

Wychavon District Council

# Infrastructure Funding Statement 2020/2021

For the monitoring period 1 April 2020 – 31 March 2021

Published in December 2021

## **1. Introduction**

The Infrastructure Funding Statement (IFS) sets out the income and expenditure relating to Community Infrastructure Levy (CIL) and Section 106 (S106) agreements for Wychavon District Council for the financial period 2020/21.

Local authorities are now required to produce an IFS on an annual basis resulting from changes to legislation in 2019<sup>1</sup>. This is the second IFS prepared by Wychavon District Council. Further details regarding s106 agreements completed in the year 2019/20 and relevant transactions as well as information appertaining to CIL can be found contained within the CSV files that have been completed by the Council in accordance with government requirements. These are held on the developer contributions page of the council's website published on 31 December 2021 [AdoptedCILCSApril2017.pdf \(wychavon.gov.uk\)](#)

CIL and S106 income, referred to as planning obligations or developer contributions, are used to help fund the provision of supporting infrastructure arising from new development and maximise the benefits and opportunities from growth, whether that is from new housing, employment or other types of specific development.

Sections 2 and 3 of this report set out progress in the collection of CIL and S106 and the spending of S106 monies over the financial year 2020/21. At this point no information is provided for CIL spend, except the proportional amount distributed to neighbourhoods , as no CIL monies were spent on identified projects last year. It is the council's intention to identify and prioritise CIL infrastructure spend and projects in 2022. This will be recorded in an addendum to the IFS once projects have been agreed early in 2022.

### **Main headlines from the IFS:**

In 2020/21 the headline figures are:

#### Community Infrastructure Levy

- CIL receipts collected over the last financial year in Wychavon District Council amounted to £432,689.83.
- A total of £86,614 was provided to local communities that had CIL liable development in the form of the neighbourhood proportion.
- No CIL has been allocated or spent in previous years and none identified in 2020/21 (see section 2.2).

#### Section 106 Agreements

- £1,115,955 of funding was collected towards the provision of affordable housing, the improvement/enhancement of public open space, sport facilities, community facilities, highways, education, recycling, art etc.

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<sup>1</sup> Community Infrastructure Levy (Amendment)(England)(No.2) Regulations 2019.

## **Community Infrastructure Levy (CIL) and Section 106 Agreements in Wychavon District Council**

CIL is a tariff-based charge on development of new floorspace (per sq m) and has been set across the Wychavon District for the types of development set out in the Wychavon CIL Charging Schedule adopted in April 2016. The decision to introduce CIL was taken by the South Worcestershire Councils - Malvern Hills, Worcester City and Wychavon to partly contribute towards the funding required to deliver the joint South Worcestershire Development Plan (SWDP).

However, each council has adopted its own Charging Schedule and collects CIL by council area, although monies are pooled centrally for the whole of South Worcestershire. CIL was implemented in June 2017 for Wychavon District and Malvern Hills District and September 2017 for Worcester City and the monies collected can potentially be used to fund a wide range of infrastructure that is needed to meet the future growth needs of the district.

S106 agreements are used to mitigate the impacts of development and ensure that the planning policy requirements of the SWDP are fully met. S106 obligations can include:

- Site-specific financial contributions – these are secured and must be used for the defined purposes, e.g. the provision of education facilities, traffic and transport/highways related works, public open space provision/improvement, sport improvements and facilities, cycling improvements and affordable housing (where accepted in lieu of on-site provision);
- Provision of on-site affordable housing; and
- Non-financial obligations, including requirements such as construction management plans and travel plans.

Over the financial year 2020/21, £ 548,644.99 of funding has been raised from a combination of CIL and S106 contributions (see Table 1 and Table 2) towards the delivery of infrastructure across the Wychavon District.

## 2. Community Infrastructure Levy

### 2.1 Collection

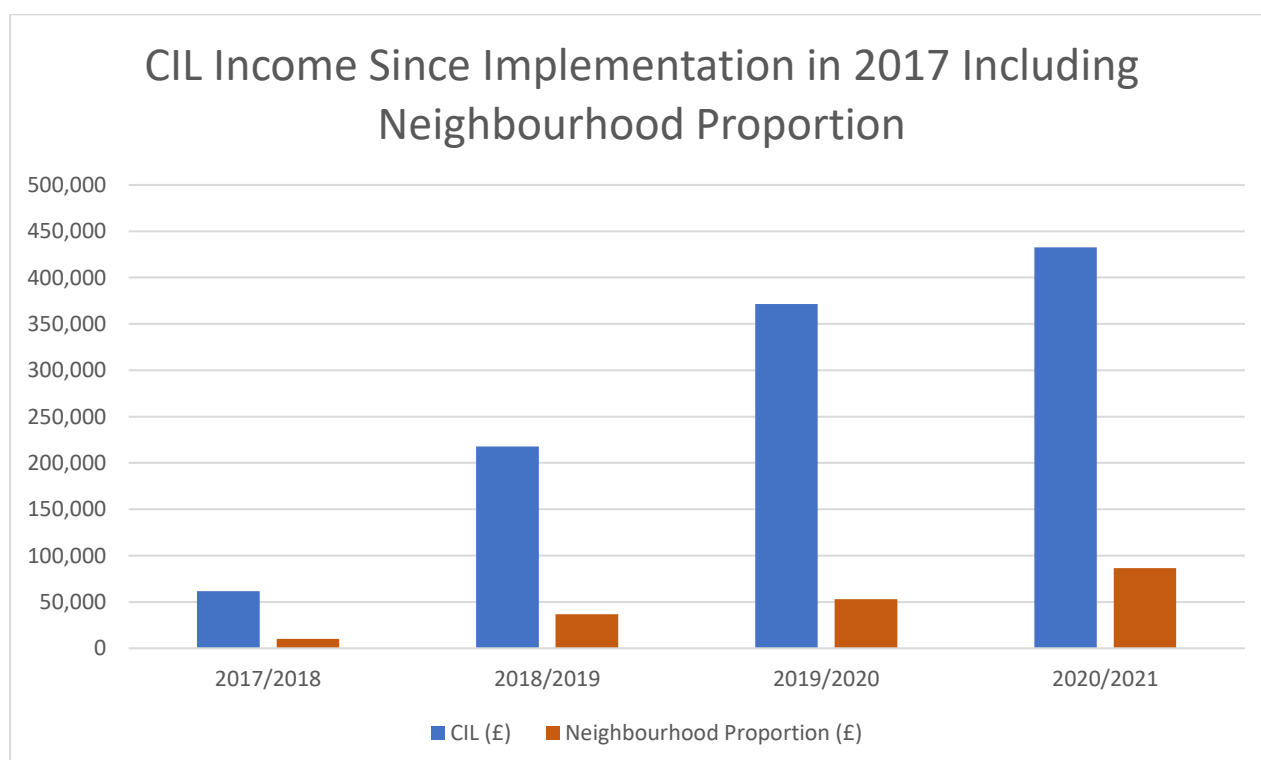
The CIL rates are set in the adopted Charging Schedule (2017) and chargeable development includes new residential development (outside the urban areas) at £40; supermarkets at £60; retail warehouses at £60; and student accommodation at £100. The charge is calculated on the measurement in square meters (£/m<sup>2</sup>) of new development of Gross Internal Area and is payable (unless exempt, e.g., self-build) once the development commences.

Further details on the rates, types of development and areas that CIL applies can be found in the CIL Charging Schedule [AdoptedCILCSApril2017.pdf \(wychavon.gov.uk\)](#)

A proportion of CIL collected from liable development in a charging area is required to be transferred to local communities via a neighbourhood proportion. In Wychavon District this is given to parish or town councils at 15% of that collected, or if an area has an adopted neighbourhood plan at 25%.

**Table 1 CIL income since implementation in 2017 including neighbourhood proportion:**

	CIL (£)	Neighbourhood Proportion (£)
2017/2018	61,492	10,043
2018/2019	217,895	36,647
2019/2020	371,635	52,884
2020/2021	432,689	86,614



## 2.2 Spend

To date no CIL monies have been spent on identified infrastructure projects.

The 2019/20 IFS included a statement to the effect that any identification of infrastructure projects for CIL monies was dependent on the accumulation of CIL reserves to a minimum of £500,000. Although this sum has now been exceeded the three Councils have been unable to finalise the governance arrangements as intended in 2021. Therefore, this IFS, does not yet identify specific infrastructure projects to be supported by CIL. However, there is an undertaking that the governance arrangements will be in place early in 2022 and the identified projects for CIL spending will be published as an addendum to this IFS.

For 2020/21, 5% of CIL collected has been held back for administrative purposes towards funding the appointment of a CIL officer. A CIL monitoring officer was appointed in October 2021.

### 3. Section 106 collection and expenditure 2020/21

The South Worcestershire Development Plan sets out policy requirements for planning obligations in the context of negotiations on planning applications. A high priority is given to securing affordable housing, highway/transport improvements and education. Monies are also collected separately by Worcestershire County Council and further details can be found in the county council's IFS via this link

[https://www.worcestershire.gov.uk/info/20015/planning\\_policy\\_and\\_strategy/2366/infrastructure\\_funding\\_statement](https://www.worcestershire.gov.uk/info/20015/planning_policy_and_strategy/2366/infrastructure_funding_statement)

Further details on the implementation of this approach is set out in the 2018 South Worcestershire Developer Contributions SPD [Developer Contributions SPD - South Worcestershire Development Plan \(swdevelopmentplan.org\)](#)

#### Notable S106 Agreements signed

Twelve s106 agreements were signed in the year 2020/21. Below are two of the substantial development contributions.

20/01124/OUT Land off Stratford Road, Honeybourne - Outline planning application for the construction of up to 65 no. dwellings

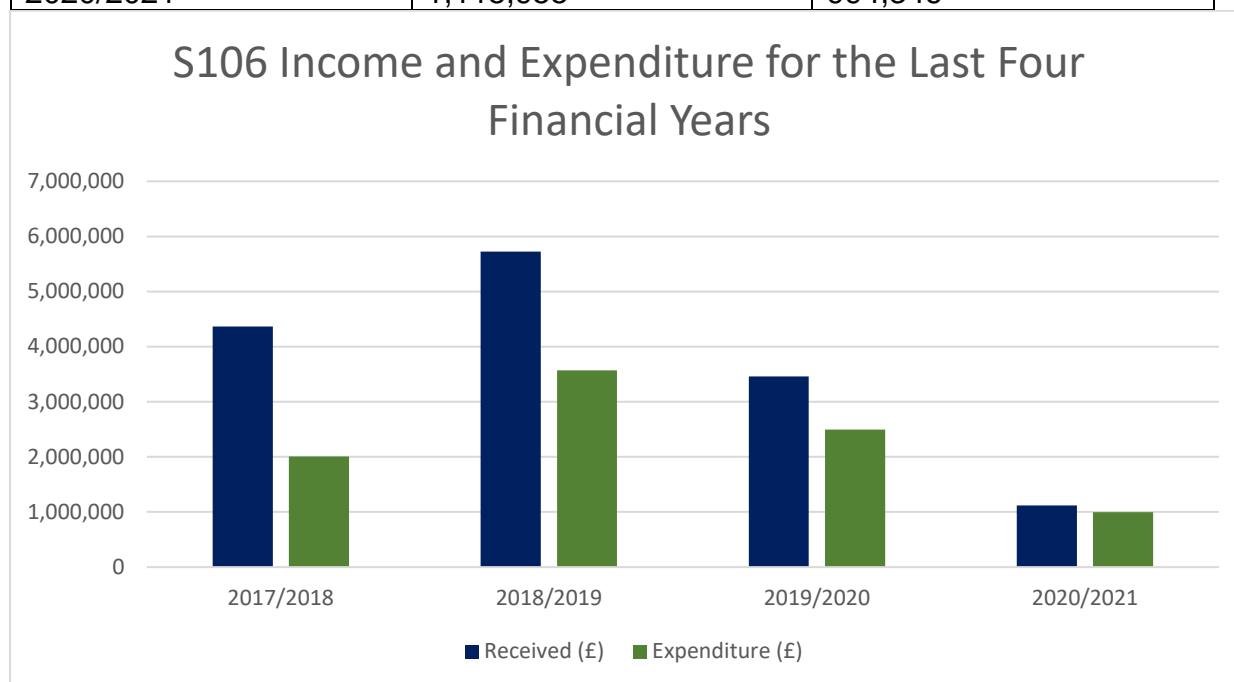
18/01915/FUL Land lying to the south of the Pershore Road, Evesham, Worcestershire- Construction of 56 houses, access, open space and associated works

#### 3.2 Section 106 Receipts

In 2020/2021 a total of £1,115,955 was received in S106 contributions for Wychavon District. Table 2 sets out the S106 income and expenditure for the last four financial years.

Year	Received (£)	Expenditure (£)
2017/2018	4,365,213	2,005,558.17
2018/2019	5,722,014	3,568,246

2019/2020	3,458,132	2,493,301
2020/2021	1,115,955	994,346



### 3.3 Section 106 spending

Expenditure of S106 funds in 2019/20 accounted for £994,346 either spent or transferred to committed projects. This reflects the focus on the spending of S106 monies to ensure the delivery of infrastructure such as affordable housing, community facilities, public open space provision and/or improvements, the provision and/or improvement of sports facilities and other opportunities needed to support growth and maximise the benefits secured from development.

#### Summary of main spending areas during 2020/21<sup>2</sup>

£22,712.37 spent on 3G sports pitches in Droitwich Spa.

£55,000 spent on park improvements across the district.

£15,435 contribution to the development of the Evesham Cycling Centre project.

£7,812 provision of flag poles in Evesham.

<sup>2</sup> Amounts of under £5,000 have not been included in the above lists.

**The following sums were transferred to Worcestershire County Council to support improvements to education:**

A total of £283,591 was transferred to the County Council to support improvements to education shown in Table 3 below.

13/02604	177,109.90	Worcestershire County Council	Education contribution to be used at Orchard Primary School (formally Cherry Orchard First School) as part of their project to create a new group teaching room.
14/02400	13,991.83	Worcestershire County Council	Education contribution towards improvement works at Fladbury First School for Disability Access.
12/01724	30,727.66	Worcestershire County Council	Highway Infrastructure Contribution.
09/02564	51,522.50	Worcestershire County Council	Education contribution for a classroom extension at Eckington First School.
13/02202	3,242.99	Worcestershire County Council	Education contribution towards works at Defford-cum-Besford CE First School to create a SEN space.
06/01633	7,000.00	Worcestershire County Council	Section 106 education contribution towards works at St. Andrew`s School, Evesham - to provide 2FE Expansion.

**3.4 S106 Commuted Sums**

For 2020/21 no commuted sums were received so the balance for this monitoring period remains £2,155,144.

**3.5 S106 and Affordable Housing Provision**

In 2020/21, the affordable housing units delivered via s106 provided a mix of houses, flats and bungalows with the following mix of tenures (2019/20 data is for reference):

Year	Social Rent	Affordable Rent	Shared Ownership	Discounted Market Sales	Total
19/20	188	37	60	14	299
20/21	146	12	60	6	224

#### **4. Conclusions**

Wychavon District Council is committed to working with the local community and other stakeholders to ensure that planning contributions are used in a fair and transparent way, to maximise the benefits and opportunities arising from development, including affordable housing, community infrastructure, jobs and environmental improvements.

It is acknowledged that the 2019 regulations require the IFS to set out identified projects and prioritise them for CIL spending. It has not been possible to specify this at the time of publication, however this information will be included in an addendum to the 2020/21 report early in 2022. The addendum will set out the governance arrangements and process for identify infrastructure projects for CIL monies as well as the details of the projects selected to be funded in 2022.