

Watford Borough Council
Annual Infrastructure
Funding Statement
For
Community Infrastructure Levy and
Section 106

Reporting Period:
From 01 April 2023 to 31 March 2024

Introduction

The Infrastructure Funding Statement (IFS) is an annual report that has to be published by 31st December each year.

This report is produced by Watford Borough Council and provides a summary of financial developer contributions secured either through Section 106 Agreements or Community Infrastructure Levy (CIL) payments for the financial year 2023/24.

It does not include information on contributions listed within Section 106 Agreements payable directly to Hertfordshire County Council or on infrastructure that is delivered under Section 78 agreements, or directly by developers.

The report is split into three sections:

- Community Infrastructure Levy Matters
- S106 Matters
- Appendix 1 – Required IFS Information

Please note the information reported in this document is the most accurate available at the time of publication (July 2024).

Community Infrastructure Levy

Watford became a Community Infrastructure Levy (CIL) Charging Authority on 1 April 2015. CIL is the main way in which the council now collects contributions from developers for infrastructure provision to support development in the Local Plan.

Our CIL income is split in accordance with the regulations in the following way:

- 5% is used to administer CIL in Watford
- 15% of the money received will be spent on priorities to address demands that new development places on our neighbourhoods in Watford. This portion of the income is referred to as Neighbourhood CIL (NCIL)
- The remaining 80%, will be spent on infrastructure projects that benefit the whole borough. This is referred to as Watford's Strategic CIL.

Community Infrastructure Levy Matters

Amount of CIL collected in previous years

Table 1

| Year | Amount collected |
|---------|------------------|
| 2015/16 | £160,275.84 |
| 2016/17 | £421,060.02 |
| 2017/18 | £762,986.63 |
| 2018/19 | £1,442,328.15 |
| 2019/20 | £3,270,390.10 |
| 2020/21 | £3,029,271.00 |
| 2021/22 | £1,266,825.22 |
| 2022/23 | £2,786,962.10 |
| 2023/24 | £2,592,831.68 |

The amount of CIL payable by developers is dependent on where the development is located within the borough and the type of development. Our charging schedule details our rates and a map of our charging areas:

[Community Infrastructure Levy Guidance Notes and Charging Areas](#)

CIL Receipts 2022/23

A total of £2,592,831.68 was collected in the period 1 April 2023 to 31 March 2024.

Table 2

| | |
|--------------------|---------------|
| Strategic CIL | £2,085,140.19 |
| Neighbourhood CIL | £378,049.91 |
| CIL Administration | £129,641.58 |
| Total | £2,592,831.68 |

Neighbourhood CIL

As Watford is not parished, the neighbourhood portion received is set aside by the council to spend on community infrastructure projects.

The following priorities have been identified for Neighbourhood CIL spending.

NEIGHBOURHOOD CIL PRIORITIES

- Town and local centres
- Transport and roads
- Community spaces and cultural facilities
- Parks and green spaces
- Sustainability and Climate Change initiatives

Our first programme of allocating NCIL was launched in June 2022 with our new 'Neighbourhood Grant' process.

In 23/24, a total of £249,000 from Neighbourhood CIL was allocated and distributed between 17 local infrastructure projects as follows:

- One YMCA: Creating ICT Suite in Charter House for employment training (£30,000)
- Safer Watford: Enhancing Victoria Passage for accessibility and town vitality (£76,000)
- Watford Community Housing: Upgrading play space in Foxhill (£12,500)
- Watford & Three Rivers Trust: Improving community facilities at The Barn (£17,676)
- Watford Area Arts Forum: Workshops on 'the planet' and recycling benefits (£3,000)
- The Watford Gurwara: Establishing a phone box library with free books (£12,000)
- Goods for Good (Global): Training program for Watford Hostel residents (£4,842)
- Random Cafe CIC: Café accessibility improvements (£9,840)
- Friends of Lanchester: Funding for year-round use of an adventure playground (£10,000)
- Home Start Watford & Three Rivers: Additional family support in Central Watford (£4,695)
- Nascot Residents Association: Community-designed ward sculpture (£3,000)
- Watford Mencap: Accessible soft play building for children with disabilities (£20,000)
- Pump House Theatre: Upgrades for improved access and facilities (£14,255)
- West Watford Community Association: Centre visibility enhancements (£4,222)
- Watford Workshop: New mezzanine level for disability support (£20,000)
- West Herts ABC: Boxing sessions targeting disadvantaged youth (£5,000)
- Friends of Oxhey Park: Defibrillator installation at café (£2,663)

Strategic CIL projects

In 23/24, a total of £3,169,058 was allocated as follows:

- £2.4m to fund the Colosseum project - towards the maintenance and operation of the Colosseum;
- The HCC CIL bid for Breakspeare school was approved by Cabinet to allocate £769,058 of Watford Borough Council Community Infrastructure Levy funding towards the relocation and expansion of Breakspeare School.

S106 Planning obligations

Under section 106 (s106) of the Town and Country Planning Act 1990 a Local Planning Authority (LPA) can mitigate the potential impacts of new development through planning obligations when it is considered that the impacts cannot be appropriately mitigated through conditions on the planning permission.

The obligations may be provided by the developers “in kind” – that is, where the developer builds or directly provides the matters necessary to fulfil the obligation e.g. this might be to build a certain number of affordable homes on-site. Alternatively, planning obligations can be met in the form of financial payments to the Council to provide off-site infrastructure works or contributions towards providing affordable housing elsewhere in the Borough. In some cases, it can be a combination of both on-site provision and off-site financial contributions.

The obligations within a S106 agreement must meet three legal tests;

- Necessary to make the development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

Due to these tests, contributions secured through s106 agreements will normally be subject to more detailed restrictions in terms of how these contributions can be allocated and spent.

Obligations requested by Hertfordshire County Council (as service provider) are often included within the S106 agreement and are paid directly to them. This report does not include information on contributions listed within Section 106 Agreements payable directly to Hertfordshire County Council or on infrastructure that is delivered under Section 78 agreements, or directly by developers.

Section 106 Matters

A total of £475,166.55 was collected in the period 1 April 2023 to 31 March 2024.

Table 4

| S106 Contribution | Amount collected |
|------------------------------|-------------------------|
| Affordable housing | £437,000 |
| Public realm | £10,966.55 |
| Controlled Parking zones/TRO | £24,200 |
| Street trees | £3000 |

S106 monies unallocated and available to spend 2024/25

Table 5

| S106 contribution | Amount held |
|--------------------------|----------------------|
| Affordable Housing | 2,430,824.86 |
| Cycle provisions | 71,439.11 |
| Childrens play space | 4,406.85 |
| Tree planting | 9,166.87 |
| Public Realm | 65,722.93 |
| CPZ | 191,770.04 |
| CPZ Consultations | 31,200 |
| Cycle Hire Contributions | 26,236.88 |
| Total | £2,830,767.54 |

S106 Expenditure

Expenditure during the reported period highlights the councils focus on spending S106 monies to ensure the delivery of infrastructure, including affordable homes, open spaces and transport improvements.

Projects funded by S106 during the reported year

Table 6

| Project | Amount Spent |
|--------------------------------|---------------------|
| Bridle Path | £54,035.07 |
| Cassiobury Wetland Restoration | £18,980 |
| Watford museum and heritage | £72,315.45 |
| Garston Park Link | £10,966.55 |
| Total S106 Spend | £156,297.07 |

Appendix 1 – IFS required information

Community Infrastructure Levy Matters

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 1

- a) The total value of demand notices issued in the reported period is £6,869,908.70. This value is of demand notices issued within the reported period that have not been suspended or superseded by new demand notices outside of the reported period.

Of total value the amount from Liability Notices (liable floorspace after any relief that has been granted) is £6,809,440.86. The total value is from surcharges imposed due to breaches of the Community Infrastructure Levy Regulations is £17,300.00 and the total value of the late payment interest accrued is £43,167.84.

- b) The total amount of CIL collected within the reported period totals £2,592,831.68.
- c) The amount of CIL collected prior to the reported period totals £12,904,509.27. Of this total the following amount was collected in Cash and as Land Transactions (including payments in kind and infrastructure payments) and the following amounts remain unallocated:

| Type | Received | Unallocated |
|--------------|----------------|---------------|
| Cash | £12,904,509.27 | £3,019,514.93 |
| Land Payment | £0.00 | £0.00 |

- d) The total amount of CIL collected prior to the reported period allocated in the reported period in relation to cash received is £3,815,965.07 and in relation to land payments (including payments in kind and infrastructure payments) is £0.00.
- e) The total CIL expenditure recorded for the reported period is as follows:

| Type | Expenditure |
|--------------------|--------------------|
| Admin CIL | £129,641.58 |
| Neighbourhood CIL | £249,000 |
| CIL Land Payments | £0.00 |
| Other CIL Cash | £3,169,058 |
| Total Value | £378,641.58 |

- f) The total amount of CIL allocated and not spent during the reported period is as follows, this does not include allocations made within the reported year that have been fully spent:

| Type | Allocated | Spent | Remaining |
|-------------------|-------------|-------------|-----------|
| Admin CIL | £129,641.58 | £129,641.58 | £0.00 |
| Neighbourhood CIL | £249,000 | £249,000 | £0.00 |

| | | | |
|--------------------------|------------|-------|------------|
| CIL Land Payments | £0.00 | £0.00 | £0.00 |
| Other CIL Cash | £3,169,058 | £0.00 | £3,169,058 |

- g) i) The items of infrastructure on which CIL (including land payments) has been spent within the reported year, and the amount of CIL spent on each item is as follows:

| Infrastructure | Date | Amount | Description |
|-----------------------|-------------|---------------|--------------------|
| N/A | N/A | N/A | N/A |

Of this money spent within the reported year, the number of affordable housing units provisioned via the spend of CIL money is 0.

Of this money spent within the reported year, the following number of education places have been provisioned:

| Education Type | Number of school places |
|-----------------------|--------------------------------|
| N/A | N/A |

- ii) The amount of CIL spent on repaying money borrowed, including any interest, and details of the items of infrastructure which that money was used to provide (wholly or in part) is as follows:

| Date | Amount Used | Loan/Interest | Infrastructure Funded |
|-------------|--------------------|----------------------|------------------------------|
| N/A | N/A | N/A | N/A |

- iii) The amount of CIL collected towards administration expenses is £129,641.58. This was 5% of the total CIL receipts collected (£2,592,831.69) in the reported period.

Watford Borough Council has set a collection percentage of 5.00%. The percentage taken may differ due to Land payments (including payments in kind and infrastructure payments) not being allocated to administration expenses and Surcharges not being split with Neighbourhood Areas.

The amount of CIL spent on administration expenses during the reported year was £129,641.58. This was 5% of the total CIL collected within the reported year.

- h) Regarding CIL collected and allocated within the reported year that has not been spent, summary details of what has been allocated, is remaining to be spent and what it has been allocated towards is as follows:

| Infrastructure | Amount Allocated | Amount Unspent | Allocation Dated |
|---------------------------|-------------------------|-----------------------|-------------------------|
| COLLOSEUM | £2,400,000.00 | £2,400,000.00 | 18 July 2023 |
| BREAKSPEARE SCHOOL | £769,058.00 | £769,058.00 | 13 February 2024 |

- i) i) The total amount of CIL passed to a neighbourhood zone under Regulation 59A (collected on behalf of the neighbourhood zone in cash), cash collected and allocated towards Neighbourhood CIL, and 59B (cash provided by the Charging Authority to

Neighbourhood Zones equivalent to what they would have received on a payment in kind), are as follows:

| | Amount Passed |
|-------------|---------------|
| NCIL | £249,000 |

The following amounts were allocated towards neighbourhood zones under Regulation 59B, cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have received on a payment in kind, during the reported year:

| Zone | Amount | Date | Re-allocated from |
|------------|--------|------|-------------------|
| N/A | N/A | N/A | N/A |

ii) The following spends within the reported year have been passed to a third party to spend on the provision, improvement, replacement, operation or maintenance of infrastructure under Regulation 59(4):

| Infrastructure | Amount | Date | Spend Description |
|----------------|--------|------|-------------------|
| N/A | N/A | N/A | N/A |

j) i) The total collected by Watford Borough Council for the reported year under Regulation 59E (CIL returned to the Charging Authority after 5 years if not spent) was £0 and under Regulation 59F, CIL collected and retained by the Charging Authority for areas that are not designated Neighbourhood Zones, was £0.00.

ii) The amount of CIL allocated during the reported year under Regulation 59E, CIL returned to the Charging Authority that had been passed to a Neighbourhood Zone and had not been applied to infrastructure after a 5 year period, during the reported year is as follows:

| Infrastructure | Neighbourhood Zone | Amount | Date |
|----------------|--------------------|--------|------|
| N/A | N/A | N/A | N/A |

The amount of CIL spent under Regulation 59E during the reported year is as follows:

| Infrastructure | Amount | Date | Spend Description |
|----------------|--------|------|-------------------|
| N/A | N/A | N/A | N/A |

The amount of CIL allocated during the reported year under Regulation 59F during the reported year is as follows:

| Infrastructure | Neighbourhood Zone | Amount | Date |
|----------------|--------------------|--------|------|
| N/A | N/A | N/A | N/A |

The amount of CIL spent under Regulation 59F during the reported year is as follows:

| Infrastructure | Amount | Date | Spend Description |
|----------------|--------|------|-------------------|
| N/A | N/A | N/A | N/A |

- k) i) The amount of CIL requested under Regulation 59E for the reported year is as follows per neighbourhood zone:

| Neighbourhood Zone | Amount Requested |
|--------------------|------------------|
| N/A | N/A |

- ii) The amount of CIL still outstanding for recovery under Regulation 59E at the end of the reported year for all years is as follows for each neighbourhood zone:

| Neighbourhood Zone | Amount Outstanding |
|--------------------|--------------------|
| N/A | N/A |

- l) i) The amount of CIL collected, not assigned for Neighbourhood CIL or CIL Administration, for the reported year and that had not been spent is £2,085,140.19.
- ii) The amount of CIL collected, not assigned for Neighbourhood CIL or CIL Administration, from 01 April 2015 to the end of the reported year that had not been spent is £8,079,955.
- iii) The amount CIL collected and that had not been spent under Regulations 59E and 59F during the reported year are as follows:

| Type | Retained |
|-----------------------|-------------|
| Regulation 59E | £0 |
| Regulation 59F | £378,049.91 |

- iv) The amount of CIL collected from 01 April 2015 to the end of the reported year under Regulations 59E and 59F that has not been spent is as follows:

| Type | Retained |
|-----------------------|---------------|
| Regulation 59E | £0 |
| Regulation 59F | £2,155,721.58 |

Section 106 Matters

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 3

- a) The total amount of money to be provided under any planning obligations which were entered during the reported year is £194,950.00. This figure does not consider indexation (inflation/deflation) that may be applied when the money becomes due.
- b) The total amount of money received from planning obligations during the reported year was £475,166.55.
- c) The total amount of money received prior to the reported year that has not been allocated is £2,355,600.99.
- d) During the reported year the following non-monetary contributions have been agreed under planning obligations:
 - i) The total number of affordable housing units to be provided as on-site provision agreed under planning obligations is 66.

The total number of affordable housing units to be provided by S106 off site funding allocations made within the reported period is 0.

- ii) The following education provisions have been agreed under S106 agreements:

| Education Type | Number of school places |
|---|-------------------------|
| This information will be provided in Hertfordshire County Councils IFS | |

The following education provisions have been funded by offsite S106 and other funding sources allocated during the reported year:

| Education Type | Number of school places |
|---|-------------------------|
| This information will be provided in Hertfordshire County Councils IFS | |

Summary details of all non-monetary obligations agreed within the reported year are as follows:

| Covenant Type/Service | Deed Date | Clause | Planning Application |
|--|------------|--------|----------------------|
| Affordable housing units/WBC | 22/09/2023 | 2.10 | 18/00842/FULM |
| Late Stage Review Mechanism/WBC | 22/09/2023 | 2.12 | 18/00842/FULM |
| Affordable housing units/WBC | 20/09/2023 | 3.3 | 22/00484/FULM |
| Affordable housing units/WBC | 20/09/2023 | 3.4 | 22/00484/FULM |
| Affordable housing units/WBC | 20/09/2023 | 3.5 | 22/00484/FULM |
| Affordable housing units/WBC | 20/09/2023 | 3.6.1 | 22/00484/FULM |
| Employment and skills/WBC | 20/09/2023 | 3.13 | 22/00484/FULM |

| | | | |
|---|------------|-------|---------------|
| Car club/WBC | 20/09/2023 | 3.14a | 22/00484/FULM |
| Residential mgmt plan/WBC | 20/09/2023 | 3.15 | 22/00484/FULM |
| Other/WBC | 07/11/2023 | 3.5.2 | 21/00765/OUTM |
| Training skills and employment/WBC | 07/11/2023 | 3.6.1 | 21/00765/OUTM |
| Training skills and employment/WBC | 07/11/2023 | 3.6.3 | 21/00765/OUTM |
| Training skills and employment/WBC | 07/11/2023 | 3.6.5 | 21/00765/OUTM |
| Affordable housing units/WBC | 19/02/2024 | 3.2 | 22/00958/FULM |

e) The total amount of money from planning obligations allocated towards infrastructure during the reported year was £156,297.07. Of this amount £38,804.35 (museum) was not spent during the reported year.

f) The total amount of money from planning obligations spent during the reported year was £156,297.07. Of this amount £0.00 was spent by a third party on behalf of Watford Borough Council.

g) The following items have had money allocated towards them during the reported year with unspent allocations:

| Infrastructure | Allocated | Date Allocated | Unspent |
|-----------------------|------------------|-----------------------|----------------|
| WATFORD MUSEUM | £72,315.45 | 29.8.23 | £38,804.35 |

h) In relation to money which was spent by Watford Borough Council during the reported year:

i) The items of infrastructure that planning obligation money has been spent on and the amount spent are as follows:

| Infrastructure | Spent | Date Spent | Spend Description |
|---|--------------|-------------------|--------------------------|
| BRIDLE PATH | £54,035.07 | 05 October 2023 | |
| CASSIOBURY WETLAND RESTORATION PROJECT | £18,980.00 | 11 October 2023 | |
| WATFORD MUSEUM AND HERITAGE PROJECT | £72,315.45 | 29 August 2023 | |
| GARSTON PARK LINK | £10,966.55 | 11 January 2024 | |

ii) The amount of planning obligation money spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide are as follows:

| Date | Amount Used | Loan/Interest | Infrastructure Funded |
|-------------|--------------------|----------------------|------------------------------|
| N/A | N/A | N/A | N/A |

iii) The amount of planning obligation money spent in respect of administration of planning obligations and monitoring in relation to the delivery of planning obligations during the reported year was £2277 for Docusign.

- i) The total amount of money retained at the end of the reported year is £2,830,767.54. Of this amount retained an amount of £0.00 has been retained for long term maintenance. Please see the below table for a breakdown of the retained maintenance amount.

| Description | Amount |
|--|--------|
| Total collected for long term maintenance | £0.00 |
| Total allocated towards maintenance | £0.00 |
| Total spent on maintenance | £0.00 |

Section 278 Matters
Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A
Schedule 2 Section 4

The following matters are agreements entered into during the reported year in respect to Highways Agreements under Section 278 of the Highways Act 1980. The financial values of these are not included in the matters under **Schedule 2 Section 3** of this report.

| Date | Application/Deed/Clause/Covenant | Amount |
|---|----------------------------------|--------|
| This information will be provided in Hertfordshire County Councils IFS | | |