

Solihull Metropolitan Borough Council

Annual Infrastructure Funding Statement

For

Community Infrastructure Levy and Section
106

Reporting Period:

From 01 April 2020 to 31 March 2021

1. Introduction

The Infrastructure Funding Statement (IFS) is a report required to be published annually. 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 01/04/2020 – 31/03/2021.

2. Section 106 Matters

2.1. Obligations Agreed:

- a. The total amount of money to be provided under any planning obligations which were entered into during the reported year is £1,352,654.00. This figure does not consider indexation (inflation/deflation) that may be applied when the money becomes due.

PLANNING APPLICATION	AMOUNT AGREED	SERVICE AREA
LAND AT 20-26 STATION ROAD (PL/2019/02766/PPFL)	£485,000	Off-site Affordable Housing
TUDOR GRANGE HOUSE, BLOSSOMFIELD ROAD, SOLIHULL (PL/2020/00197/PPFL)	£25,850	Biodiversity & Parks
LAND ADJOINING 115 STATION ROAD, BALSALL COMMON (PL/2019/03003/PPFL)	£12,000	Biodiversity & Parks
HILTON BIRMINGHAM METROPOLE, PENTIGO WAY, NEC (PL/2020/00726/MAJFOT)	£8,800	Biodiversity & Parks
PRINCES GATE 8 HOMER ROAD SOLIHULL (PL/2019/01930/PPFL)	£821,004	Off-site Affordable Housing

- 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 0.
- d. The total number of education provisions agreed under S106 agreements in the reporting year is 0.
- e. The total number of health 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	£8,295.86
EDUCATION	£1,344,330.87
HEALTHCARE	£24,820.72
HIGHWAYS¹	£213,883.67
PUBLIC TRANSPORT	£69,718.14
BIODIVERSITY, LANDSCAPE & PARKS	£726,889.43
ENVIRONMENTAL MONITORING²	£95,375.00
CCTV AND SAFETY MEASURES	£34,859.07
TOTAL	£2,518,172.76

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 £591,833.55
- 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 follows³:

INFRASTRUCTURE TYPE	AMOUNT SPENT	PROJECTS DELIVERED & COMMITTED
AFFORDABLE HOUSING	£50,000	<ul style="list-style-type: none"> • Contribution towards construction of Extra Care scheme consisting of 51 new one and two bedroom dwellings, associated communal facilities, landscaping and parking (15/51758)

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

² This includes carbon monitoring, noise monitoring and Historic Environment, Ecology and Landscape Management Plan (HEELMP) monitoring in relation to Birmingham International Airport

³ This may include ongoing projects that will receive further funding in subsequent financial years

HIGHWAYS	£68,030.58	<ul style="list-style-type: none"> • Ditch Clearance - Work to reinstate/clear a watercourse running alongside the development at Land at Dickens Heath Road • Work to raise the street lighting up to adoptable standard • Design work for proposed cycle route at Blythe Valley Park • Costs towards mitigation of HGVs near site (Cemex UK) • Travel Planning including local guide and map showing local rail, bus and cycle networks, a range of sustainable travel incentives at Tanworth Lane, Cheswick Green
LANDSCAPE & BIODIVERSITY	£108,125.00	<ul style="list-style-type: none"> • Tree planting at Land at Damson Parkway • Noise and Historic Environment, Ecology and Landscape Management Plan (HEELMP) monitoring at Birmingham International Airport • Carbon Management Plan through the Arden Free Tree Scheme at Birmingham International Airport
PARKS & OPEN SPACES	£85,900.00	<ul style="list-style-type: none"> • Provision of play facilities in Shirley Park (work ongoing) • Maintenance of Play Area (Marlene Croft, Chelmsley Wood)
EDUCATION	£279,777.97	<ul style="list-style-type: none"> • Contributions towards supporting the provision of school places at Tidbury Green Primary, Cheswick Green Primary & Alderbrook Academy Secondary • Supporting of 'SEND' pupils at Meriden Primary School
TOTAL	£591,833.55	

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
BVP PARCEL H (PL/2018/01163/PPRM)	Shared Ownership	9
BVP PARCEL H (PL/2018/01163/PPRM)	Social Rent	4
BVP PARCEL T/U/V (PL/2018/01057/PPRM)	Social Rent	18
BVP PARCEL T/U/V (PL/2018/01057/PPRM)	Shared Ownership	11

CORBETTS CLOSE (PL/2018/00989/PPFL)	Social Rent	10
CORBETTS CLOSE (PL/2018/00989/PPFL)	Shared Ownership	7
LOWBROOK FARM (PL/2018/01828/PPRM)	Shared Ownership	3
LOWBROOK FARM (PL/2018/01828/PPRM)	Social Rent	12
TOTAL		74

- d. A total of 525 school places have been provided, across Arden Academy, Tudor Grange Academy, Balsall Common and Tidbury Green Schools between September 2015 and March 2021 using S106 funding for all or part of the project. Places are provided to meet pupil demand, so place delivery does not necessarily fit with financial year funding.
- e. Future funding will include the completion of projects at Alderbrook Academy and Cheswick Green Primary School (subject to planning approval), a total of 360 additional places are in the process of being delivered and due for completion by September 2023.

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 £1,145,668.64. 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 £1,143,140.26. 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 £2,528.38 and the total value of the late payment interest accrued is £0.00
- e. The total amount of CIL collected within the reported period totals £1,152,591
- f. The amount of CIL collected prior to the reported period totals £5,781,170. The following table sets out the total CIL receipts since the levy was introduced in 2016⁴:

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
2020/21	£902,687	£192,758	£57,146	5.00%	£1,152,591
Total					£6,933,761

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

TYPE	EXPENDITURE
ADMIN CIL	£57,146
NEIGHBOURHOOD CIL ⁵	£80,955.00
CIL LAND PAYMENTS	£0.00
OTHER CIL CASH	£0.00
TOTAL VALUE	£138,101

- h. The amount of CIL collected towards administration expenses is £57,146. This was 5% of the total CIL receipts collected 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 £57,146. This was 5% of the total CIL collected within the reported year.

- i. 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:

⁴ Rounded to the nearest GBP

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.

PARISH	DATE	AMOUNT TRANSFERRED
HAMPTON IN ARDEN PARISH COUNCIL	1 April 2020	£61,471.17
BARSTON PARISH COUNCIL	1 April 2020	£11,251.98
BICKENHILL & MARSTON GREEN PARISH COUNCIL	1 April 2020	£5,665.84
MERIDEN PARISH COUNCIL	1 April 2020	£1,002.95
CHESWICK GREEN PARISH COUNCIL	1 April 2020	£8,550.17
CHADWICK END PARISH COUNCIL	1 April 2020	£17,614.34
HAMPTON IN ARDEN PARISH COUNCIL	30 September 2020	£30,735.59
BARSTON PARISH COUNCIL	30 September 2020	£4,097.84
TOTAL		£140,389.88

- j. 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 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	£39,040.06
KNOWLE	£20,499.61
SHIRLEY EAST	£50,406.00
SHIRLEY SOUTH	£81,522.79
SILLHILL	£44,403.46
ST ALPHEGE	£27,621.23
TOTAL	£263,493.15

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

INFRASTRUCTURE	NEIGHBOURHOOD ZONE	AMOUNT
PHONE BOX BICKENHILL	Bickenhill & Marston Green Parish Council	£2,460.00
SMBC OLTON LIBRARY REFURBISHMENT	Olton Ward	£18,363.33
CATNEY RESIDENTS ASSOCIATIONS – DEFIBRILLATOR	Hampton in Arden Parish Council	£1,532.00
GEORGE FENTHAM ENDOWED SCHOOL – DINING TABLES	Hampton in Arden Parish Council	£7,650.00
CATHERINE DE BARNES VILLAGE HALL – DOUBLE GLAZING	Hampton in Arden Parish Council	£7,278.00
REALIGN CCTV CAMERAS -ON THE VILLAGE HALL WALLS	Cheswick Green Parish Council	£220.00

NOTICEBOARD REPAIRS(3)- OUTSIDE THE VH, BY THE POSTBOX ON SAXON WOOD RD & AT ILLSHAW HEATH	Cheswick Green Parish Council	£548.00
TREE WORKS- ON LAND AT SAXON WOOD RD	Cheswick Green Parish Council	£450.00
PLANTS -TO PLANT IN ONE PLANTER NEAR RESIDENTS HOUSE	Cheswick Green Parish Council	£17.50
TREE WORKS - ON CHESWICK GREEN LAND	Cheswick Green Parish Council	£280.00
REMOVAL OF BUSH - RECREATION GROUND	Cheswick Green Parish Council	£275.00
DECORATE PC OFFICE & MINOR EXTERNAL PAINTING - VILLAGE HALL PARISH OFFICE & EXTERNAL STEPS & TARMAC	Cheswick Green Parish Council	£968.00
PURCHASE SPEED SIGN UNIT - VARIOUS LOCATIONS	Cheswick Green Parish Council	£2,896.00
QUARTERLY PAYMENT FOR SPEED SIGN ROTATION - VARIOUS LOCATIONS	Cheswick Green Parish Council	£503.23
CAR PARK SIGNS - VILLAGE HALL CAR PARK	Cheswick Green Parish Council	£132.00
CUT/REMOVE IVY - SAXON WOOD ROAD	Cheswick Green Parish Council	£50.00
PLANTS	Cheswick Green Parish Council	£16.94
TREE WORKS - SAXON WOOD ROAD	Cheswick Green Parish Council	£1,700.00
THE MOUNT - REPLACE MISSING SLABS	Cheswick Green Parish Council	£65.00
CAR PARK & VILLAGE GREEN - DRAIN AND BASE FOR BT KIOSK	Cheswick Green Parish Council	£1,490.00
RECREATION GROUND - REMOVE LARGE SHRUBS	Cheswick Green Parish Council	£600.00
DEPOSIT - BT KIOSK	Cheswick Green Parish Council	£250.00
RECREATION GROUND - REPAIR (WELDING) LARGE SWINGS	Cheswick Green Parish Council	£180.00
DDRA BENTLEY HEATH PATH	Dorridge & Hockley Heath	£12,865.00
SHIRLEY INSTITUTE WINDOW REFURBISHMENT	Shirley West Ward	£7,797.14
SHIRLEY INSTITUTE REFURBISHMENT	Shirley South Ward	£4,867.86
TOTAL		£80,955.00

- I. The amount of CIL still outstanding for recovery under Regulation 59E at the end of the reported year for all years is £0.00

4. Planned expenditure (2021/2022 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, currently at Examination stage, 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. The IDP is considered to be an evolving document, that can develop and flex to identify infrastructure requirements as they arise in the future. 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
- Sustainable travel and travel planning
- 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 Solihull Local Plan: Draft Submission Plan October 2020.

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.