-2021 was **£7.211 million**
- The total of financial contributions under Section 106 spent in 2020-2021 was **£1.973 million**
- Financial contributions were agreed in Section 106 agreements signed in 2020-2021 for a total of **£2.184 million**

Future priorities for spend

Future priorities for spend of CIL will be informed by policy CC9 (Securing Infrastructure) of the Reading Borough Local Plan (adopted 2019) and for the time being will continue to be based on the priorities identified in the Council's previous Regulation 123 list, alongside the amended CIL Spend Protocol from February 2021. Future priorities for the spend of the 15% neighbourhood portion of CIL will need to be identified taking the results of local consultation into account.

Future priorities for spend of Section 106 contributions will be in line with the agreed use within each agreement. These agreements are informed by policies CC9 (Securing Infrastructure), H3 (Affordable Housing) and H5 (Standards for New Housing) of the Reading Borough Local Plan, as well as any other policies that are relevant to the impacts of a particular development.

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1. Introduction

- 1.1 The purpose of this Infrastructure Funding Statement (IFS) is to report on contributions from development towards infrastructure in Reading between 1st April 2020 and 31st March 2021. An IFS is published annually, and the 2020-2021 version is the second such statement to be published by Reading Borough Council.
- 1.2 Recent changes to legislation¹ mean that there is a statutory requirement for the Council to publish an IFS covering the financial year by 31st December after the financial year ends. The first year that this was required was for 2019-2020. Legislation specifies much of the information that must be included in the IFS, although it is up to individual authorities what else to include.
- 1.3 The Council currently secures infrastructure contributions from developers in two ways. Firstly, it charges the Community Infrastructure Levy (CIL), which is a levy charged on development depending on the amount of floorspace and use. Secondly, it agrees legal agreements under Section 106 of the Town and Country Planning Act 1990 (Section 106 agreements) as part of planning permissions which can include both financial and non-financial obligations. Both types of contribution are covered by this IFS.
- 1.4 For years prior to 2019-20, summary information on CIL and Section 106 has been set out in the Annual Monitoring Reports (AMR), and these remain available on the Council's website.
- 1.5 This IFS details financial contributions received, allocated and spent under both CIL ([section 2](#)) and Section 106 ([section 3](#)). It gives information on some of the infrastructure schemes delivered over the year. It also estimates future contributions ([section 5](#)), and details the priorities for spending contributions that are received ([section 6](#)).
- 1.6 A minor correction is also made to the 2019-20 version of the IFS, and this is detailed in [Appendix 4](#).

2. CIL Report 2020-2021

- 2.1 Reading Borough Council began charging the Community Infrastructure Levy (CIL) on 1st April 2015. The Charging Schedule² and other relevant information is set out on the Council's website.
- 2.2 Regulation 62 of the CIL Regulations 2010 (as amended) requires local authorities that charge CIL to report on CIL collected and spent during each financial year by no later than the 31st December after the end of that year. There are a number of individual items that need to be reported on. [Appendix 1](#) contains the full CIL report, covering each matter that needs to be reported, and the following sections summarise the CIL report for 2020-21.

¹ Regulation 121A of the Community Infrastructure Levy Regulations 2010, as inserted by the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019

² [Link to CIL Charging Schedule on the Council's website](#)

CIL collected 2020-2021

- 2.3 This is the sixth year of operating the CIL regime. The amount of CIL collected (£5.857m) has reduced considerably from 2019-20, in which an unusually high level of CIL was collected, but is higher than any other years before 2019-20.

Table 2.1: CIL collected 2020-21

Element of CIL	Amount collected
Total CIL collected 2020-21	£5,857,027.18
Strategic CIL (80%)	£4,688,226.33
Neighbourhood CIL (15%)	£875,949.49
- Central Zone Neighbourhood CIL	£796,873.61
- North Zone Neighbourhood CIL	£6,252.22
- South Zone Neighbourhood CIL	£63,749.00
- West Zone Neighbourhood CIL	£9,074.66
CIL available for administration costs (5%)	£292,851.36

- 2.4 Under the CIL Regulations, where no neighbourhood development plan is in place, 15% of CIL raised is to be spent in the neighbourhood in which development takes place. For these purposes, Reading was divided into four zones for most of the monitoring year, although Policy Committee in February 2021 adopted an amended CIL protocol which moved away from the neighbourhood zones. The zones were as follows:
- Central - Abbey, Battle, Park wards;
 - North - Caversham, Mapledurham, Peppard, Thames wards;
 - South - Church, Katesgrove, Redlands, Whitley wards; and
 - West - Kentwood, Minster, Norcot, Southcote, Tilehurst wards.

- 2.5 The vast majority of CIL received came from within the Central zone. The biggest contributors to the total CIL collected were developments at: Land between Chatham Street and Weldale Street (170326 - £2.304m); Kenavon Drive (170509 - £1.930m); and Battle Hospital, Portman Road (180319 - £1.037m).

CIL allocated 2020-2021

- 2.6 Total CIL allocated in 2020-2021 was £1.343m. This was divided as set out in Table 2.2.

Table 2.2: CIL allocated 2020-21

Element of CIL	Amount allocated
Total CIL allocated 2020-21	£1,342,277.25
Strategic CIL (80%)	£914,425.93
Neighbourhood CIL (15%)	£135,000.00
- Central Zone Neighbourhood CIL	£135,000.00
- North Zone Neighbourhood CIL	£0.00

Element of CIL	Amount allocated
- South Zone Neighbourhood CIL	£0.00
- West Zone Neighbourhood CIL	£0.00
Administration (up to 5%)	£292,851.32

- 2.7 The allocation process for strategic CIL in Reading is that funds are used to cover spending against the capital programme, ensuring that the items that receive funds comply with the requirements of the Regulations. Therefore, for strategic CIL, allocation does not occur before spend. For this reason, the allocation of strategic CIL is the same figure as spend, and the list of projects to which strategic CIL was allocated is the same list as the projects on which strategic CIL was spent (see [Table 2.6](#)). The same is true for administration, which is allocated to cover spend which has already taken place during the year.
- 2.8 At the end of 2020-21, there was £13.432m of strategic CIL which remained unallocated. Most of this was the high level of CIL collected during 2019-20 and 2020-21, which has not yet been formally allocated.
- 2.9 The process of allocating 15% neighbourhood CIL is different, in that allocation of funds does take place by a formal decision before spend. There was no full round of allocating 15% neighbourhood CIL in 2020-21, but there were some amendments to existing allocations. Additional funds were allocated to the High Street Heritage Action Zone programme and to the Broad Street seating refurbishment, with the latter partly funded through an underspend on the Dog Fountain project.

Table 2.3: Projects to neighbourhood CIL allocated 2020-21

Project	Amount allocated
Broad Street refurbishment of the seating areas	£50,000.00
Dog Fountain	-£15,000.00
High Street Heritage Action Zones	£100,000.00

- 2.10 A draft allocation of £1.557m neighbourhood CIL was agreed in February 2021 and was published for consultation, but formal approval of the allocation did not take place until June 2021. At the end of the reported year, £2.545m of neighbourhood CIL (comprising £1.669m unallocated at 31st March 2020 and £0.876m raised during 2020-21) was available to allocate.

CIL spent 2020-2021

- 2.11 Total CIL spent in 2020-2021 was £1.648m. This was divided as set out in Table 2.4.

Table 2.4: CIL spent 2020-21

Element of CIL	Amount spent
Total CIL spent 2020-21	£1,648,195.89
Strategic CIL (80%)	£914,425.93
Neighbourhood CIL (15%)	£440,918.64

Element of CIL	Amount spent
- Central Zone Neighbourhood CIL	£95,026.26
- North Zone Neighbourhood CIL	£36,380.05
- South Zone Neighbourhood CIL	£269,403.48
- West Zone Neighbourhood CIL	£40,108.85
Administration (up to 5%)	£292,851.32

2.12 The spend of CIL during 2020-21 in each of the infrastructure categories specified by Planning Practice Guidance (PPG) is set out in Table 2.5. Although PPG suggests that neighbourhood CIL spend should be a separate category, as the Council also spends the neighbourhood portion rather than passing it to another body, this is reported under the general headings. Spend of neighbourhood CIL in 2020-21 was on highways and open space and leisure projects.

Table 2.5: CIL spent 2020-21 by infrastructure type

Category of contribution	Spend
Affordable Housing	£0.00
Education	£196,586.36
- Primary education	£0.00
- Secondary education	£0.00
- Post 16 education	£0.00
- Other education	£196,586.36
Health	£0.00
Highways	£207,849.20
Transport and travel	£0.00
Open space and leisure	£921,473.39
Community facilities	£213,711.41
Digital infrastructure	£0.00
Green infrastructure	£0.00
Flood and water management	£0.00
Economic development	£0.00
Land	£0.00
Section 106 monitoring fees	£0.00
Bonds (held or repaid to developers)	£0.00
Other	£298,610.32
- Air quality	£0.00
- Carbon offset	£0.00
- CIL administration	£292,851.32
- S106 legal fees	£0.00
Total	£1,648,195.89

2.13 The specific projects on which strategic CIL was spent in 2020-21 are set out in Table 2.6.

Table 2.6: Projects on which strategic CIL spent 2020-21

Project	Amount spent
Leisure centre procurement	£688,403.95
Phoenix College scheme	£196,586.36
South Reading community hub	£2,750.00
Sun Street community hub	£20,926.62
Town centre street trading	£5,759.00

2.14 The projects on which neighbourhood CIL was spent in 2020-21 are set out in Table 2.7.

Table 2.7: Projects on which neighbourhood CIL spent 2020-21

Project	Amount spent
Brunswick Street and Western Road 20mph zone	£14,375.05
Canal Way replacement of Avon Place play area	£95,026.26
Elgar Road HGV signing	£16,323.30
Enforcement of 20mph areas south (Redlands)	£61,340.50
Gosbrook Road zebra crossing	£36,380.05
Long Barn Lane Recreation Ground improvements	£138,043.18
Oxford Road and Overdown Road pedestrian crossings	£1,277.50
Reading Girls School extension of 20mph zone	£3,461.66
Ridgeway School zebra crossing	£50,234.84
Southcote Road and Westcote Road Speed reduction	£24,456.30

2.15 The first allocation of neighbourhood CIL took place in November 2018, after a consultation in the summer of 2018, albeit the allocation was slightly altered by a Decision Book process in August 2020 (see table 2.3). The projects in table 2.7, along with many more, were from this initial allocation of funds. Section 4 contains additional details on the specific schemes that have been completed in 2020-21.

2.16 Please note that, for some neighbourhood CIL schemes that have been delivered in full in 2020-21 and are highlighted in section 4, the full spend is not yet recorded in table 2.7. This is particularly the case for the transport schemes. This is due to the way spend has been managed internally, and some spend will therefore be recorded in future years even though the works on the ground have been delivered.

CIL retained at the end of 2020-2021

2.17 In total, £17.115m of CIL was retained at the end of 2020-21. Most of this is strategic CIL, and relates to the particularly high amount of CIL collected in 2019-20, and, to a lesser extent, 2020-21. The Council will need to focus on ensuring that this funding is allocated and spent in the near future.

3. Section 106 Report 2020-2021

- 3.1 The IFS is required to report on the collection and spend of financial contributions required under Section 106 agreements. [Appendix 2](#) contains the full Section 106 report, covering each matter that needs to be reported, and the following sections summarise the Section 106 report for 2020-21.

Section 106 collected 2020-2021

- 3.2 In total, £1.288m of financial contributions has been collected by the Council to fulfil requirements in Section 106 agreements during 2020-21. The largest contributions were related to developments at 400 Longwater Avenue (160569 - £0.525m), Kings Point (150019 - £0.238m), 42 Shinfield Road (180788 - £0.049m), 5 Westcote Road (160246 - £0.047m), 45 Albert Road (171753 - £0.047m) and 993 Oxford Road (152075 - £0.045m).
- 3.3 Table 3.1 breaks the collected Section 106 contributions down by type of contribution. The majority of the collected contributions were for affordable housing. Whilst many of the other types, such as transport, education and leisure, are now covered by CIL, and therefore Section 106 contributions under these headings are lower than they were in the past, there remain site-specific impacts for matters such as leisure and transport that require mitigation through Section 106. In addition, some developments permitted before the introduction of CIL have reached payment triggers.

Table 3.1: Collected contributions 2020-21 by infrastructure type

Category of contribution	Collected contribution
Affordable Housing	£833,730.81
Education	£5.90
- Primary education	£0.00
- Secondary education	£0.00
- Post 16 education	£0.00
- Other education	£5.90
Health	£0.00
Highways	£0.00
Transport and travel	£11,066.33
Open space and leisure	£25,912.48
Community facilities	£0.00
Digital infrastructure	£0.00
Green infrastructure	£0.00
Flood and water management	£0.00
Economic development	£338,059.27
Land	£0.00
Section 106 monitoring fees	£13,340.74

Category of contribution	Collected contribution
Bonds (held or repaid to developers)	£0.00
Other	£66,205.26
- <i>Air quality</i>	£0.00
- <i>Carbon offset</i>	£0.00
- <i>S106 legal fees</i>	£66,205.26
Total	£1,288,320.79

Section 106 allocated 2020-2021

- 3.4 In total, £7.211m of Section 106 contributions was allocated to projects in 2020-21. Many contributions are fettered to specific projects in the agreement in any case, and therefore the allocation of those funds takes place automatically as soon as they are collected. Other contributions may be more generally identified as being for improvement of transport or education facilities, and therefore requires further allocation to specific projects. Sums are not necessarily allocated every year.
- 3.5 Table 3.2 breaks the allocated Section 106 contributions down by type of infrastructure. The vast majority was allocated to a project to deliver new Council homes at Wensley Road.

Table 3.2: Allocated Section 106 contributions 2020-21 by infrastructure type

Category of contribution	Allocated contribution
Affordable Housing	£6,500,000.00
Education	£0.00
- <i>Primary education</i>	£0.00
- <i>Secondary education</i>	£0.00
- <i>Post 16 education</i>	£0.00
- <i>Other education</i>	£0.00
Health	£0.00
Highways	£0.00
Transport and travel	£0.00
Open space and leisure	£631,000.00
Community facilities	£0.00
Digital infrastructure	£0.00
Green infrastructure	£0.00
Flood and water management	£0.00
Economic development	£0.00
Land	£0.00
Section 106 monitoring fees	£13,340.74
Bonds (held or repaid to developers)	£0.00
Other	£66,205.26
- <i>Air quality</i>	£0.00

Category of contribution	Allocated contribution
- Carbon offset	£0.00
- S106 legal fees	£66,205.26
Total	£7,210,546.00

- 3.6 The specific projects to which Section 106 funds were allocated in 2020-21 are set out in Table 3.3.

Table 3.3: Projects to which Section 106 funds allocated 2020-21

Project	Amount allocated
Kenavon Drive improvement of open spaces	£102,000.00
Prospect Park children's activity centre	£478,000.00
River Kennet improvement area landscaping	£51,000.00
Wensley Road, Local Authority New Build	£6,500,000.00

- 3.7 For the purposes of this report, we have counted funds as being allocated if they have been put towards specific projects as a result of a decision by elected members during the year. Section 106 agreements may be specific about funds being fettered towards certain projects, or may be more generally related to a type of infrastructure. Other than legal and monitoring fees, the fettering in a Section 106 agreement is not considered as an allocation for these purposes unless there has been a formal decision.

Section 106 spent 2020-2021

- 3.8 Spend of Section 106 contributions totalled £1.973m in 2020-21. Table 3.4 breaks the spent Section 106 contributions down by type of infrastructure.

Table 3.4: Section 106 contributions spent 2020-21 by infrastructure type

Category of contribution	Spend
Affordable Housing	£511,232.40
Education	£131,131.61
- Primary education	£131,131.61
- Secondary education	£0.00
- Post 16 education	£0.00
- Other education	£0.00
Health	£0.00
Highways	£61,397.79
Transport and travel	£756,663.98
Open space and leisure	£239,030.16
Community facilities	£39,556.40
Digital infrastructure	£0.00
Green infrastructure	£0.00

Category of contribution	Spend
Flood and water management	£0.00
Economic development	£137,000.00
Land	£0.00
Section 106 monitoring fees	£13,340.74
Bonds (held or repaid to developers)	£0.00
Other	£83,392.62
- Air quality	£0.00
- Carbon offset	£0.00
- S106 legal fees	£66,205.26
Total	£1,972,745.70

- 3.9 The specific projects on which Section 106 funds were spent in 2020-21 are set out in Table 3.5. Please note that this excludes the Section 106 monitoring and legal fees referred to above.

Table 3.5: Projects on which Section 106 funds spent 2020-21

Project	Amount spent
Abbey Quarter ³	£134,490.05
Arthur Hill Pool housing development (LANB)	£511,232.40
Battle Community Hub	£20,189.95
CCTV	£17,187.36
Courage Park grounds maintenance	£5,000.00
Employment and skills plan delivery	£137,000.00
E P Collier Primary School	£7,044.91
Eastern Area access works	£100,322.48
Katesgrove Primary School expansion to 3FE	£25,000.00
Local traffic management and road safety schemes	£3,755.34
Mapledurham Playing Fields and pavilion	£59,265.11
National Cycle Network Route 422	£36,691.00
Oxford Road Academy	£11,752.72
Oxford Road corridor works	£23,742.68
Portman Road NEAP	£35,975.00
Prospect Park play improvements delivery of facilities	£4,300.00
South Reading Mass Rapid Transit	£595,907.82
St John's Primary School expansion to 3FE	£76,089.04
Sun Street Community Hub	£19,366.45

³ This includes spend in 2020-21 as well as adjustments to previous spend figures. £35,940.05 was spend in 20-21, and an adjustment of £144,175 was made to 2017-18 spend and -£45,625 was made to 2019-20 spend.

Project	Amount spent
The Ridgeway Primary School expansion	£11,244.94
Traffic management schools	£57,642.45

Section 106 retained at the end of 2020-2021

- 3.10 At the end of 2020-21, £23.320m of Section 106 funds was retained by the Council. This is a significant figure, but most of those funds are allocated to projects. For instance, £8.257m is allocated to provide new local authority housing, and £7.521m is allocated to transport schemes. Much of the remaining unallocated Section 106 funding was collected during 2019-20 or 2020-21 and there has not yet been a chance to allocate this to particular projects.

4. Infrastructure Delivered

- 4.1 This section highlights specific items of infrastructure that have been delivered in 2020-21 through either CIL or Section 106 contributions (in whole or in part). It is not intended to be a comprehensive list, but sets out a selection of completed infrastructure projects in the reported year.

Section 106

- 4.2 **South Reading Mass Rapid Transit:** The South Reading Mass Rapid Transit (MRT) project provides dedicated public transport priority measures on the A33 corridor, linking Reading town centre to Green Park and Mere oak park and ride. This project is being delivered in phases, and Phase 3 (covering London Street, Bridge Street and the A33 outbound approach to Rose Kiln Lane) was completed in 2020, with work on Phase 4 (outbound between Rose Kiln Lane and Lindisfarne Way and upgrade of signals at A33/Bennet Road gyratory) underway in 2021.
- 4.3 Funding for South Reading MRT is from the Local Growth Fund (LGF) and from Section 106 contributions. Spend of Section 106 funding on South Reading MRT during 2020-21 totalled £596K, to add to the £407K spent in 2019-20.

Neighbourhood CIL

- 4.4 A number of the projects allocated neighbourhood CIL funding in November 2018 have been delivered during 2020-2021.
- 4.5 **Elgar Road signs for HGVs:** £50,000 had been allocated to implement a signing strategy to guide HGVs to key destinations, avoiding the Elgar Road and Berkeley Avenue weight limit. This was completed in October 2020.
- 4.6 **Avon Place/Canal Way play area improvements:** £100,000 was allocated to provide a new children's play area at Canal Way to replace the old play facility at Avon Place, which was rarely used and suffered abuse. Works commenced in September 2020, and the play area was completed in November 2020.
- 4.7 **Brunswick Street and Western Road 20mph zone:** £50,000 had been allocated to deliver a new 20mph zone, with required supporting traffic calming measures in Brunswick Street and Western Road. This was completed in November 2020.

- 4.8 **Grovelands Road double roundabout signing:** £15,000 had been allocated to implement a scheme that will better highlight the double-mini-roundabouts to approaching traffic, therefore reducing approach speeds and improving compliance, together with surfacing improvements. This was completed in November 2020.
- 4.9 **Southcote Road and Westcote Road speed reduction:** £30,000 had been allocated to deliver a new 20mph zone, with required supporting traffic calming measures in Southcote Road and Westcote Road. This was also extended to include Parkside Road. The scheme was completed in December 2020.
- 4.10 **Long Barn Lane recreation ground improvements:** £150,000 of 15% local CIL funds had been allocated to improvements at Long Barn Lane recreation ground, comprising a new BMX track and an outdoor gym. The BMX track opened in February 2021 (Figure 4.1).

Figure 4.1: BMX track at Long Barn Lane recreation ground



- 4.11 **Ridgeway School zebra crossing:** £50,000 had been allocated to provide a zebra crossing across Whitley Wood Road close to Ridgeway Primary School. The crossing was completed in February 2021 (Figure 4.2).

Figure 4.2: Zebra crossing at Ridgeway Primary School



- 4.12 Gosbrook Road zebra crossing:** £50,000 had been allocated for the provision of a new zebra crossing across Gosbrook Road in Caversham, at the end of the footpath that crosses Christchurch Meadows towards the town centre. The scheme was amended to provide a tiger crossing to ensure it was future-proofed. It was completed in March 2021 (Figure 4.3).

Figure 4.3: Tiger crossing at Gosbrook Road



- 4.13 Reading Girls School extension of 20mph zone:** £40,000 had been allocation to extend the existing 20mph zone along Northumberland Avenue southwards, past Reading Girls School. The design also included a number of uncontrolled pedestrian crossing enhancements. The scheme was completed in March 2021 (Figure 4.4).

Figure 4.4: Part of the 20mph zone extension at Reading Girls School



5. Future Contributions Income

- 5.1 This section indicates potential future income, and provides useful context in terms of the funding that may be available to provide infrastructure in the future. However, it can only be an indication, as funding is generated at milestones in the development process, in particular implementation and occupation, which are not within the Council's control.

CIL

- 5.2 Liability notices have been issued during 2020-21 totalling £15.032m. By far the most significant developments were Kenavon Drive (170509 - £6.658m) and Station Hill Plot E (190465 - £5.183m). Some of the liability notices raised this year have already been paid in full or part during 2020-21, whilst others may not be implemented or may benefit from a future relief, and therefore not all of this represents future income. It is also worth noting that some of these liability notices replaced notices that had been issued before the reported year, so are not wholly new liabilities for 2020-21.
- 5.3 Demand notices for £7.436m were issued in 2020-21. There is much greater certainty about this as an indicator of future income than liability notices, because demand notices are issued once a development has commenced.
- 5.4 The Council has previously set out forecasts for CIL income in future years, but the accuracy of these forecasts is dependent on so many factors that it is not considered to be particularly useful. In particular, the amount of CIL collected is highly dependent on a small handful of very large liabilities, the timing of which can be very variable, and some of which may not be commenced at all. Therefore, this document does not attempt to forecast future income. However, average CIL income for the period 2017-21 is approximately £5m per annum, and this is perhaps the most useful basis for forward planning. Annual CIL income of £5m would mean strategic CIL of £4m, neighbourhood CIL of £0.75m and CIL admin of £0.25m per annum.

Section 106

- 5.5 New Section 106 agreements have been signed during 2020-21 that would result in financial contributions of £2.184m. Table 5.1 summarises how this breaks down into different infrastructure types.

Table 5.1: Agreed contributions 2020-21 by infrastructure type

Category of contribution	Agreed contribution
Affordable Housing	£1,802,609.08
Education	£0.00
- Primary education	£0.00
- Secondary education	£0.00
- Post 16 education	£0.00
- Other education	£0.00
Health	£0.00
Highways	£0.00
Transport and travel	£43,941.28
Open space and leisure	£227,053.36
Community facilities	£0.00
Digital infrastructure	£0.00
Green infrastructure	£0.00
Flood and water management	£0.00
Economic development	£19,700.50
Land	£0.00
Section 106 monitoring fees	£16,000.00
Bonds (held or repaid to developers)	£0.00
Other	£75,076.00
- Air quality	£0.00
- Carbon offset	£0.00
- S106 legal fees	£75,076.00
Total	£2,184,380.22

- 5.6 Almost all of the total contributions agreed in 2020-21 were towards affordable housing. This is because much of the remaining infrastructure, in particular education, transport, leisure and other environmental matters, is usually covered by CIL, unless there is specific site-related mitigation required. Employment, skills and training plans only result in a financial contribution where the developer does not provide a plan themselves, and this is often not known at the point of signature.
- 5.7 Some legal agreements may result in financial contributions being made that are not defined in the agreement itself. For instance, carbon offset contributions are calculated once the building is completed and the performance is assessed, so no specific contributions are usually set out in the agreement. In addition, a deferred

contribution towards affordable housing may be agreed should viability circumstances change or an on-site provision not be made. Other examples include a financial contribution towards employment, skills and training should a developer not provide their own Employment and Skills Plan, or a transport contribution resulting from a traffic or parking survey. These contributions should only be included in the figures above where it is expected that they will be provided, and, because no additional financial contributions had resulted at the end of 2020-21, none of the figures in Table 5.1 result from such contributions.

6. Future Spending Priorities

- 6.1 This section identifies anticipated future spending priorities for infrastructure contributions. It is not necessarily comprehensive, and infrastructure not referred to below may be funded from infrastructure contributions where required, but provides a broad guide to where spend is expected to be targeted, based on information which has already been published.
- 6.2 The main priorities for spend of infrastructure contributions are set out in policy CC9 (Securing Infrastructure) of the Reading Borough Local Plan (adopted 2019). This relates to all sources of infrastructure contributions. It identifies the main priorities as being:
- Transport infrastructure, including major cross boundary or sub-regional infrastructure projects;
 - Open space, green infrastructure and other measures to improve or enhance biodiversity;
 - Education, including cross-boundary facilities;
 - Economic development services and infrastructure, including employment, skills and training development initiatives and childcare provision.
- 6.3 It should be noted that the policy does not cover some other matters not traditionally regarded as being ‘infrastructure’, but which are nevertheless also high priorities for the use of contributions, notably:
- Affordable housing; and
 - Carbon offset.
- 6.4 Policy CC9 also states that, where relevant, a high priority will be given to:
- Energy infrastructure, including decentralised energy projects;
 - Health provision; and
 - Police Service infrastructure.
- 6.5 Finally, the policy also identifies the following as needing consideration where a specific need is identified:
- Community facilities;
 - Leisure and cultural infrastructure;

- Reading Central Area infrastructure and amenities, including public realm and street care enhancements;
- Environmental improvements outside the Central Area, such as within local centres, including off-site street tree and other tree planting;
- Measures to tackle poor air quality or for on-going air quality monitoring; and
- Flood mitigation and prevention measures.

6.6 Some of these priorities will be covered primarily by CIL, and some by Section 106. In some cases, a mix of funding from both sources may be used.

CIL

6.7 The Council approved a revised CIL Spend Protocol in February 2021, which sets out the headlines for how CIL will be allocated and spent in Reading. This Protocol is set out in full in [Appendix 3](#).

6.8 The Protocol identifies the priorities for funding from strategic CIL (i.e. 80% of the total) as being education, strategic transport projects and strategic leisure and culture. These tend to be the forms of infrastructure most directly affected by new development. In addition, the Protocol sets additional criteria, such as the need to relate to priorities in the IFS, inclusion in the Infrastructure Development Plan and/or approved Capital Programme and the relationship to new development including the delivery of key Local Plan development sites.

6.9 Until 2019, the specific projects that were to be funded from strategic CIL were set out in a published Regulation 123 list. These lists were replaced by the requirement for an Infrastructure Funding Statement. However, it remains the Council's intention that the projects on the most recent version of the Regulation 123 list will continue to be funded from CIL. These are set out in table 6.1. Please note that appearance on this list is an indication that the item has potential for spend of CIL, it does not mean that CIL will be able to fund all items.

Table 6.1: Infrastructure to be funded by strategic CIL (80%)

Infrastructure Type	Exclusions
<p>Transport</p> <p>Active Travel Infrastructure and Public Realm - Works to improve walking routes, including street lighting, cycle parking, etc (e.g. schemes referred to in the West Reading Transport Study).</p> <p>Active Travel Initiatives - Including Cycle Development Officer and Challenges, Bike It</p> <p>Public Transport Infrastructure Enhancements - Infrastructure for bus stops, shelters, bus clearways, bus lanes, bus gates, bus priority at junctions, maintenance, etc. (e.g. schemes referred to in the West Reading Transport Study)</p> <p>Public Transport Service Contracts - Running South Reading services, Park and Ride, Nighthtrack</p> <p>Public Transport Information and Ticketing - Real Time Passenger Information, Variable Message Signing, Website and Journey Planning, Fares and Ticketing Information and Management</p> <p>Network Management, Junction Improvements and Road Safety (e.g. schemes referred to in the West Reading Transport Study).</p> <p>Major Repair & Improvement projects - Repair structures such as retaining walls, culverts, subways, footbridges and also flood reduction schemes, including Kennetside</p> <p>Park & Ride/Park & Rail - East Reading Park and Ride (TVP); North Reading Park and Ride; Park & Rail (Tilehurst Station) access improvements</p> <p>Green Park Station - New station at Green Park on Reading-Basingstoke Line</p> <p>Mass Rapid Transit - Higher capacity, higher frequency and reduced stopping public transport service (south and east) as follows:</p> <ul style="list-style-type: none"> • MRT South Phase 3; • MRT South Phase 5; • MRT South Phase 6: • MRT South Phase 7. • MRT East 	<p>See below</p> <p>The Council may consider alternative projects within these categories as suitable for delivery through a site specific Section 106 Planning Obligations or Section 278 Highway Agreement, provided this complies with all relevant legislation and the infrastructure is required to make the development acceptable in planning terms and that S106 and CIL do not fund the same item of infrastructure.</p> <p>Mass Rapid Transit South will be funded using Section 106 monies and other non-CIL funding as follows:</p> <ul style="list-style-type: none"> • MRT South Phase 1; • MRT South Phase 2; • MRT South Phase 4.
<p>Education initiatives</p> <p>The provision, improvement, replacement, operation or maintenance of new and existing public education facilities</p>	<p>See below</p> <p>Primary provision within Green Park</p>
<p>Social/community facilities projects</p> <p>The improvement, reconfiguration and extension of existing community provision to create Community Hubs</p> <p>Provision of new facilities such as youth and community centres, other meeting places, and other community facilities.</p>	<p>See below</p> <p>None</p> <p>Where a specific development generates the need for new provision in its own right.</p>

Infrastructure Type	Exclusions
<p>Leisure and culture facilities projects</p> <p>Enhancement of access to and interpretation of heritage assets</p> <p>Upgrading provision, including enhancement, access to and interpretation of strategic cultural, arts and sports centre provision in accordance with a facilities strategy and related plans.</p>	<p>See below</p> <p>Site specific heritage asset protection and enhancement resulting from a specific planning proposal.</p> <p>None</p>
<p>Open spaces, sports, recreation, green infrastructure, public realm, and environmental improvement projects</p> <p>Enhancement and management of and access to outdoor recreation, open space and water courses serving the Borough</p> <p>Improvements to the public realm and green environment. This includes implementation of a tree strategy, access to green space and improvements to landscapes and habitats</p>	<p>See below</p> <p>Local outdoor recreation and open space directly serving a specific new development</p> <p>Site related environmental mitigation measures and environmental improvements to the public realm and green environment necessitated by the development.</p>
<p>Economic support</p> <p>The provision of incubator business space in Central Reading</p>	<p>See below</p> <p>None</p>
<p>Renewable energy infrastructure</p> <p>The provision and installation of wide area decentralised energy equipment and infrastructure as a strategic network, including the provision and installation of retrospective connections from existing developments to facilitate the linking of these to existing decentralised energy centres</p>	<p>See below</p> <p>Site related decentralised energy provision in accordance with Local Plan Policy CC3 and infrastructure for new development schemes to link to existing decentralised energy centres.</p>
<p>Air quality</p> <p>The infrastructure required to undertake Borough wide continuous monitoring of air quality</p>	<p>See below</p> <p>None</p>

- 6.10 The CIL Regulations also state that a portion of collected CIL must be spent in the ‘relevant local area’ in which development takes place. Where there is no neighbourhood development plan, as is the case in Reading, this portion is 15%.
- 6.11 The CIL Protocol sets out expectations for how neighbourhood CIL will be spent and allocated. This requires particular processes in Reading as there are no parish or town councils to which to pass the neighbourhood CIL funding.

6.12 The Protocol sets out a focus for the use of neighbourhood CIL as below and subject to the project according with a number of principles:

- Open space improvements/small scale leisure;
- Local highway improvement projects;
- Air quality;
- Community improvements;
- Renewable energy infrastructure;
- Economic support; and
- Other measures which help to mitigate the impact the development has on the area.

6.13 The approach is that the Council will consult on the priorities for spend of neighbourhood CIL, in terms of general headline types of infrastructure rather than specific projects. A consultation on the general priorities for use of neighbourhood CIL took place between February and April 2021, and the results will be considered when making future allocations.

6.14 The Council's approach is no longer to necessarily spend the money within the specific neighbourhoods in which it is raised. This is because Reading is a geographically compact area and a single settlement where residents make use of infrastructure in different parts of the Borough. The degree to which infrastructure relates to the areas where development is taking place will be a consideration in allocation of neighbourhood CIL funding, but this will be weighed against other considerations. The criteria for allocating neighbourhood CIL as set out in the Protocol are as follows:

- Deliverability (timescales, risks, resources required, dependence on external partners);
- Financial considerations (value for money, additional capital funding required, revenue considerations);
- Accordance with spending priorities identified in consultation;
- Relationship with identified strategic priorities; and
- Degree to which projects meet infrastructure needs arising from or enabling development.

6.15 Charging authorities are also able to retain 5% of collected CIL to cover administration of the levy. The Council will continue to retain up to 5% to cover these costs.

Section 106

6.16 Section 106 agreements will continue to be used to mitigate site-specific impacts, which will vary from site to site. Therefore, there will be instances where there are certain contributions usually covered by CIL where a specific impact needs to also be reflected in a Section 106 contribution, for example to address a specific transport, open space or public realm issue. However, financial contributions will most

frequently be secured as part of Section 106 agreements for spend on the matters in the paragraphs below.

- 6.17 Affordable housing:** There is a very substantial need for affordable housing in Reading. Under policy H3 (Affordable Housing) of the Local Plan, developments for one new home or more will be expected to make a contribution towards affordable housing. For developments of less than 10 dwellings, the policy requires this to be in the form of a financial contribution to provision off-site. In exceptional cases, a larger development may also make a financial contribution where the requirement cannot be met on site.
- 6.18** Financial contributions towards affordable housing will be spent on provision of new affordable homes in Reading. The Council is building new affordable homes through its Local Authority New Build programme, and this is likely to be the main spending priority, but the Council may also grant fund other Registered Providers to deliver new affordable homes.
- 6.19 Employment, skills and training:** Under policy CC9 of the Local Plan, as supplemented by the Employment, Skills and Training SPD (adopted 2013), major developments should be accompanied by an employment and skills plan. This is required for the construction phase for all major developments, and also for the end user phase for major commercial developments. These plans maximise the ability of the existing population to compete for the jobs being created. Where a developer chooses not to provide an ESP, they are able to instead make a financial contribution through a Section 106 agreement, which is used to fund employment, skills and training initiatives.
- 6.20 Carbon offsetting:** Reading Borough Council declared a climate emergency in February 2019, and addressing this is an urgent priority. Policy H5 of the Local Plan expects new build housing of 10 or more dwellings to meet zero carbon homes standards. At a minimum, this means a 35% improvement over building regulations standards, with the remainder as a financial contribution to carbon offsetting. The Sustainable Design and Construction SPD (December 2019) gives more information on securing these contributions.
- 6.21** Carbon offset contributions will be ring-fenced for projects which deliver a carbon saving in Reading, including energy-efficiency improvements or renewables projects. The carbon saving will need to be at least equivalent to the amount of carbon offset via the financial contributions. Detailed decisions on spend have not yet been made, but the SPD gives the following as possible measures:
- Upgrading and retrofitting of existing housing;
 - Home visits for energy saving advice that leads to installation of energy efficiency saving measures;
 - Installation of heat pump based heating system where carbon emission savings can be demonstrated;
 - Generating and supporting renewable and low carbon energy and heat projects;
 - Provision of grants for renewable energy and energy efficiency;

- Energy projects for community buildings, e.g. solar panels;
- Installation of electric vehicle charging infrastructure; and
- Tree planting and greening measures.

6.22 Section 106 monitoring: Monitoring the requirements of Section 106 agreements is a long-term cost to the Council, and financial contributions are therefore secured in Section 106 agreements to cover the expected costs of monitoring the agreements. This is in line with Regulation 122(1) of the CIL Regulations 2010 (as amended).

6.23 Section 106 legal fees: Financial contributions are secured in Section 106 agreements to cover the Council's legal fees in preparing the agreements.

Appendix 1 - Full CIL report

Table A1.1: Full CIL report setting out the information required under Regulation 121A and Schedule 2 of the CIL Regulations

Ref	Requirement	Amount	Comment
1(a)	The total value of CIL set out in all demand notices issued in the reported year.	£7,436,444.82	No further comment
1(b)	The total amount of CIL receipts for the reported year.	£5,857,027.18	No further comment
1(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.	£10,819,999.33	This is the total CIL receipts for 2015-20, minus all allocations for 2015-20 and strategic and neighbourhood allocations for 2020-21. Admin allocations must come from the in-year CIL receipts.
1(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.	£1,049,425.93	This does not include allocations within the reported year for administration (up to 5%) as this does not come from CIL collected before the reported year.
1(e)	The total amount of CIL expenditure for the reported year.	£1,648,195.89	Consists of items in g.i, g.iii and j.ii
1(f)	The total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year.	£730,565.07	There are differing interpretations of this requirement. We have interpreted this as meaning the total CIL allocated in all years but not yet spent at the end of the reported year.
1(g)(i)	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.	£688,403.95 £196,586.36 £2,750.00 £20,926.62 £5,759.00 £440,918.64	Leisure Centre procurement Phoenix College scheme South Reading community hub Sun Street community hub Town centre street trading Neighbourhood CIL projects (see (j)(ii) below for detail of projects)
1(g)(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).	£0.00	No further comment
1(g)(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.	£292.851.32 (5.00%)	No further comment

Ref	Requirement	Amount	Comment
1(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.	£50,000.00 ⁴ -£15,000.00 £100,000.00	Broad Street seating area refurbishment Dog Fountain High Street Heritage Action Zone
1(i)(i)	The amount of CIL passed to any parish council under regulation 59A or 59B.	£0.00	No parish councils in Reading
1(i)(ii)	The amount of CIL passed to any person under regulation 59(4).	£0.00	No funds passed on
1(j)(i)	Summary details of the total receipts that regulation 59E and 59F applied to.	£875,949.49	This is not exactly 15% of the CIL receipts because according to the Regulations, surcharges and late payment interest do not make up part of neighbourhood CIL.
1(j)(ii)	Summary details of 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.	£14,375.05 £95,026.26 £16,323.30 £61,340.50 £36,380.05 £138,043.18 £1,277.50 £3,461.66 £50,234.84 £24,456.30	Brunswick Road and Western Road 20mph zone Canal Way replacement of Avon Place play area Elgar Road HGV signing Enforcement of 20mph areas south (Redlands) Gosbrook Road zebra crossing Long Barn Lane Recreation Ground improvements Oxford Road and Overdown Road pedestrian crossings Reading Girls School extension of 20mph zone Ridgeway School zebra crossing Southcote Road and Westcote Road speed reduction NB - figures above are for 2020-21 spend, not allocation
1(k)(i)	Summary details of notices served in accordance with regulation 59E, including the total value of CIL receipts requested from each parish council.	£0.00	No notices served, as no parish councils in Reading
1(k)(ii)	Summary details of notices served in accordance with regulation 59E, including any funds not yet recovered from each parish council at the end of the reported year.	£0.00	No notices served, as no parish councils in Reading

⁴ Of which £15,000 from underspend on Dog Fountain

Ref	Requirement	Amount	Comment
1(l)(i)	The total amount of CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied.	£4,688,226.37	This is all of the 2020-21 collected non-neighbourhood CIL minus that applied to administration.
1(l)(ii)	The total amount of CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied.	£9,150,994.64	No further comment
1(l)(iii)	The total amount of CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year.	£875,949.49	All 2020-21 neighbourhood CIL receipts retained.
1(l)(iv)	The total amount of CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year.	£2,399,569.76	No further comment

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;
- b. CIL collected by way of a land payment has not been spent if at the end of the reported year–
 - i. development (within the meaning in TCPA 1990) consistent with a relevant purpose has not commenced on the acquired land; or
 - 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;
- c. CIL collected by an authority includes infrastructure payments made in respect of CIL charged by that authority;
- 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;
- 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);
- 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;
- 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).

Appendix 2 - Full Section 106 report

Table A2.1: Full Section 106 report setting out the information required under Regulation 121A and Schedule 2 of the CIL Regulations

Ref	Requirement	Amount	Comment
3(a)	The total amount of money to be provided under any planning obligations which were entered into during the reported year.	£2,184,380.22	No further comment
3(b)	The total amount of money under any planning obligations which was received during the reported year.	£1,288,320.79	No further comment
3(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.	£4,824,410.32	No further comment
3(d)(i)	Summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year, including details of, in relation to affordable housing, the total number of units which will be provided.	98 dwellings	No further comment
3(d)(ii)	Summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year, including details of, 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.	0	Contributions to education are not usually now included in new Section 106 agreements as they would usually be funded by CIL
3(e)	The total amount of money (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure.	£7,131,000.00	No further comment
3(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).	£1,972,745.70	No further comment
3(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.	£102,000.00 £478,000.00 £51,000.00 £6,500,000.00	Kenavon Drive improvement of open spaces Prospect Park children's activity centre River Kennet improvement area landscaping Wensley Road, Local Authority New Build

Ref	Requirement	Amount	Comment
3(h)(i)	The items of infrastructure on which money (received under planning obligations) was spent during the reported year, and the amount spent on each item.	£134,490.05 £511,232.40 £20,189.95 £17,187.36 £5,000.00 £137,000.00 £7,044.91 £100,322.48 £25,000.00 £3,755.34 £59,265.11 £36,691.00 £11,752.72 £23,742.68 £35,975.00 £4,300.00 £595,907.82 £76,089.04 £19,366.45 £11,244.94 £57,642.45	Abbey Quarter ⁵ Arthur Hill Pool housing development (LANB) Battle Community Hub CCTV Courage Park grounds maintenance Employment and skills plan delivery E P Collier Primary School Eastern Area access works Katesgrove Primary School expansion to 3FE Local traffic management and road safety schemes Mapledurham Playing Field and pavilion National Cycle Network Route 422 Oxford Road Academy Oxford Road corridor works Portman Road NEAP Prospect Park play improvements delivery of facilities South Reading Mass Rapid Transit St John's Primary School expansion to 3FE Sun Street Community Hub The Ridgeway Primary School expansion Traffic management schools
3(h)(ii)	The amount of money (received under planning obligations) spent on repaying money borrowed during the reported year, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part).	£0.00	
3(h)(iii)	The amount of money (received under planning obligations) spent during the monitoring year in respect of monitoring (including reporting under regulation 121A) in relation to the delivery of planning obligations.	£13,340.74	

⁵ This includes spend in 2020-21 as well as adjustments to previous spend figures. £35,940.05 was spend in 20-21, and an adjustment of £144,175 was made to 2017-18 spend and -£45,625 was made to 2019-20 spend.

Ref	Requirement	Amount	Comment
3(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.	£23,319,948.81 £19,411.76	Total amount retained at year end Commutated sums held
4(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.	N/A	This is not being reported by the IFS this year.
4(b)	summary details of any funding or provision of infrastructure under a highway agreement which was provided during the reported year.	N/A	This is not being reported by the IFS this year.

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;
- b. a non-monetary contribution includes any land or item of infrastructure provided pursuant to a planning obligation;
- 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.

Appendix 3 - CIL Spend Protocol, February 2021

This protocol sets out proposed procedures for dealing with the allocation and monitoring of the spending of income arising from the Community Infrastructure Levy (CIL).

CIL differs fundamentally from S106 in that the funds collected are not tied to a specific development or the provision of specific infrastructure. Unlike infrastructure provided through S106 planning obligations, which must be necessary to mitigate the impact of a particular development and used only for that specific purpose, CIL funds can be used flexibly to fund any infrastructure as defined within the regulations. The Council's Infrastructure Funding Statement (IFS) will set out priorities for CIL spend, but this will not exclude spend on items that are not identified in the IFS. CIL funds can be pooled freely to fund infrastructure priorities and collectively between authorities towards larger strategic investments. They should be seen as a contribution to assisting with the provision of overall infrastructure priorities which may well change over time.

Framework for Determining Expenditure of CIL Monies

Authorities are required to set out their priorities for expenditure through an annual IFS. The current IFS for Reading Borough was based on an Infrastructure Delivery Plan that was produced as part of the preparation of the local plan, and in consultation with the various spending services, and which drew on the previous Regulation 123 list. A Regulation 123 list was a now-superseded requirement for a list of items to be funded by CIL. A copy of the Council's original Regulation 123 list was approved as part of the papers submitted to the Secretary of State for approval of the Council's CIL Charging Schedule.

The spending priorities in the IFS refer to the types of infrastructure but does not specify particular schemes or projects. The priorities are based on adopted Local Plan policies, and relate to:

- Transport infrastructure
- Education facilities projects
- Social / Community facilities
- Leisure and Culture facilities
- Open spaces, sports, recreation, green infrastructure, public realm and environmental improvement projects
- Economic Support
- Renewable Energy Infrastructure
- Air Quality

The CIL regulations set out specific requirements on local authorities to monitor, report and publish, annually, details of all funding received and all expenditure of CIL funding. This will be completed through the annual IFS which the Council is required to produce by 31st December each year.

Regulation 59F of the CIL Regulations 2010 (as amended) requires that at least 15% of CIL monies should be spent in the 'relevant local area' in which development is occurring. The requirement is that the local authority ensures that at least 15% of receipts are directed

to areas subject to development. It should be noted that these monies (which are referred to as the ‘meaningful proportion’) do not have to be spent on items identified in the IFS, but could be spent on anything to help mitigate the impact the development has on the area.

Proposed Allocation of Expenditure

The principles are that expenditure will be;

80%:

- on infrastructure as defined in the regulations.
- in accordance with priorities set out in the Council’s IFS at the time the expenditure is authorised; The contents of the Council’s IFS will reflect the Council’s infrastructure priorities as set out in the Infrastructure Delivery Plan, adopted policies and capital programme.

15%:

- at least 15% must be allocated to areas in which CIL liable development is taking place, but, in the absence of any parish councils, this can mean the whole Borough.
- can be allocated to ‘infrastructure’ listed or not listed on the IFS.
- spending needs to meet the requirement to ‘support the development of the area’.
- A consultation on the approach to how the Council uses the local contribution will be required. The final allocation of any CIL money, including the local contribution will be made by the Council’s Policy Committee.
- Allocations for spending the 15% local contribution will be for CIL receipts received up to the end of the previous year.

5%:

- 5% of receipts will be allocated to cover administration costs.

The Council’s February budget report includes the Council capital programme and an indication of how it will be financed overall including any planned use of CIL receipts. The programme shows proposals for the forthcoming year with some forward planning/commitments for the following two years (i.e. a rolling 3 year programme) based on development monitoring and CIL database information. When the Council approves the budget it will also therefore approve in principle the allocation of how 80% of CIL receipts will be spent.

The financial year end report (presented in the early summer) will provide as necessary a listing of CIL receipts received or expected imminently. It will indicate the level of CIL receipt from each listed development and thus a calculation of the level of 15% that should be allocated to the relevant area. For the purposes of CIL the relevant local area in the absence of any parish councils is the whole Borough, because Reading is a geographically compact area and a single settlement where residents make use of infrastructure in different parts of the Borough. The degree to which infrastructure relates to the areas where development is taking place will be a consideration in allocation 15% CIL funding, but this will be weighed against other considerations. In any event, when

allocating the 15% local contribution, consideration needs to be given to the location of the development providing the CIL receipt and the impacts that the development has on its neighbourhood.

There is provision within the regulations for the local authority to allocate up to 5% of CIL receipts to the administration of the scheme. Set up costs, the costs of items such as the purchase of software, and the staffing costs involved in administering the scheme can be paid for directly from CIL receipts. Costs will be incurred by Planning, Finance and Legal Sections and any other sections with an input into the administration of CIL within the authority. Accordingly, up to 5% of CIL receipts will be allocated to cover all administration costs, albeit this figure can be reviewed from time to time.

Infrastructure Prioritisation Criteria

The use of 80% of CIL will be focused on:

- Education
- Strategic Transport Projects
- Strategic Leisure / Culture

Which accord with the following:

- Should relate to priorities identified in the IFS
- Be included in the Infrastructure Development Plan and / or Approved Capital Programme.
- May enable other funds that would not otherwise be available or offer a financial return on investment, e.g. needed to match or draw grant funding
- Address a specific impact of new development beyond that which has been secured through a S106 obligation or S278 agreement
- Contribute to the delivery of key development sites in the district to realise the Local Plan proposals

The use of the 15% of CIL which is allocated ‘locally’ could, as alternatives to the priority projects in the area being funded under the 80% above, be focused on:

- Open space improvements / small scale leisure;
- Local highway improvement projects
- Air quality
- Community improvements
- Renewable energy infrastructure
- Economic Support
- Other measures which help to mitigate the impact the development has on the area.

Which must accord with following:

- Support:
 - (a) the provision, improvement, replacement, operation or maintenance of local facilities and/or infrastructure; or

(b) anything else that is concerned with addressing the demands that development places on a local area.

- May be included in the IDP and / or Approved Capital Programme.
- May enable other funds that would not otherwise be available or offer a financial return on investment, e.g. needed to match or draw grant funding
- Address a specific impact of new development beyond that which has been secured through a S106 obligation or S278 agreement
- Contribute to the delivery of key development sites in the district to realise the Local Plan proposals

In regards to how the 15% allocation will be processed:

- Projects can be nominated by officers, members, community groups or members of the public, using a standard form available on the website setting out key details; these could be from proposals that have been identified via committees, on work programmes, through surveys or elsewhere. Such proposals may include improvements to Parks and Open Spaces or highway schemes, for example. Nominations will need to be made by the end of the calendar year to feed into final allocations in the following Spring;
 - Initial proposals will be discussed with lead councillors;
 - Given that funds are limited the use of 15% local CIL funds will be normally allocated to small scale projects or around £100k or less;
 - Public consultation on the general spending priorities under the local community 15% spend will take place every 3-4 years, at the beginning of the calendar year. These will not be based on specific projects, but on overall type of infrastructure;
 - The final allocation of funds will be made annually by the Policy Committee. The following considerations will be taken into account when making allocations:
 - Deliverability (timescales, risks, resources required, dependence on external partners)
 - Financial considerations (value for money, additional capital funding required, revenue considerations)
 - Accordance with spending priorities identified in consultation
 - Relationship with identified strategic priorities
 - Degree to which projects meet infrastructure needs arising from or enabling development.
- A Policy Committee report on new allocations each year would also report on the progress of the allocations from previous years and would give the opportunity to re-allocate unspent funds or put additional funds towards existing projects if required.

Appendix 4 - Amendment to 2019-20 IFS

An error has been noted in the 2019-20 Infrastructure Funding Statement in terms of the spend of Section 106. Specifically, information on the Eastern Area Access Scheme, on which £40,297.26 was spent, was missing. Amended versions of the relevant tables from the 2019-20 IFS are below.

Table A4.1: Amended version of Table 3.4 from 2019-20 IFS showing Section 106 contributions spent 2019-20 by infrastructure type

Category of contribution	Spend
Affordable Housing	£14,092.00
Education	£93,370.86
- Primary education	£93,370.86
- Secondary education	£0.00
- Post 16 education	£0.00
- Other education	£0.00
Health	£0.00
Highways	£116,195.62
Transport and travel	£446,873.68
Open space and leisure	£597,659.51
Community facilities	£330,768.75
Digital infrastructure	£0.00
Green infrastructure	£0.00
Flood and water management	£0.00
Economic development	£104,972.00
Land	£0.00
Section 106 monitoring fees	£24,836.50
Bonds (held or repaid to developers)	£0.00
Other	£50,190.74
- Air quality	£0.00
- Carbon offset	£0.00
- S106 legal fees	£50,190.74
Total	£1,778,959.66

Table A4.2: Amended version of Table 3.5 from 2019-20 IFS showing projects on which Section 106 funds spent 2019-20

Project	Amount spent
Abbey Quarter	£72,549.28
Alfred Sutton Primary School	£884.03
Arthur Hill Pool housing development	£14,092.00
Arthur Newbery Park	£918.00

Project	Amount spent
Battle Community Hub	£330,768.75
Chestnut Walk scheme	£56,798.06
Churchend Primary School	£12,172.24
Cintra Park infrastructure	£11,234.00
Eastern Area access works	£40,297.26
Economic development - developing STEM skills	£12,050.00
Economic development - Growing Opportunities	£34,000.00
Economic development - project administration	£4,000.00
Economic development - recruitment support	£20,800.00
Economic development - sector support	£5,622.00
Economic development - small business support	£10,500.00
Economic development - start-up business training	£18,000.00
Forbury Gardens	£4,112.65
Geoffrey Field Infant School	£337.45
Geoffrey Field Junior School	£228.30
John Rabson Recreation Ground play area	£9,235.00
Katesgrove Primary School	£10,238.77
Kensington Road Recreation Ground	£164.00
Local traffic management & road safety schemes	£116,195.62
Long Barn Lane improvement project	£164.00
Lorenzo Quelch Play Area	£1,977.62
Lousehill Copse	£10,774.41
Mapledurham Playing Fields & Pavilion	£320,734.89
New Town Primary School	£20,323.90
Oxford Road Academy	£5,496.65
Oxford Road Community Garden	£3,586.75
Palmer Park	£2,111.00
Robert Hewett Recreation Ground	£1,749.50
South Mass Rapid Transit Scheme	£406,576.42
Southcote Primary School	£640.30
St John's Primary School	£8,731.75
Thames Park Plan	£101,550.35
Thameside Primary School	£1,171.80
The Hill Primary School	£228.31
The Ridgeway Primary School	£32,917.36

Table A4.3: Amended parts of Table A2.1 from 2019-20 IFS, the full Section 106 report setting out the information required under Regulation 121A and Schedule 2 of the CIL Regulations

Ref	Requirement	Amount	Comment
3(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).	£1,778,959.66	No further comment
3(h)(i)	The items of infrastructure on which money (received under planning obligations) was spent during the reported year, and the amount spent on each item.	£75,549.28 £884.03 £14,092.00 £918.00 £330,768.75 £56,798.06 £12,172.24 £11,234.00 £40,297.26 £12,050.00 £34,000.00 £4,000.00 £20,800.00 £5,622.00 £10,500.00 £18,000.00 £4,112.65 £337.45 £228.30 £9,235.00 £10,238.77 £164.00 £116,195.62 £164.00 £1,977.62 £10,774.41 £320,734.89	Abbey Quarter Alfred Sutton Primary School Arthur Hill Pool housing development Arthur Newbery Park Battle Community Hub Chestnut Walk scheme Churchend Primary School Cintra Park infrastructure Eastern Area access works Economic development - developing STEM skills Economic development - Growing Opportunities Economic development - project administration Economic development - recruitment support Economic development - sector support Economic development - small business support Economic development - start up business training Forbury Gardens Geoffrey Field Infant School Geoffrey Field Junior School John Rabson Recreation Ground play area Katesgrove Primary School Kensington Road Recreation Ground Local traffic management and road safety schemes Long Barn Lane improvement project Lorenzo Quelch Play Area Lousehill Copse Mapledurham Playing Fields and Pavilion

Ref	Requirement	Amount	Comment
		£20,323.90 £5,496.65 £3,586.75 £2,111.00 £1,749.50 £50,190.74 £24,836.50 £406,576.42 £640.30 £8,731.75 £101,550.35 £1,171.80 £228.31 £32,917.36	New Town Primary School Oxford Road Academy Oxford Road Community Garden Palmer Park Robert Hewett Recreation Ground Section 106 legal fees Section 106 monitoring fees South Mass Rapid Transit scheme Southcote Primary School St John's Primary School Thames Parks Plan Thameside Primary School The Hill Primary School The Ridgeway Primary School
3(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.	£24,016,586.79 £24,411.76	Total amount retained at year end Commuted sums held

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