

READING BOROUGH COUNCIL INFRASTRUCTURE FUNDING STATEMENT 2023-2024



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Executive summary

This Infrastructure Funding Statement reports on contributions from development towards infrastructure between 1st April 2023 and 31st March 2024. It covers both Community Infrastructure Levy (CIL) and Section 106 contributions.

CIL

- The total CIL collected by Reading Borough Council in 2023-2024 was **£1.740 million**
- The total CIL allocated in 2023-2024 was **£6.790 million**
- The total CIL spent in 2023-2024 was **£7.555 million**
- CIL liability notices were issued in 2023-2024 for **£13.846 million**

Section 106

- The total of financial contributions under Section 106 collected by Reading Borough Council in 2023-2024 was **£2.453 million**
- The total of financial contributions under Section 106 allocated in 2023-2024 was **£0.892 million**
- The total of financial contributions under Section 106 spent in 2023-2024 was **£4.132 million**
- Financial contributions were agreed in Section 106 agreements signed in 2023-2024 was **£1.645 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 2023 and 31st March 2024. An IFS is published annually, and the 2023-2024 version is the fifth such statement to be published by Reading Borough Council.
- 1.2 Changes to relevant legislation in 2019¹ 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](#)).

2. CIL Report 2023-2024

- 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 2023-24.

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 2023-2024

- 2.3 This is the ninth year of operating the CIL regime. The amount of CIL collected (£1.740m) is significantly less than 2022-23 and is the lowest level since the first year of operation of CIL. This seems to be a reflection of most of the development activity this year being on larger developments that have already paid their CIL in full and fewer new developments commencing.

Table 2.1: CIL collected 2023-24

Element of CIL	Amount collected
Total CIL collected 2023-24	£1,739,688.23
Strategic CIL (80%)	£1,392,674.04
Neighbourhood CIL (15%)	£260,029.78
CIL available for administration costs (5%)	£86,984.41

- 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. Policy Committee in February 2021 adopted an amended CIL protocol that outlines how this funding is to be allocated.
- 2.5 The most significant contributors to the total CIL collected in 2023-24 were Reading Golf Club (221312 - £0.477m), 63 Rowe Court (221693 - £0.253m), 103 Dee Road (221130 - £0.190m), Royal Elm Park (160199 - £0.134m) and 2-4 Send Road (211739 - £0.110m).

CIL allocated 2023-2024

- 2.6 Total CIL allocated in 2023-2024 was £6.790m. This was divided as set out in Table 2.2.

Table 2.2: CIL allocated 2023-24

Element of CIL	Amount allocated
Total CIL allocated 2023-24	£6,789,898.97
Strategic CIL (80%)	£6,702,914.56
Neighbourhood CIL (15%)	£0.00
Administration (up to 5%)	£86,984.41

- 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 2023-24, there was £5.053m of strategic CIL which remained unallocated. This represents a substantial reduction on the amount unallocated at the end of 2022-23.
- 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. No new allocations took place in 2023-24.

Table 2.3: Projects to neighbourhood CIL allocated 2023-24

Project	Amount allocated
No projects allocated funds	Nil

- 2.10 At the end of the reported year, £1.394m of neighbourhood CIL was available to allocate.

CIL spent 2023-2024

- 2.11 Total CIL spent in 2023-2024 was £7.555m. This was divided as set out in Table 2.4.

Table 2.4: CIL spent 2023-24

Element of CIL	Amount spent
Total CIL spent 2023-24	£7,554,997.05
Strategic CIL (80%)	£6,702,914.56
Neighbourhood CIL (15%)	£765,098.08
Administration (up to 5%)	£86,984.41

- 2.12 The spend of CIL during 2023-24 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 2023-24 was mostly on highways projects, with significant sums also spent on open space and leisure and general public realm improvements.

Table 2.5: CIL spent 2023-24 by infrastructure type

Category of contribution	Spend
Affordable Housing	£0.00
Education	£0.00
• Primary education	£0.00
• Secondary education	£0.00
• Post 16 education	£0.00
• Other education	£0.00
Health	£0.00
Highways	£6,165,975.02
Transport and travel	£0.00

Category of contribution	Spend
Open space and leisure	£513,566.28
Community facilities	£15,000.00
Digital infrastructure	£0.00
Green infrastructure	£82,637.55
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	£777,818.20
• Air quality	£0.00
• Carbon offset	£0.00
• CIL administration	£86,984.41
• Public art and public realm improvements	£690,833.79
• S106 legal fees	£0.00
Total	£7,554,997.05

2.13 The specific projects on which strategic CIL was spent in 2023-24 are set out in Table 2.6.

Table 2.6: Projects on which strategic CIL spent 2023-24

Project	Amount spent
Bollards in the town centre delivery	£102.00
Broad Street – service road – install new railings	£3,020.79
Broad Street bench	£2,735.00
High Street Heritage Action Zone	£206,315.21
Highways infrastructure programme	£5,170,891.98
Highways signals	£180,229.87
Invest to save energy saving - street lighting	£588,000.00
Pedestrian dropped kerb facilities with tactile pavers	£34,771.62
Playground equipment and refreshment at Prospect Park and Coley Park	£257,686.70
Railway footbridge lighting in West Reading	£81,069.01
Recycling bins in town centre (x 30)	£21,852.00
Refresh of lining in town centre	-£5,000.00
St Mary's Church service road pothole repairs	£502.44
St Mary's service yard new wall and fence, St Mary's Butts	£10,245.00
Station Road lighting design	£1,046.62

Project	Amount spent
Target Junction (Oxford Road/West Street/St Mary's Butts) highway works	£60,310.01
Town centre highways improvement works	£39,136.31
Tree planting	£50,000.00

2.14 The projects on which neighbourhood CIL was spent in 2023-24 are set out in Table 2.7.

Table 2.7: Projects on which neighbourhood CIL spent 2023-24

Project	Amount spent
Addington Road pedestrian crossing	-£10,389.81
Church End Lane pedestrian crossing	-£17,140.75
Hexham Road Community Centre facelift	£15,000.00
High Street Heritage Action Zone	£373,698.30
Imperial Way and Basingstoke Road pedestrian crossings	£12,299.56
Lower Mount green space	£32,637.55
Lulworth Road communal area improvements	£13,802.05
Palmer Park play area improvements	-£109.04
Robert Hewett Recreation Ground	£95,354.50
Shaw Road and Boston Avenue traffic calming measures	£27,125.37
South Whitley Park improvements	£155,470.25
Thames cycle path in Kings Meadow	£3,953.87
Town centre monuments, war memorials & statues	£62,186.23
Waterloo Meadows play area improvements	£1,210.00

2.15 There have been three main rounds of allocation of neighbourhood CIL before the end of the monitoring year, in November 2018, June 2021 and March 2022. The projects in table 2.7 were mainly from the latter two allocations of funds, as the November 2018 allocations were mainly completed before the monitoring year. Section 4 contains additional details on the specific schemes that have been completed in 2023-24.

2.16 Please note that, for some neighbourhood CIL schemes that have been delivered in full in 2023-24 and are highlighted in section 4, the full spend is not yet recorded in table 2.7. 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 2023-2024

2.17 In total, £8,432m of CIL was retained at the end of 2023-24. The vast majority of this is strategic CIL. This is a significant reduction on previous years, as CIL spend has considerably outstripped receipts this year, but is still a considerable figure. The Council will need to focus on ensuring that this funding is allocated and spent in the

near future, albeit that in some cases other funding streams that are time-limited may need to be used first.

3. Section 106 Report 2023-2024

- 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 2023-24.

Section 106 collected 2023-2024

- 3.2 In total, £2.453m of financial contributions has been collected by the Council to fulfil requirements in Section 106 agreements during 2023-24. The largest contribution was related to the development at Reading Golf Club (211843 - £1.606m). Other significant contributions included those from: Gardeners Arms, 48 Surley Row (190040 – £0.384m); Kings Point, 120 Kings Road (150019 – £0.299m); Green Park Village (171019 - £0.080m); and Kenavon Drive (170509 - £0.076m).
- 3.3 Table 3.1 breaks the collected Section 106 contributions down by type of contribution. The largest amount of the collected contributions was for affordable housing, but there were also significant contributions towards healthcare, transport and leisure, with most of the transport contribution and all of the leisure and healthcare contribution being from Reading Golf Club. 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 2023-24 by infrastructure type

Category of contribution	Collected contribution
Affordable Housing	£1,047,270.36
Education	£0.00
• Primary education	£0.00
• Secondary education	£0.00
• Post 16 education	£0.00
• Other education	£0.00
Health	£626,093.07
Highways	£0.00
Transport and travel	£477,728.34
Open space and leisure	£634,630.70
Community facilities	£0.00
Digital infrastructure	£0.00
Green infrastructure	£0.00

Category of contribution	Collected contribution
Flood and water management	£0.00
Economic development	£124,741.59
Land	£0.00
Section 106 monitoring fees	£27,593.59
Bonds (held or repaid to developers)	£0.00
Other	£78,930.00
• <i>Air quality</i>	£0.00
• <i>Carbon offset</i>	£0.00
• <i>Public art and public realm improvement</i>	£0.00
• <i>S106 legal fees</i>	£78,930.00
Total	£2,453,497.65

Section 106 allocated 2023-2024

- 3.4 In total, £0.892m of Section 106 contributions was allocated to projects in 2023-24. 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 require 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 largest allocation was £0.549m for housing projects. This was for projects other than the ongoing local authority new build programme, for which a very large allocation was made in 2022-23.

Table 3.2: Allocated Section 106 contributions 2023-24 by infrastructure type

Category of contribution	Allocated contribution
Affordable Housing	£549,000.00
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	£205,000.00
Transport and travel	£0.00
Open space and leisure	£0.00
Community facilities	£0.00
Digital infrastructure	£0.00
Green infrastructure	£31,000.00
Flood and water management	£0.00

Category of contribution	Allocated contribution
Economic development	£0.00
Land	£0.00
Section 106 monitoring fees	£27,593.59
Bonds (held or repaid to developers)	£0.00
Other	£0.00
• <i>Air quality</i>	£0.00
• <i>Carbon offset</i>	£0.00
• <i>Public art and public realm improvement</i>	£0.00
• <i>S106 legal fees</i>	£78,930.00
Total	£891,523.59

- 3.6 The specific projects to which Section 106 funds were allocated in 2023-24 are set out in Table 3.3.

Table 3.3: Projects to which Section 106 funds allocated 2023-24

Project	Amount allocated
Homes purchase initially for refugees but longer term for general needs	£505,000.00
Kenavon Drive landscaping	£31,000.00
Reading Station subway improvement	£205,000.00
Single Homeless Accommodation Programme	£44,000.00

- 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 2023-2024

- 3.8 Spend of Section 106 contributions totalled £4.132m in 2023-24. Table 3.4 breaks the spent Section 106 contributions down by type of infrastructure.

Table 3.4: Section 106 contributions spent 2023-24 by infrastructure type

Category of contribution	Spend
Affordable Housing	£3,799,648.06
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

Category of contribution	Spend
Highways	£63,431.00
Transport and travel	£15,908.19
Open space and leisure	£146,376.81
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	£27,593.59
Bonds (held or repaid to developers)	£0.00
Other	£78,930.00
• <i>Air quality</i>	£0.00
• <i>Carbon offset</i>	£0.00
• <i>Public art and public realm improvement</i>	£0.00
• <i>S106 legal fees</i>	£78,930.00
Total	£4,131,887.65

3.9 The specific projects on which Section 106 funds were spent in 2023-24 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 2023-24

Project	Amount spent
Courage Park Grounds Maintenance (commuted sum)	£5,000.00
Forbury Gardens Bandstand	£61,792.52
Local Authority Housing Fund Acquisitions	£505,000.00
Local Authority New Build (Older People) Battle St scheme	£273,432.35
Local Authority New Build (Older People) Hexham Road scheme	£931,897.59
Local Authority New Build Amethyst Lane Scheme	£432,697.94
Local Authority New Build Dwyer Road Scheme	£532,230.09
Local Authority New Build Wensley Road Scheme	£1,124,390.09
Local Traffic Management and Road Safety Schemes	£63,431.00
National Cycle Network Route 422	£15,908.19
Reading Abbey	£18,538.30
Restoration of historic Wall at Caversham Court Gardens	£29,821.88
The Heights Permanent Site Mitigation	£2,618.11
Victoria Recreation Ground	£28,606.00

Section 106 retained at the end of 2023-2024

- 3.10 At the end of 2023-24, £17.376m of Section 106 funds was retained by the Council. This is a significant figure, but most of those funds are allocated to ongoing projects. As noted in table 3.2, £0.892m has been allocated during 2023-24, to add to allocations that had been made before the monitoring year that remain unspent. There is £12.247m that was collected before the start of 2023-24 that remains unallocated, which is a significant increase on 2022-23 due largely to the very significant S106 receipts in 2022-23.

4. Infrastructure Delivered

- 4.1 This section highlights specific items of infrastructure that have been delivered in 2023-24 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.

Strategic CIL

- 4.2 **High Street Heritage Action Zone:** Reading's High Street Heritage Action Zone is a programme covering the St Mary's Butts/Castle Street Conservation Area, most of the Market Place/London Street Conservation Area and the Oxford Road part of the Castle Hill/Russell Street/Oxford Road Conservation Area. The programme involves physical interventions and public realm improvements, community engagement and a cultural programme. The programme ran for a four year period up to 31 March 2024. It was part funded by £800,00 from Historic England (later increased with an additional £85,000) and match funding from the Council of £800,000, which has come largely from CIL, which has been used for the physical elements.
- 4.3 CIL funding was from both strategic CIL and neighbourhood CIL. Allocations of £50,000 in November 2018 (subsequently increased to £150,000) and £275,000 in June 2021 represented the contribution from neighbourhood CIL with the remainder from Strategic CIL.
- 4.4 The physical elements have included the following, which were delivered over the four year period of the programme:
- Eight properties have had new shopfronts, building repair or redecoration;
 - Public realm improvements including new paving in Oxford Road, public art, new railings on the junction with Bedford Road, new lampposts in Minster churchyard, new street name plates and removal of visual clutter;
 - Cleaning and restoration of the Soane Monument, Jubilee Cross, Zinzan Tomb and Queen Victoria statue.
- 4.5 Much of the physical works, particularly to shopfronts, was delivered during 2023-24.

Figure 4.1: Shopfront on Oxford Road – before and after



- 4.6 Rivermead Leisure Centre:** Over recent years, one of the main uses of strategic CIL funding has been on the Leisure procurement project, through the Council’s capital programme. Between 2020 and 2023, £2.433m of strategic CIL funds have been used towards the Leisure procurement project (£0.688m in 2020-21, £0.266m in 2021-22 and £1.479m in 2022-23) alongside other funds. This project involves the delivery of two new leisure centres, at Palmer Park and Rivermead. The Palmer Park Leisure Centre opened in December 2022 and was reported on last year.
- 4.7** The new Rivermead Leisure Centre opened to the public in July 2023, featuring a 6-court sports hall and a 120-station gym with 3 studios, soft play activity zone with party rooms and café. The leisure centre also incorporates an 8-lane competition swimming pool, together with a diving and teaching pool, albeit the pools themselves were not opened until after the end of the monitoring year.
- 4.8 Railway footbridge lighting in West Reading:** Around £81,000 was spent in 2023-24 to install anti-vandal resistant LED lighting to improve lighting levels on one pedestrian footbridge on Tilehurst Road and two pedestrian footbridges on Bath Road, all of which cross the railway line. The project was completed in October 2023.
- 4.9 Pedestrian dropped kerbs:** Around £35,000 was spent in 2023-24 as part of a wider project to provide pedestrian dropped kerbs with tactile pavers at junctions where they do not already exist across the Borough. A process of nominations from Councillors for junctions to be addressed was carried out, which led to the identification of 57 potential locations, with 35 junctions expected to be delivered. By the end of March 2024, seven locations had been completed, as follows:
- Whitley Wood Road/Blandford Road
 - Blandford Road/Hartland Road

- Durham Close/Northumberland Avenue
- Blandford Road/Greenfields
- Gratton Road/Northumberland Avenue
- Wincanton Road/Blandford Road
- Blagdon Road/Torrington Road

Figure 4.2: Dropped kerb with tactile pavers at Whitley Wood Road/Blandford Road



Neighbourhood CIL

- 4.10 Brook Street West improvements:** £100,000 was allocated in June 2021 to improve the area to the east of Brook Street West to make it more desirable for local residents. The project was in partnership with Nature Nurture, a social enterprise that connects local communities to green spaces and waterways. The project involved first clearing, tidying and conserving the area, and play & learning space, public art, walking programmes, community events and a community garden. The area is now known as Holy Brook Nook. The project was completed in October 2023.
- 4.11 Robert Hewett Recreation Ground:** £100,000 was allocated in March 2022 to improve the play area at Robert Hewett Recreation Ground on Tilehurst Road. This project included path repairs, cutting back vegetation and replacing play equipment. The project was completed in June 2023.

Figure 4.3: Improved Robert Hewett Recreation Ground



- 4.12 Shaw Road and Boston Avenue traffic calming:** £50,000 was allocated in March 2022 for traffic calming measures on Shaw Road and Boston Avenue. New speed humps and road lining was put in place. The project was completed in December 2023.

Figure 4.4: Traffic calming measures on Shaw Road

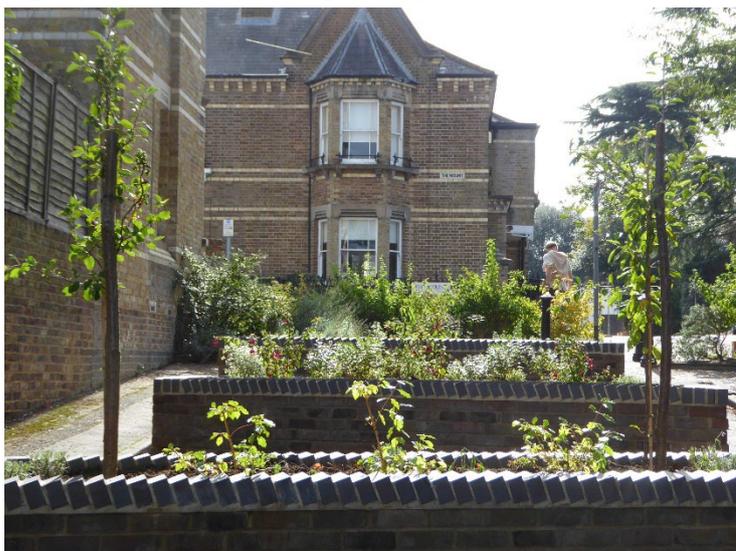


- 4.13 Hexham Road Community Centre:** £15,000 was allocated in March 2022 for improvements to the Hexham Road Community Centre. It was identified that the main

need was for a new bin store next to the centre to include a bespoke recycling facility. The project was completed in June 2023.

- 4.14 Lower Mount green space:** £33,000 was allocated in March 2022 to create a planted area at the end of Lower Mount. This project involved pruning trees, removing benches and installing new planters. The planting scheme was agreed with residents and once plants were ordered, local residents undertook planting themselves. The project was completed in October 2023.

Figure 4.5: Lower Mount green space



- 4.15 Town centre monuments and statues:** £50,000 was allocated in June 2021 to conserve, repair and clean town centre monuments and statues (subsequently increased to £70,000) and £100,000 was also allocated in June 2021 for war memorials and public art. These pots were combined due to the overlap between the projects. This was in addition to those works funded as part of the High Street Heritage Action Zone. The full programme is not yet complete, but during 2023-24 works were carried out as follows:

- Maiwand Lion - stone repair, painting
- Forbury War Memorial – cleaning and repainting
- Henry Cross – cleaning and repainting
- King Edward VII statue - improvement of setting
- Forbury Grotto – condition survey
- Spanish War Memorial – cleaning
- Joshua Vines Forbury Hill plaque – repairs and repainting

Figure 4.6: Maiwand Lion undergoing repair

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 2023-24 totalling £13.846m. By far the most significant development was Royal Elm Park (160199 - £6.527m), followed by Reading Golf Club (221312 - £1.897m), 142-143 Friar Street (221235 - £0.756m), Soane Point, 6-8 Market Place (221446 - £0.577m), Land at 362 Oxford Road (220776 - £0.470m), 71-73 Caversham Road (220922 - £0.456m) and 97a-117 Caversham Road (221324 - £0.321m). Some of the liability notices raised this year have already been paid in full or part during 2023-24, 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 2023-24.
- 5.3 Demand notices for £4.986m were issued in 2023-24. By far the most significant development was Reading Golf Club (221312 - £1.897m), followed by Soane Point, 6-8 Market Place (221446 - £0.577m), Royal Elm Park (160199 - £0.535m), 97a-117 Caversham Road (221324 - £0.321m), 1-15 Queen Victoria Street/145-148 Friar Street (221232 - £0.254m) and 63 Rowe Court (221693 - £0.253m). 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, albeit some of this has already been paid in the year.
- 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 2019-24 is approximately £5.7m per annum, and this is perhaps the most useful basis for long-term forward planning. Annual CIL income of £5.7m would mean strategic CIL of £4.6m, neighbourhood CIL of £0.9m and CIL admin of £0.3m per annum. At the time of publication it is expected that 2024-25 will see much increased CIL income over 2023-24, but still not as high as many previous years, but in the longer term income is expected to remain strong.

Section 106

- 5.5 New Section 106 agreements have been signed during 2023-24 that would result in financial contributions of £1.645m. This is a slight reduction from last year, which was also a relatively low level, and reflects the relatively low amount of new residential permissions granted in full applications in the year as reported in the Residential Commitments document. One very large outline application was granted in the year, but many of the contributions are still to be calculated based on the actual level of development to be permitted in full. Table 5.1 summarises how this breaks down into different infrastructure types.

Table 5.1: Agreed contributions 2023-24 by infrastructure type

Category of contribution	Agreed contribution
Affordable Housing	£902,916.65
Education	£0.00
• Primary education	£0.00
• Secondary education	£0.00
• Post 16 education	£0.00
• Other education	£0.00
Health	£0.00
Highways	£100,000.00
Transport and travel	£80,000.00
Open space and leisure	£336,550.00
Community facilities	£0.00
Digital infrastructure	£0.00
Green infrastructure	£10,455.00
Flood and water management	£0.00
Economic development	£39,757.25
Land	£0.00
Section 106 monitoring fees	£28,596.30
Bonds (held or repaid to developers)	£0.00
Other	£147,068.72

Category of contribution	Agreed contribution
• <i>Air quality</i>	£0.00
• <i>Carbon offset</i>	£51,368.72
• <i>S106 legal fees</i>	£95,700.00
Total	£1,645,343.92

- 5.6 The majority of the contributions agreed in 2023-24 were towards affordable housing. This is because for most developments 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. In this year there have also been significant contributions agreed towards open space and leisure.
- 5.7 The most significant developments in terms of financial contributions agreed this year were 97-117a Caversham Road (221324 - ££0.202m), 71-73 Caversham Road (220922 - £0.125m), 75-77 London Street (220244 - £0.123m), Land to the rear of 282 Henley Road (161183 - £0.100m) and 12-18 Crown Street (201138 - £0.091m).
- 5.8 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 strongly expected that they will be provided.

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 also 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, Nightrack</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>
<p>Leisure and culture facilities projects</p>	<p>See below</p>

Infrastructure Type	Exclusions
<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>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.	£4,986,329.37	No further comment
1(b)	The total amount of CIL receipts for the reported year.	£1,739,688.23	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.	£5,040,079.78	This is the total CIL receipts for 2015-23, minus all allocations for 2015-23 and strategic and neighbourhood allocations for 2023-24. 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.	£6,702,914.56	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.	£7,554,997.05	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.	£0.00	In Reading, this relates to neighbourhood CIL only because strategic CIL and admin are allocated and spent at the same time.

Ref	Requirement	Amount	Comment
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.	£102.00 £3,020.79 £2,735.00 £206,315.21 £5,170,891.98 £180,229.87 £588,000.00 £34,771.62 £257,686.70 £81,069.01 £21,852.00 -£5,000 £502.44 £10,245.00 £60,310.01 £39,136.31 £50,000.00	Bollards in the town centre delivery Broad Street – service road – install new railings Broad Street bench High Street Heritage Action Zone Highways infrastructure programme Highways signals Invest to save energy saving – street lighting Pedestrian dropped kerb facilities with tactile pavers Playground equipment and refreshment at Prospect Park and Coley Park Railway footbridge lighting in West Reading Recycling bins in the town centre (x30) Refresh of lining in the town centre St Mary’s Church service road pothole repairs St Mary’s service yard new wall and fence, St Mary’s Butts Target junction (Oxford Road/West Street/St Mary’s Butts) highway works Town centre highways improvement works Tree planting See also items under 1(j)(ii) for neighbourhood CIL spend
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.	£86,981.41 (5.00%)	No further 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.	£0.00	None

Ref	Requirement	Amount	Comment
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.	£260,029.78	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.	-£10,389.81 -£17,140.75 £15,000.00 £373,698.30 £12,299.56 £32,637.55 £13,802.05 -£109.04 £95,354.50 £27,125.37 £155,470.25 £3,953.87 £62,186.23 £1,210.00	Addington Road pedestrian crossing Church End Lane pedestrian crossing Hexham Road Community Centre facelift High Street Heritage Action Zone Imperial Way and Basingstoke Road pedestrian crossings Lower Mount green space Lulworth Road communal area improvements Palmer Park play area improvements Robert Hewett Recreation Ground Shaw Road and Boston Avenue traffic calming measures South Whitley Park improvements Thames cycle path in Kings Meadow Town centre monuments, war memorials & statues Waterloo Meadows play area improvements NB – figures above are for 2023-24 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
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.	£1,392,674.04	This is all of the 2023-24 collected non-neighbourhood CIL minus that applied to administration.

Ref	Requirement	Amount	Comment
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.	£3,905,612.06	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.	£260,029.78	No further comment
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.	£2,873,601.53	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.	£1,645,343.92	No further comment
3(b)	The total amount of money under any planning obligations which was received during the reported year.	£2,453,497.65	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.	£12,247,398.04	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.	224 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.	£280,000.00	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).	£4,131,887.65	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.	£31,000.00 £205,000.00 £44,000.00	Kenavon Drive landscaping Reading Station subway improvements Single Homeless Accommodation Programme

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.	£5,000.00 £61,792.52 £505,000.00 £273,432.35 £931,897.59 £432,697.94 £532,230.09 £1,124,390.09 £63,431.00 £15,908.19 £18,538.30 £29,821.88 £2,618.11 £28,606.00	Courage Park grounds maintenance Forbury Gardens bandstand Local Authority Housing Fund acquisitions Local Authority New Build (Older People) Battle St scheme Local Authority New Build (Older People) Hexham Road scheme Local Authority New Build Amethyst Lane Scheme Local Authority New Build Dwyer Road Scheme Local Authority New Build Wensley Road Scheme Local Traffic Management and Road Safety Schemes National Cycle Network Route 422 Reading Abbey Restoration of historic wall at Caversham Court Gardens The Heights Permanent Site Mitigation Victoria Recreation Ground
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	No money spend on repaying borrowing
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.	£27,593.59	
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.	£17,376,305.25 £4,411.76	Total amount retained at year end Commuted 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.

Ref	Requirement	Amount	Comment
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.

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