London Borough of Waltham Forest

Report Title	Infrastructure Funding Statement 2024/2025 and Infrastructure Planning Update
Meeting / Date	Cabinet, 2nd December 2025
Cabinet portfolio	Councillor Ahsan Khan, Deputy Leader (Housing and Regeneration) Ahsan Khan
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Wards affected	All
Public access	Open
Appendices	1. Infrastructure Funding Statement 2024/2025 2. Equalities Screening

1. Summary

1.1 The purpose of this report is to seek Cabinet's agreement to publish the annual Infrastructure Funding Statement (IFS) for the financial year 2024/25, attached to this report at Appendix 1. The council is required to publish the IFS by 31st December 2025. The report also asks Cabinet to note the recent changes to the Neighbourhood Commuity Infrastructure Levy (NCIL) funded programme and additions to the Council's Carbon Offset Fund programme.

2. Recommendations

2.1 Cabinet is recommended to:

2.1.1 Approve the Infrastructure Funding Statement (IFS) (2024/25) (Appendix 1) and the incorporated Infrastructure List.

2.1.2 Delegate authority to make any minor amendments necessary to the IFS (2024/25) before it is published, to the Corporate Director – Regeneration, Planning & Strategic Property, in consultation with the Portfolio Lead Member for Housing and Regeneration.

2.1.3 Note the changes to the Neighbourhood CIL funded programme and additions to the Carbon Offset Fund programme listed in the report.

3. **Proposals**

Background

3.1 To help deliver the infrastructure needed to support inclusive growth in the borough, developer contributions are secured as part of the planning process. These include Community Infrastructure Levy (CIL) payments (non-negotiable payments charged per square metre of new floorspace) and Section 106 planning obligations negotiated to mitigate the direct impact of development. Section 106 contributions can be either financial or delivered 'in kind' - for example as affordable housing secured on site.

3.2 Section 106 agreements are a major source of financial funding for affordable housing and the direct delivery of affordable housing on site, including settled low-cost affordable rent homes for those in, or at risk of needing, temporary accommodation. As such, they have an important role to play in addressing one of the biggest financial challenges currently facing the borough.

3.3 On 23rd October 2025, the government announced proposed measures to tackle housebuilding crisis in London, including a fast-tracked planning process for sites with at least 20 per cent affordable housing which will be open until 31 March 2028, or the publication of the new London Plan, whichever is soonest. It is also proposed that a reduced rate of CIL will be available for qualifying schemes which commit to delivering at least 20 per cent affordable housing, and additional relief available at higher levels of affordable housing. The proposed changes are subject to 6 weeks consultation from November. Separately, The Mayor of London will establish a new City Hall Developer Investment Fund (the "Fund") with an initial £322 million grant allocation for 2026-2027

3.4 Development in the borough is also subject to a separate Mayoral CIL charge collected by the Council and passed directly to the Mayor of London to help finance the delivery of the Elizabeth Line. The GLA has until 31 March 2043 to service this debt. The reduced rates of CIL proposed by the government will not affect Mayoral CIL.

3.5 Efficient negotiation and collection of developer contributions reduces the need to use public funds to deliver much needed infrastructure investment and, therefore, reduces pressures on Council capital budgets. It also captures some of the land value increase that results from a grant of planning permission, thus ensuring the financial benefits of inclusive growth are shared with the local community. Should the proposed temporary CIL relief be agreed, it will have direct impact on the amount of CIL collected in the future and the Council's ability to fund the supporting infrastructure.

3.6 In line with the Council's Inclusive Growth and Economy Framework, developer contributions also play a key role in helping to generate community wealth by keeping the economic value of development in the borough through local employment and procurement requirements. This is achieved both directly, by securing employment and training opportunities on site and indirectly through financial contributions that can be used to create targeted support for communities of focus.

3.7 However, whilst developer contributions are key to supporting the delivery of the infrastructure necessary to support planned inclusive growth in the borough and to ensuring that the benefits of investment in our communities are shared by all, they are not expected to cover the total cost of all infrastructure that is required. Other funding sources include Council Tax, business rates, private sector funding (through, for example, regeneration, housing delivery, property and asset management, highways and waste functions), and national grants (for example Central Government funding, Heritage Lottery Fund, Sports England grants). Infrastructure is also delivered by utility providers and other external partners like the NHS and TfL as part of their own investment plans.

3.8 The spatial strategy and policies of the Local Plan guide and steer development to deliver the housing, workspace, community uses and wide range of other public benefits needed to deliver the Mission Waltham Forest vision of a fairer and more equal borough. Part 1 of the Local Plan was adopted in February 2024 and Part 2 (Site Allocations) has undergone examinaton in public, through which a schedule of modifications were agreed with the independent planning inspector. Public consultation of these modifications took place between August 2025 and October 2025, the responses to which will now be submitted to the Inspector. The adoption of this plan will be the subject of a separate report to be considered by Cabinet once the Inspector’s final report is received.

3.9 The infrastructure needed to support inclusive growth in the borough is proactively planned for through the Infrastructure Delivery Plan (IDP), an evidence-based document produced and reviewed in collaboration with all relevant Council services, infrastructure providers and external partners.

3.10 The IDP outlines what infrastructure is needed, when it’s needed, estimated costs, funding sources, delivery responsibilities and potential funding gaps. The IDP was comprehensively updated in 2024, in consultation with all relevant stakeholders and guided by evidence of current and future demand. Recognising that infrastructure needs and funding opportunities evolve over time, the IDP is a live document that will be regularly updated.

3.11 ‘Infrastructure’ in this context includes both physical and social infrastructure (facilitating social interaction and community building) delivered by the Council and external partners (e.g. NHS, TfL, UKPN, Thames Water, Network Rail, Environment Agency, emergency services).

3.12 Specific infrastructure projects to support inclusive growth are listed in the Infrastructure Delivery Schedule (IDS), which is an integral part of the IDP and helps guide the Council's infrastructure spending priorities and Section 106 negotiations with developers. Updates and future changes to the IDS are considered by the Infrastructure Planning Forum, through which Council services and external stakeholders come together regularly to share plans, programmes and strategies to jointly respond to the challenges and opportunities presented by Inclusive Growth. Through its holistic approach to infrastructure planning across the Council, the Forum also ensures full alignment with the Asset Transformation Strategy (agreed at Cabinet in June 2025).

3.13 Over the past year, key infrastructure delivery successes have included: work starting on the Leyton Station upgrade, towards which Waltham Forest committed £9million in CIL to match fund £13.7m from the Local Regeneration Fund (previously known as Levelling Up Fund) and further TfL and GLA contributions; the completion of the first phase of work needed to improve Walthamstow Central Station, towards which £4.55million in CIL has been committed; and refurbishment of the Lloyd Park playground.

3.14 Section 106 planning obligations and CIL funding also continue to make a significant contribution towards the delivery of the Council's Culture Strategy. This includes support for Walthamstow Wetlands and capital investment into Vestry House, the William Morris Gallery and Soho Theatre.

Infrastructure Funding Statement

3.15 Each calendar year before 31st December, the Council must publish an Infrastructure Funding Statement (IFS) detailing what CIL and S106 monies have been received for the previous financial year and how such monies have been spent. This is required under the CIL Regulations. Waltham Forest have been publishing an annual IFS since 2020 and all previous reports remain available on the Council's website .The IFS must also include an Infrastructure List, setting out the infrastructure priorities which the Council intends will be wholly or partly funded by CIL for the next financial year.

3.16 The purpose of the IFS is to help local communities and developers see how contributions have been collected and spent in the borough and understand what future funds will be spent on, ensuring a transparent and accountable system.

3.17 All Section 106 monies collected are ringfenced towards specific projects agreed at the time of signing the legal agreement and cannot be used for any other purposes.

3.18 The reporting period for the IFS subject to this report is the financial year 2024-25 only. More CIL and S106 funding has been received allocated and spent since April 2025, and further details will be reported in the next IFS.

3.19 In 2024/25, £1.635million CIL was collected in Waltham Forest. This is a reduction when compared with £7.3million collected in 22/23 and £2.15million collected in 23/24, reflecting the challenging economic circumstances faced by construction and house-building industries across London and the rest of the country. The biggest contributions received were from the Brunner Road Student Accommodation scheme (former St James Health Centre) and The Altham development at Blackhorse Lane (former Standard Music Venue).

3.20 Demand notices (invoices for CIL that is due) issued in 2024/25 totalled £2.6M indicating a more positive outlook in terms of future CIL income.

3.21 £2.69M of CIL was spent in 2024/25 with the biggest contributions paid towards the Walthamstow Central Station improvements project, the borough-wide bike hangars programme, Lloyd Park refurbishment, anti-social behaviour prevention initiatives and the Wood Street Families and Homes hub.

3.22 CIL funding was also invested in other walking and cycling, parks, community safety and highways projects during the reporting year. Details are set out in the IFS at Appendix 1.

3.23 At the end of 2024/25, approximately £20million of CIL was allocated to infrastructure projects in the borough. The biggest remained the sum of £9million for the Leyton Station upgrade project, which has subsequently been implemented this financial year.

3.24 The total amount of money received from existing S106 planning obligations during the reporting year was £3.87million, and 44 new S106 agreements were negotiated and signed. These legal agreements include financial obligations totalling £2.4million. It should be noted that these contributions will only become payable if developments implement their planning permission. Legal agreements made in 2024/25 oblige the construction of 433 affordable homes.

3.25 £7.9million S106 financial contributions (not all collected in the reporting year) were allocated in 2024/25 and in July 2024 Cabinet agreed a total allocation of existing and anticipated S106 monies of up to £10m, to support in principle agreement for up to £190million in GLA grant funding, to enable delivery of affordable housing across a portfolio of five strategic sites.

3.26 Other larger allocations were made to carbon offset and energy efficiency projects, the employment and skills service to provide training for young people in the arts and creative industries and support for small business and local entrepreneurs, and various sustainable transport initiatives.

3.27 Separately, a sum of £198,000 was collected towards environmental management of the Epping Forest Special Area of Conservation, in accordance with the agreed Strategic Access Management and Monitoring (SAMM) strategy. This money is transferred directly to the Conservators of Epping Fores to deliver agreed measures. The strategy, coupled with the Council's Suitable Alternative Natural Greenspace (SANG) programme, is essential to allow new homes to be delivered in the borough without ecological or recreational harm to the Epping Forest Special Area of Conservation.

3.28 A total of £2.46million S106 contributions was spent in 24/25 financial year. Examples of projects funded include management, maintenance, development and access to Walthamstow Wetlands, employment and training initiatives for young people, support for local businesses, additional school places, SANGs projects and highways and sustainable transport schemes. Full details of projects funded are set out in the IFS at Appendix 1 to this report.

The Infrastructure List

3.29 Spending and investment priorities for the following financial year (i.e. 25/26) are also expected to be set out in the annual IFS, as the borough's 'Infrastructure List'. Each year, the Infrastructure List identities the immediate thematic priorities that reflect the Council's strategic objectives and evidenced need for infrastructure. The list is intended to set clear annual spending priorities for CIL, but should also give the necessary flexibility to fund other priority projects that may come forward, when ready for delivery.

3.30 As existing CIL commitments currently exceed the funds available, and income forecasts remain modest, opportunities to fund new projects are limited and future CIL receipts might be reduced if the temporary CIL relief for development providing affordable housing proposed by the government comes into force. Consequently, the Infrastructure List for 2025/26 is limited to projects on the IDS and in the Capital Investment Strategy in line with immediate corporate priorities.

3.31 The Council is required to spend 15% of total CIL receipts on priorities agreed with the local community in areas where development is taking place. This is known as Neighbourhood CIL, or NCIL. A separate allocation process applies to NCIL, which is collected and spent in three collection zones (North, Central and South). NCIL can be spent on a wider range of projects than Strategic CIL. It is not limited to 'infrastructure' but can be spent on 'anything that addresses the demands that development places on an area'.

3.32 The pilot of a new NCIL allocation process was agreed by SLT in August 2023 and has now been completed. This included NCIL workshops with ward councillors, which resulted in a programme of NCIL funded projects for implementation. The themes supported include parks and play space improvements, greening and improvements to housing estates and a programme of community safety proposals, including specific initiatives to support the delivery of the Council's preventive approach to serious violence. NCIL also directly supported community managed spaces like the redevelopment of the Higham Hill Hub.

3.33 Since then, detailed work has been undertaken across council services on the commitment to invest NCIL in parks and play spaces and the following the package of shovel ready and fully costed projects has been agreed, making more effective use of NCIL:

CIL zone	Ward	Site	Project	Cost
Central	High Street	Stoneydown	Safer surfacing & climbing unit improvements	£ 45,000
Central	Higham Hill	Folly Lane Play	Cable Way safer surfacing	£ 20,000
South	Cann Hall	Cann Hall Park	Safer surfacing improvements. New roundabout	£ 50,000
Central	William Morris	Greenleaf	Climbing unit replacement	£ 50,000
Central	Leabridge/Forest	Leyton Manor	Wooden kit refresh and stain.	£ 15,000
Central	Markhouse	Queens road	Safer Surfacing	£ 30,000
Central	Higham Hill	Higham Hill park	Basketball court	£ 15,000
Central and South	Leabridge	Leyton Jubilee	Safer Surfacing	£ 25,000
South	Leytonstone	Henry Reynolds	Wooden play equipment and safer surfacing	£ 55,000
Central	Hoe Street	Vestry Road	Basket swing	£ 10,000
Total				£315,000

3.34 In the South Collection Zone the required funding temporarily exceeds the amount of NCIL that is available by £19,000. Given the urgent need for these works however, it has been agreed with the Strategic Director of Resources, Finance and Governance that the projects are forward funded against the future NCIL income.

Carbon Offset Fund:

3.35 The projects set out in the table below were allocated Carbon Offset Funding (COF) following the Summer 2025 call for projects.

Project Name and Description	COF required	Project Start and Completion Dates
Street Tree Planting: Planting at least 200 street trees in E11 and E10, plus some areas of E17 and E4.	£110,000	Nov 2025 – Mar 2026
Fellowship Square M&E: New Town Hall Building Management System and other FM works to enable better management of building energy, delivering 11% reduction in utility bills across gas (18% reduction) and electricity (8% reduction). This equates to £19k saving p.a. over 10-year lifetime of the measures, so £190k in total saving for £95k spend.	£95,000	Sep 2025 – Sep 2026
Salisbury Hall and Low Hall sports ground pavilions: Replace end of life gas boilers with ‘Point of Use’ electric heaters and electric radiators with smart controls.	£133,000	Sep 2025 – Oct 2025
215 Queens Road Nursery and Children's Centre: The repair and upgrade of the Building Management System to optimize heating controls and reduce natural gas consumption by approximately 40%, improving operational performance and reducing carbon emissions.	£15,000	Sep 2025 – Oct 2025
215 Queens Road Nursery and Children's Centre: Installation of solar PVs (50 kWp solar system) on the east-west facing roof to reduce electricity bills. The system is expected to generate approximately 40,898 kWh annually, offsetting a significant portion of the building’s electricity use.	£75,000	Jul 2026 – Nov 2026

3.36 As a result of this round of allocations, the COF fund is currently £9,500 in overspend until further funding is received. We are expecting c.£400k in additional COF receipts by the end of this financial year.

4. Options & Alternatives Considered

4.1 No other option has been considered in respect of the IFS as the council has a statutory obligation under the CIL Regulations to publish an IFS for the financial year 24/25 by the end of December 2025.

5. Council Strategic Priorities (and other National or Local Policies or Strategies)

5.1 *The Planning Practice Guidance* requires that local authorities spend CIL on infrastructure needed to support the development of their area, and it is for each authority to decide what infrastructure is needed. It goes onto say that, in accordance with the Community Infrastructure Levy Regulations any authority that receives a contribution from development through the levy or section 106 planning obligations must prepare an Infrastructure Funding Statement.

5.2 Both the IDP and the IFS plan and prioritise infrastructure delivery supporting the Mission Waltham Forest vision of a fairer and more equal borough. All six missions are supported by the delivery of infrastructure supporting inclusive growth.

6. Consultation

6.1 There is no requirement to consult on the IFS, but the document is made public and available on the Council's website to ensure transparency around the management of developer contributions.

6.2 The pilot NCIL allocation process described above incorporates input as a result of extensive engagement on area frameworks and through the My Neighbourhood Improvement consultation (launched 2023). All project proposals have been subject to consultation with Ward Councillors in their respective NCIL collection zones.

6.3 The Housing and Inclusive Economy Scrutiny Committee will consider the IFS and wider infrastructure planning on 27th November 2025. A reference from the committee will be appended to this report setting out their comments/recommendations and responses from the service.

7. Implications

7.1 Finance, Value for Money and Risk

7.1.1 Current budget provisions, including the 5% CIL the Council is permitted to retain to cover administrative costs and the monitoring fees we charge developers on S106 agreements, cover ongoing work on Infrastructure Planning and the management and reporting of developer contributions.

7.1.2 Clear and effective infrastructure planning provides more certainty for future investment decisions and to ensure maximum benefits for local people from inclusive growth. The inclusive growth promoted by the Local Plan and supported by the infrastructure required in the IDP, will also reduce Council costs, for example by delivering new affordable homes that will allow households to move out of Temporary Accommodation.

7.1.3 The contributions are spent in accordance with the developer agreements and the stipulated time limits.

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

7.2 Legal

7.2.1 Under Regulation 121A of the Community Infrastructure Levy Regulations 2010 ('the CIL Regs') local authorities who charge CIL or who enter into planning obligations under section 106 of the Town and

Country Planning Act 1990 (as amended) must, no later than 31st December in each calendar year, publish an annual infrastructure funding statement that comprises the following:

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

7.2.2 The annual infrastructure funding statement must be published on the Council's website by 31st December 2025.

7.3 **Equalities and Diversity**

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

7.3.2 The delivery of new or improved infrastructure to meet needs related to planned growth is expected to have generally positive impacts on groups with protected characteristics. An Equalities Analysis Screening has been completed for the Infrastructure Funding Statement (IFS). The screening considered all protected characteristics and concluded that the IFS, as a statutory financial summary, does not introduce changes to service delivery, eligibility, or access. Therefore, no negative or adverse impacts have been identified for any protected group.

7.3.3 The screening process included a review of relevant evidence, data, and consultation feedback. Where appropriate, stakeholders and service users were engaged to ensure that any potential impacts were identified and mitigated. The completed Equalities Analysis Screening form is attached as Appendix 2 for reference.

7.3.4 The Council will continue to monitor equalities implications through established governance arrangements, ensuring ongoing compliance with the Public Sector Equality Duty throughout the implementation of the IFS and related infrastructure programmes.

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

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

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

7.4.3 Investing in new and improved infrastructure contributes to safer, more connected communities by designing out crime, encouraging positive use of space and building the resilience of young people.

7.5 Council Infrastructure

7.5.1 The IFS is neutral to Council infrastructure in that that it is prepared and implemented within the existing Council infrastructure and resources. The ongoing monitoring of collection allocation and distribution of the Community Infrastructure Levy and S106 planning obligations is carried out by the Place and Design Team and funded by the CIL administration fee retained by the Council and the S106 monitoring fees.

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

None