

Solihull Metropolitan Borough
Council
Annual Infrastructure Funding
Statement

For
Community Infrastructure Levy and Section
106

Reporting Period:
From 01 April 2019 to 31 March 2020

1. Introduction

The Infrastructure Funding Statement (IFS) is an annual report required to be published each year. It provides a summary of the financial and non-financial developer contributions relating to Section 106 Legal Agreements (S106) and the Community Infrastructure Levy (CIL) within Solihull for a given financial year.

It also includes a statement of infrastructure projects that Solihull MBC intends to be, or may be, wholly or partly funded by CIL.

Throughout the IFS there will be references to the following definitions:

- Agreed – Contributions that have been agreed within a signed legal document. These contributions have not been collected/delivered and if the planning applications are not implemented, they will never be received.
- Received – Contributions received, either non-monetary or monetary that have been transferred to Solihull Metropolitan Borough Council (SMBC)
- Spent/ Delivered – Monetary or non-monetary contributions that have been used as intended, either by spending the allocated funds or completing the contribution as agreed.
- This Financial Year - unless stated otherwise, this refers to the period 01/04/2019 – 31/03/2020.

2. Section 106 Matters

2.1. Obligations Agreed:

- a. The total amount of money to be provided under any planning obligations which were entered during the reported year is £83,474.97. This figure does not consider indexation (inflation/deflation) that may be applied when the money becomes due.
- b. During the reported year the following non-monetary contributions have been agreed under planning obligations:
- c. The total number of affordable housing units agreed is 17.

PLANNING APPLICATION	AFFORDABLE HOUSING TYPE	NUMBER OF DWELLINGS TO BE PROVIDED
LAND AT CORBETTS CLOSE (PL/2019/00415/VAR)	Social Rent & Shared Ownership	17
LAND AT CORBETTS CLOSE (PL/2019/01629/VAR)	Social Rent & Shared Ownership	17

The total number of education provisions agreed under S106 agreements in the reporting year is 0.

2.2. Funding Received:

- a. The total amount of money received from S106 planning obligations during the reported year is as follows:

INFRASTRUCTURE/SERVICE TYPE	AMOUNT RECEIVED
OFF SITE AFFORDABLE HOUSING	£396,618.50

EDUCATION	£1,899,083.55
HEALTHCARE	£184,874.48
HIGHWAYS¹	£288,381.13
BIODIVERSITY, LANDSCAPE & PARKS	£1,596,139.02
TOTAL	£4,365,097.03

It is worth noting that there will be a lag between the money being collected and it being spent and this will be dependent upon the development and nature/extent of the contribution. For instance significant contributions to enhancing education provision within the vicinity of a development site may need to be the subject of a consultation exercise in order to ensure that the funds are directed towards the most appropriate establishment.

2.3. Funds Spent & Projects Completed:

- a. The total amount of money from planning obligations spent during the reported year was £2,984,608.
- b. In relation to money which was spent by Solihull Metropolitan Borough Council during the reported year, the items of infrastructure that planning obligation money has been spent on and the amount spent are as follows²:

INFRASTRUCTURE TYPE³	AMOUNT SPENT	PROJECTS DELIVERED & COMMITTED
AFFORDABLE HOUSING	£100,000	<ul style="list-style-type: none"> • Contribution towards construction of a temporary accommodation centre including additional off-site car parking provision at 2 Ipswich Walk Chelmsley Wood Solihull B37 5QX (PL/2015/51505/PPFL)
HIGHWAYS	£40,840.42	<ul style="list-style-type: none"> • Footpath improvements – enhancing connectivity to Grove Road • Footpath improvements & repairs at Damson Parkway • Costs towards mitigation of HGVs near site (Beechwood Recycling) • Costs towards mitigation of HGVs near site (Cemex UK) • Contribution towards traffic calming scheme at Illshaw Heath
LANDSCAPE & BIODIVERSITY	£182,168	<ul style="list-style-type: none"> • Replacement tree planting off-site on Council owned land near Damson Parkway • Replacement hedgerow planting off site on Council owned land near Damson Parkway • Off-site tree planting along A34 corridor

¹ This does not include other planning obligations including S278 and S38 highways agreements.

² This may include ongoing projects that will receive further funding in subsequent financial years

³ This table does not include money spent on education provision

PARKS & OPEN SPACES

£380,602.87

- Off-Site Open Space for improvements to Bentley Heath recreation ground
- Balancing pond works & Public Open Space
- New play equipment, footpath link, landscaping and bench.
- Maintenance of Play Area (Marlene Croft, Chelmsley Wood)
- Dickens Heath Youth and Community Centre (commuted sum)
- Parks & Open Spaces commuted sums for maintenance

c. The following affordable housing provisions have been delivered (completed) through S106 (negotiated through Policy P4a of the SLP 2013) in the reported year.

PLANNING APPLICATION	AFFORDABLE HOUSING TYPE	NUMBER OF DWELLINGS COMPLETED
MOUNT DAIRY FARM PHASE 2 (PL/2014/01985/OLM)	Social Rent	12
REGENCY FIELDS LOWBROOK LANE TIDBURY GREEN (PL/2012/01568/FULM)	Social Rent	12
REGENCY FIELDS LOWBROOK LANE TIDBURY GREEN (PL/2012/01568/FULM)	Shared Ownership	8
CHESWICK PLACE CHESWICK GREEN (PL/2014/01985/OLM)	Shared Ownership	13
CHESWICK PLACE CHESWICK GREEN (PL/2014/01985/OLM)	Social Rent	3
LAND AT BLYTHE VALLEY (PL/2016/00863/MAOOT)	Shared Ownership	17
LAND AT BLYTHE VALLEY (PL/2016/00863/MAOOT)	Social Rent	15
OAKBROOK CHELMSLEY LANE (PL/2017/01434/PPFL)	Affordable Rent	9
OAKBROOK CHELMSLEY LANE (PL/2017/01434/PPFL)	Shared Ownership	2
TOTAL		91

- d. A total of 525 school places have been provided between September 2015 and September 2020 using S106 funding for all or part of the project. Of these 525 places 150 secondary places were provided in September 2018 and were funded during the 2019/20 financial year⁴. Places are provided to meet pupil demand so place delivery does not necessarily fit with financial year funding.
- e. The following education provisions to be funded by offsite S106 and other funding sources in the future (projects are allocated and are not yet delivered):

EDUCATION TYPE	NUMBER OF SCHOOL PLACES	FUNDING SOURCE
PRIMARY	210	Tanworth Lane/Mount Dairy Farm (PL/2014/01985/OLM) Land at Blythe Valley (PL/2016/00863/MAOOT)
SECONDARY	150	Land at Dickens Heath Road (PL/2014/01799/OLM) Land between Braggs Farm Lane & Rumbush Lane (PL/2014/01835/FULM) Tanworth Lane/Mount Dairy Farm (PL/2014/01985/OLM)
SECONDARY	150	Land at Tidbury Green Farm (PL/2013/01394/OLM) Land at Blythe Valley (PL/2016/00863/MAOOT)
TOTAL	510	

⁴ Provided from developments: Land at Tidbury Green Farm (PL/2013/01394/OLM) & Land at Blythe Valley (PL/2016/00863/MAOOT)

3. Community Infrastructure Levy Matters

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

- a. Once CIL receipts are received, the monies are divided into three areas: -
 - **Strategic CIL** - which is to be spent on large scale, strategic infrastructure across the Borough.
 - **Neighbourhood Proportion** – this is passed directly to the Parish Council where the development takes place and can be up to 25% of the total CIL Receipts where a Neighbourhood Plan exists. Parishes without a Neighbourhood Plan will receive 15% (capped at £100 per existing Council Tax Dwelling). Where the Levy is collected in areas without a Parish, monies are held within a Ward allocation , with the responsibility for spending held with the Charging Authority.
 - **Administration Expenditure** – up to 5% of all CIL receipts are retained for administration costs for the Levy.
- b. The total value of demand notices issued in the reported period is £3,663,335.31. Demand notices are issued upon commencement of development. The balance due is collected in accordance with the approved Charging Schedule and instalment policy (which may mean that balances are not collected immediately).
- c. Of total value the amount from Liability Notices (liable floorspace after any relief that has been granted) is £3,657,480.36. This provides an estimate of what may be collected if the planning permission is implemented.
- d. The total value is from surcharges imposed due to breaches of the Community Infrastructure Levy Regulations is £4,699.65 and the total value of the late payment interest accrued is £1,155.30.
- e. The total amount of CIL collected within the reported period totals £3,051,786
- f. The amount of CIL collected prior to the reported period totals £2,729,381. The following table sets out the total CIL receipts since the levy was introduced in 2016:

Year	STRATEGIC FUND	NEIGHBOURHOOD FUND	ADMINISTRATION FUND	ADMIN AS PERCENTAGE OF TOTAL	TOTAL RECEIPTS
2016/17	£222,944	£41,802	£13,934	5.00%	£278,680
2017/18	£698,387	£130,578	£43,521	5.00%	£870,485
2018/19	£1,265,527	£236,657	£78,035	4.94%	£1,580,219
2019/20	£2,447,980	£451,217	£152,590	5.00%	£3,051,786
Total	£4,634,838	£860,254	£288,079	5.00%	£5,781,170

- g. The total CIL expenditure recorded for the reported period is as follows:

TYPE	EXPENDITURE
ADMIN CIL	£132,460.54
NEIGHBOURHOOD CIL⁵	£98,906.93
CIL LAND PAYMENTS	£0.00
OTHER CIL CASH	£0.00
TOTAL VALUE	£231,367.47

The amount of CIL collected towards administration expenses is £152,589. This was 5% of the total CIL receipts collected (£3,051,786) in the reported period.

Solihull Metropolitan 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, Surcharges and Late Payment Interest not being split with Neighbourhood Areas.

The amount of CIL spent on administration expenses during the reported year was £132,460.54. This was 4.34% of the total CIL collected within the reported year.

- h. 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:

PARISH	DATE	AMOUNT TRANSFERRED
HAMPTON IN ARDEN PARISH COUNCIL	1 April 2019	£5,692.50
BERKSWELL PARISH COUNCIL	1 April 2019	£1,454.28
TIDBURY GREEN PARISH COUNCIL	1 April 2019	£3,698.99
DICKENS HEATH PARISH COUNCIL	1 April 2019	£12,648.91
BALSALL PARISH COUNCIL	1 April 2019	£7,434.76
BICKENHILL & MARSTON GREEN PARISH COUNCIL	1 April 2019	£75,745.69
CHESWICK GREEN PARISH COUNCIL	1 April 2019	£58,566.92
BICKENHILL & MARSTON GREEN PARISH COUNCIL	30 September 2019	£14,869.92
TIDBURY GREEN PARISH COUNCIL	30 September 2019	£56,100.00
CHADWICK END PARISH COUNCIL	30 September 2019	£8,637.92
CHESWICK GREEN PARISH COUNCIL	30 September 2019	£33,772.58
MERIDEN PARISH COUNCIL	30 September 2019	£2,851.43
BARSTON PARISH COUNCIL	30 September 2019	£2,547.44
BALSALL PARISH COUNCIL	30 September 2019	£2,828.72
TOTAL		£256,485.86

- i. The total amount of CIL that was collected in areas without a parish council under Regulation 59F (collected on behalf of the neighbourhood zone in cash, where no local

⁵ Total spent by Parish Councils and through the Neighbourhood CIL allocation process for Ward areas. This does not include collected funds that are yet to be spent.

council is in place to manage the levy) that was available for bidding under the Approved NCIL bidding process is as follows:

WARD AREA	AMOUNT AVAILABLE
DORRIDGE AND HOCKLEY HEATH	£26,835
KNOWLE	£10,994
OLTON	£18,485
SHIRLEY EAST	£54,277
SHIRLEY WEST	£21,276
SHIRLEY SOUTH	£24,817
SILHILL	£47,345

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

INFRASTRUCTURE	NEIGHBOURHOOD ZONE	AMOUNT
IMPROVEMENTS TO KNOWLE VILLAGE HALL	Knowle Ward	£8,200.00
INSTALLATION OF OUTDOOR GYM EQUIPMENT IN JACEY PARK	Shirley East Ward	£7,500.00
LOCAL COMMUNITY GROUP PROVISION (LAYCA)	Shirley South Ward	£8,092.44
HASLUCK'S GREEN PRIMARY SCHOOL WINDOW REPLACEMENT	Shirley West Ward	£6,000.00
DORRIDGE VILLAGE HALL REFURBISHMENT	Dorridge and Hockley Heath Ward	£20,000.00
LEST WE FORGET BENCH IN RECREATION GROUND	Cheswick Green Parish Council	£809.50
INSTALLATION OF REFUSE/DOG BIN IN RECREATION GROUND	Cheswick Green Parish Council	£196.00
WAR MEMORIAL PURCHASE	Cheswick Green Parish Council	£753.00
SIGNAGE ON VILLAGE GREEN	Cheswick Green Parish Council	£388.00
CCTV AT VILLAGE HALL	Cheswick Green Parish Council	£3,442.00
SAFETY SURFACE INSTALLATION ON CHILDREN'S PLAY AREA IN RECREATION GROUND	Cheswick Green Parish Council	£6,417.00
TREE WORKS (TREES IN PUBLIC PLACES IN THE PARISH)	Cheswick Green Parish Council	£4,405.00
PARTIAL REFURBISHMENT OF VILLAGE HALL	Cheswick Green Parish Council	£24,040.00
VILLAGE CLOCK WORKS	Hampton in Arden Parish Council	£163.99
VILLAGE HALL WORKS	Tidbury Green Parish Council	£6,500.00
REPLENISHMENT OF KEY STAGE 1 LIBRARY AT MERIDEN SCHOOL	Meriden Parish Council	£2,000
TOTAL		£98,906.93

- k. The amount of CIL still outstanding for recovery under Regulation 59E at the end of the reported year for all years is £0.00
- l. The amount CIL collected and that had not been spent under Neighbourhood Proportion during the reported year is £352,310
- m. The amount of CIL collected from 04 July 2016 to the end of the reported year under the Neighbourhood Proportion that has not been spent is £763,918.22

4. Planned expenditure (2020/2021 and beyond)

This section sets out how CIL and S106 income will be spent and prioritised over the next reporting period (as per the requirements set out in relevant planning practice guidance and the CIL regulations).

As a result of the recent changes to the regulations, CIL is no longer restricted to strategic infrastructure projects identified in the Regulation 123 List. Local Authorities are now required to publish annual Infrastructure Funding Statements (IFS) as a result of new regulations. They are annual statements published each year on the Council's website and will replace current CIL income monitoring and Regulation 123 list.

Strategic CIL

The Council is at a key point with its new Local Plan, which will set out its strategy for development in the Borough to 2036. As part of the process the authority's Infrastructure Delivery Plan (IDP) has been completed. The IDP provides a baseline of the existing infrastructure capacity and needs in the Borough and it will highlight the infrastructure requirements needed to support the predicted growth set out in the Local Plan. It is envisaged that Strategic CIL funds will support the delivery of the IDP and will enable any spending to be focused on key infrastructure needs that will unlock potential growth.

Governance arrangements for the spending of the Strategic CIL fund were adopted by Cabinet on 13th July 2017 as part of the Growth and Development Investment Plan.

The Growth & Development Investment Plan serves a dual purpose in its relationship to the IDP; it (a) helps inform what infrastructure is necessary to support the growth aspirations in the plan and (b) provide a delivery mechanism for both the currently known infrastructure requirements and those that will be identified as the Local Plan progresses. The allocation of Strategic CIL monies will be considered for appropriate projects, this will be considered and endorsed by the Growth and Development Programme Board and, in accordance with Financial Standing order, be reported to Full Cabinet for approval as appropriate.

By its very nature, strategic infrastructure is likely to include more expensive projects and therefore there is some benefit in allowing the Strategic CIL fund an opportunity to accrue so that it can make a significant & meaningful contribution to an appropriate project. This is particularly relevant in the context of the review of the Local Plan noted above.

Neighbourhood CIL

Cabinet has delegated responsibility for this spending to Cabinet Member for Stronger & Safer Communities. This governance of spend has been in place for two years, starting in 2019. After agreeing a process and scoring matrix in January 2019, decisions on allocations will be made at Stronger and Safer Communities Cabinet annually. Some examples of projects that have been funded (both through Parish Council governance and NCIL bidding) are:

- Cultural spaces and cafes;
- Improvements to streets and local green spaces;
- Youth facilities;
- Public realm works (e.g. street furniture);
- Skills and training hubs (e.g. digital technology); and
- Security measures to reduce crime and anti-social behaviour (e.g. CCTV).

Neighbourhood CIL allocations will continue on an annual basis in all wards that are not located in Parished areas. SMBC will continue to work with Parish Councils to provide guidance on the appropriate spend of the levy.

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S106 funding must be spent in accordance with the terms of the legal agreement (as part of the planning application process). The heads of terms can include a clause to spend the S106 contribution between five and ten years of the agreement. S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement. S106 income varies on a site-by-site basis depending on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure.

Details of planned S106 expenditure across each main spend area are set out below. Much of the planned spending is focussed on small-scale improvement works to directly mitigate the impact of development; for example:

- Primary and secondary education provision
- Public transport contributions, including bus services
- Biodiversity offsetting and enhancement schemes
- Offsite affordable housing contributions
- Highways contributions including traffic management, traffic calming and traffic signals
- Local healthcare provision
- Local green space and parks enhancement and installation

In terms of the unallocated remaining balance, careful consideration will be given to how to allocate monies according to the legal definition within the corresponding S106 agreements as well as the wider funding and policy context. Spending levels will need to be closely monitored to take account of changing priorities and the phasing requirements of development that arise from the current Solihull Local Plan 2013 and the Draft Submission Plan.

Many of the S106/CIL projects will be identified and prioritised through the Infrastructure Delivery Plan. The Draft Infrastructure Delivery Plan (IDP) was published as part of the evidence base for the Draft Submission Plan consultation in October 2020. The IDP is a live document and includes an Infrastructure Schedule of proposed schemes that will support growth and development in the Borough, as well as meet sustainability objectives such as low carbon initiatives and biodiversity gain. As the IDP progresses, relevant projects can be incorporated within the Infrastructure Funding Statement.