

Infrastructure Funding Statement 2023/24

1. Introduction

In accordance with changes to legislation that came into force on 1st September 2019, the Legacy Corporation is required to produce an Infrastructure Funding Statement (IFS) annually. This is the Legacy Corporation's fifth IFS. Information covering previous years can be found in the Legacy Corporation's previous Infrastructure Funding Statements, Regulation 62 Annual Reports and the Authority Monitoring Reports on the Legacy Corporation's website.

The IFS reports on the receipt, allocation and expenditure of the Community Infrastructure Levy (CIL) and Section 106 (S106) contributions. CIL and S106 (collectively known as 'planning obligations' or 'developer contributions') income is used to help fund the provision of supporting infrastructure in association with development and to maximise the benefits of, and opportunities arising from, growth in an area. It also includes an Infrastructure List, detailing the specific types and items of infrastructure which are required to support growth in the Legacy Corporation's planning area. Items on this list are eligible for Legacy Corporation CIL funding.

2. London Legacy Corporation Community Infrastructure Levy (LCIL)

The Legacy Corporation, as charging authority, collects two different types of CIL: Legacy Corporation CIL and Mayoral CIL. This section (Section 2) concerns the former, which is used to fund infrastructure in the Legacy Corporation area to support growth.

The Legacy Corporation put in place its first charging schedule on 6th April 2015 (LCIL1). In 2018, the Legacy Corporation began the process of reviewing this charging schedule and adopted its second charging schedule on 1st July 2020 (LCIL2). LCIL1 applies to all development which gained permission between 6th April 2015 and 30th June 2020, whilst LCIL2 applies to all development from 1st July 2020 onwards.

In line with regulations, CIL charging authorities are eligible to retain up to 5% of CIL income to administer the CIL regime in their area. Therefore, the Legacy Corporation retains 5% of CIL income from LCIL1 and LCIL2 to manage LCIL and its collection. The Legacy Corporation also retains 4% of income from MCIL for administrative purposes.

In addition to the administrative portion of CIL, regulations set out that the Legacy Corporation is required to spend 15% of Legacy Corporation CIL in consultation with the local community in the Legacy Corporation's planning area. Historically, the Legacy Corporation has managed this portion of CIL through its Neighbourhood Priorities Fund (NPF), which enabled local stakeholders to apply for funding through four bidding rounds held in 2018, 2019, 2020 and 2022. Due to resourcing constraints, the Legacy Corporation was unable to hold an NPF bidding round in 2023/24, and therefore has ringfenced neighbourhood CIL monies to be returned pro-rata to the host boroughs (London Borough of Hackney, London Borough of Newham, London Borough of Tower Hamlets and London Borough of Waltham Forest) on the return of planning powers in December 2024.

LCIL Collection

In the reporting year, LCIL Demand Notices to a value of **£5,231,681.23** were issued and LCIL receipts totalled **£7,250,141.67**. Of the latter, **£1,087,521.25** is ringfenced as neighbourhood CIL.

As at the end of the reporting year, LCIL receipts since the adoption of LCIL1 totalled **£34,646,574.39**. A summary of LCIL receipts by year is provided in *Table IFS1*.

Table IFS1: Legacy Corporation CIL collected by financial year	
Year	LCIL collected (£)
2015/16	0
2016/17	3,283,222.65
2017/18	2,805,206.61
2018/19	798,386.27
2019/20	14,253,288.94
2020/21	2,179,866.34
2021/22	720,134.94
2022/23	3,356,326.97
2023/24	7,250,141.67
Total	34,646,574.39

LCIL Allocation

Once LCIL payments are received, they are split as below:

- 5% to administration, which is used to help fund relevant salary and administrative costs, as well as the costs associated with preparation and review of charging schedules;
- 15% set aside as neighbourhood CIL; and
- The remainder to the Strategic CIL Fund to be spent in accordance with the Infrastructure List, most recently updated in May 2024.

A summary of how total receipts have been split is provided in *Table IFS2* below:

Table IFS2: Legacy Corporation CIL, split by fund (at the end of the reporting year)		
Fund	Total receipts (£)	of which, unallocated (£)
Administration	1,756,548.42	0
Neighbourhood CIL	5,785,190.98	1,798,688.08 (of which £711,166.83 was received before the reporting year)
Strategic CIL	27,104,834.99	2,092,464.29 (none of which was received before the reporting year)
Total	34,646,574.39	3,891,152.37 (of which £711,166.83 was received before the reporting year)

CIL receipts are split between the strategic CIL fund and the neighbourhood CIL fund, and are then allocated to projects falling within their respective remits. Allocation decisions are made by the Legacy Corporation's Project Proposals Group (PPG). This group is constituted of heads of the different Legacy Corporation directorates as voting members, as well as representatives from the London Boroughs of Hackney, Newham, Tower Hamlets and Waltham Forest as non-voting members. Legal oversight is provided by Transport for London Legal. PPG has delegated authority from the Legacy Corporation's Board to allocate CIL and S106 monies. It meets quarterly, with additional meetings where necessary.

