

WYCHAVON

Infrastructure Funding Statement 2019/2020



For the monitoring period
1 April 2019 – 31 March 2020

Published December 2020

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.

Local authorities are now required to produce an IFS on an annual basis resulting from changes to legislation in 2019.¹ This is the first 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 2020: <https://www.wychavon.gov.uk/planning/other-planning-services/community-infrastructure-levy>.

CIL and S106 income, referred to as planning obligations or developer contributions, are used to help fund the provision of supporting infrastructure in 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 2019/20. At this point no information is provided for CIL spend, other than the distribution of the neighbourhood proportion, as no CIL monies were spent on identified projects last year. It is the council's intention to identify and priorities CIL infrastructure spend and projects in 2021. This will be recorded in next year's IFS.

Main headlines from the IFS

In 2019/20 the headline figures are as follows:

Community Infrastructure Levy

- CIL receipts collected over the last financial year in Wychavon District Council amounted to £371,634.86
- A total of £52,884.15 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 2019/20 (see section 2.2)

Section 106 Agreements

- £2,493,301 of funding was drawn down towards the provision of affordable housing, the improvement/enhancement of public open space, sport facilities, community facilities, highways, education, recycling, art etc.



¹ 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 be potentially 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 2019/20 over £3,829,767 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 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 (£/m²) 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: <https://www.wychavon.gov.uk/planning/other-planning-services/community-infrastructure-levy>.

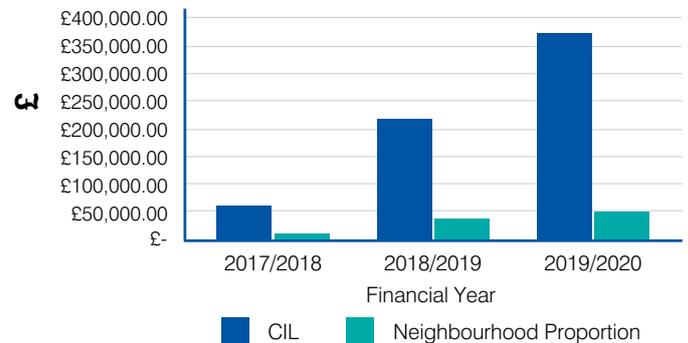
A proportion of CIL collected from liable development in a charging area is required to be transferred to local communities via a neighbourhood proportion. In Wychavon District this is given to parish or town councils at 15% of that collected, or if an area has an adopted neighbourhood plan at 25%.

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



CIL income since implementation in 2017 including neighbourhood proportion



2.2 Spend

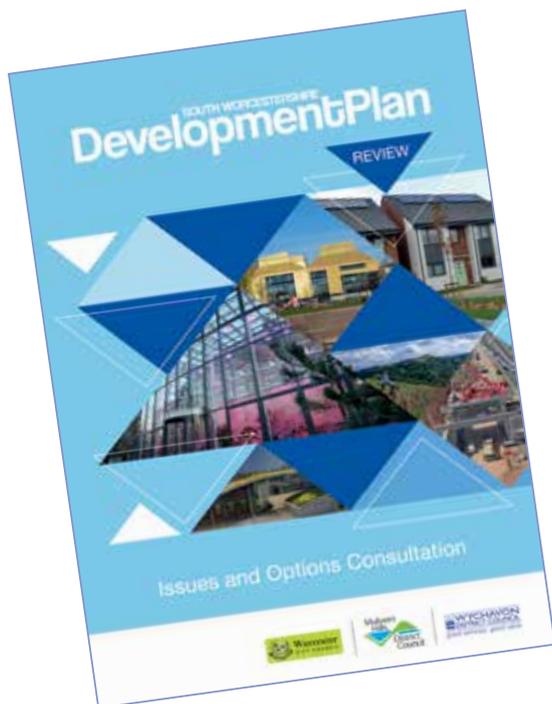
To date no CIL monies have been spent on identified infrastructure projects. The reason for this is that the amount of CIL estimated to be collected to contribute towards infrastructure required by the development via the adopted SWDP was judged to be approximately £6 million over the plan period. Given the relatively modest sum involved it was judged jointly by the combined three Charging Authorities across South Worcestershire, i.e. Malvern Hills, Worcester City and Wychavon, that CIL reserves should be allowed to accrue to a minimum £500,000 in order to help make a substantive contribution towards any submitted infrastructure project bid.

This sum has now been reached and exceeded and the Wychavon District Council will have put in place governance arrangements for 2021 to identify and priorities CIL spend on projects for the financial years to come. This information will be included in next year's IFS. Future IFS will also include details of the CIL governance arrangements that need to be established across the SWC in order for the prioritisation and spending of infrastructure projects to be agreed, which will then help support the delivery of larger scale infrastructure projects as related to growth set out in the SWDP.

For 2019/20 a total of £17,882 or 5% of CIL collected has been held back for administrative purposes with 5% hypothecated towards funding appointment of a CIL officer.

3. Section 106 collection and expenditure 2019/21

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, education.



Further details on the implementation of this approach is set out in the 2018 South Worcestershire Developer Contributions SPD: <https://www.wychavon.gov.uk/south-worcestershire-development-plan/publications/supplementary-planning-documents/developer-contributions-spd>.

3.1 Notable S106 Agreements signed

Only two s106 agreements were signed in the year 2019/20.

- i) Land at Fancutts Garage, High Street, Honeybourne
Applicant: Lockley Homes
- ii) Land at Boat Lane, Evesham
Applicant: Hallam Land Management Limited

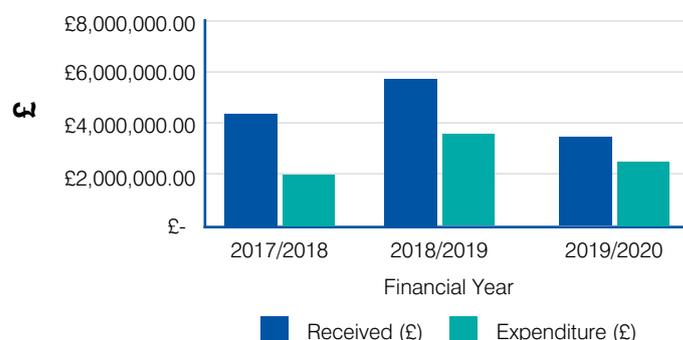
3.2 Section 106 Receipts

In 2019/2020 a total of £3,829,767 was received in S106 contributions for [insert council area]. Table 2 sets out the S106 income and expenditure for the last three financial years.

Table 2

	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

S106 Income and Expenditure for the last three financial years



3.3 Section 106 spending

Expenditure of S106 funds in 2019.20 accounted for £2,493,300.82 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 2019/20²

£828,548.15 spent on the provision of a new 3G Pitch and new changing rooms at Evesham United Football Club, Cheltenham Road, Evesham.

£5,278.97 spent on fencing of an additional area of land purchased by the Council in the previous year for pitch facilities at Evesham United Football Club.

£26,671.33 spent on a creative lighting scheme in Evesham.

£82,382.89 spent on new Affordable Homes – a contribution was made towards the purchase of 3 Hawthorne Close, Drakes Broughton.

£39,829 spent on recycling.

£55,030.30 spent on tourism and the economy in Droitwich Spa.

£54,926.22 transferred to North Claines Parish Council to purchase an area of land in Fernhill Heath to be used for public open space.

£23,168.74 transferred to Crophorne Parish Council for Improvements to the paths and for the installation of matting for the overflow car park to serve the sports fields and play areas.

£21,080 transferred to Pershore Rugby Club for improvements to the club changing rooms.

£161,919.78 transferred to Inkberrow Parish Council towards a large-scale improvement project across all sports and play facilities at Inkberrow Playing Fields.

£7154.89 transferred to Hill and Moor Parish Council 27.5.19 for a lighting and play project at playing field Lower Moor.

£20,581.08 transferred to Dodderhill Parish Council as part of a large scheme known as Wychbold Recreation project.

£10,120 provide to Drakes Broughton and Wadborough with Pirton Parish Council for drainage works to the football pitch at Drakes Broughton.

£20,290 transferred to Pinvin Parish Council for improvements to the childrens' play area at Main Street, Pinvin.

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

£67,294.88 towards a SEND project at Prince Henry's High School in Evesham.

£148,347.58 towards 1FE expansion of Nunnery Wood High School.

£81,192.84 for Bretforton Village School for the expansion of their School Hall.

£363,651.36 to expand Hartlebury Primary School and Stourport High School (£167,839.09 for Stourport High School and £195,812.27 for Hartlebury Primary School).

£252,038.16 towards 1FE expansion of Pershore High School.

£15,000 towards SEND facilities (access improvement works) at Sedgeberrow CE First School.

£60,865.83 towards the provision of two new single storey classrooms at St Egwin's CE Middle School, Evesham.



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

3.4 S106 Commuted Sums

The amount in commuted sums received, but not including 2019/20 was £2,155,144.10. This has been for the on-going maintenance of areas of public open space that were transferred by developers to the district council. For 2019/20 no commuted sums were received so the balance for this monitoring period remains £2,155,144.10.

3.5 S106 and Affordable Housing Provision

In 2019/20 the affordable housing units delivered via s106 provided a mix of houses, flats and bungalows with the following mix of tenures:

Social rent	Affordable rent	Shared ownership	Discounted Market Sales	Total
188	37	60	14	299

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 environment improvements.

It is acknowledged that the 2019 regulations require the IFS to set out identified projects and prioritise them for CIL spending. For this first IFS this has not been possible for this financial year but this information will be included for the 2020/21 report.



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