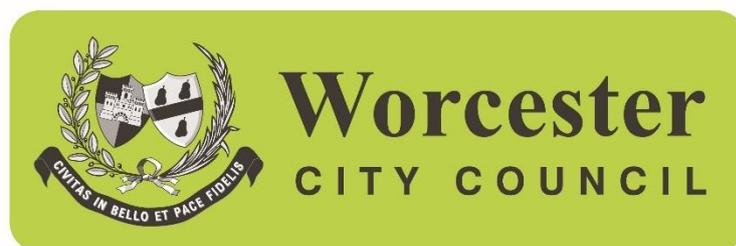


Worcester City Council

# Infrastructure Funding Statement 2019/20

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 Worcester City Council.

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 first IFS prepared by Worcester City Council and an updated version will be published annually.

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 to maximise the benefits and opportunities from growth, whether that is from new housing, employment or other types of specific development.

Section 2 of this report sets out progress toward the collection of CIL in the city. Although no money has been collected or spent to-date it is anticipated that CIL will be collected in the next monitoring period. It is the Council's intention to identify and prioritise CIL infrastructure projects and spend in next year's IFS.

Section 3 sets out the S106 agreements entered into during the monitoring period, including the type and financial value of these agreements. Details are provided of the contributions received by the Council along with the money that has been allocated and spent on projects in the city during the monitoring year.

Section 4 explains the process of identifying appropriate projects to allocate S106 contributions to and how the Council will identify spending priorities.

#### **1.1 Key headlines from the IFS**

In 2019/20 the headline figures are as follows:

##### **Community Infrastructure Levy**

- There were no CIL receipts collected over the last financial year in Worcester City Council nor any spend.

##### **Section 106 Agreements**

- Worcester City entered into 16 new S106 agreements in 2019/20; 12 of which involved contributions including: affordable housing, open space, education, highways and transport, cycle parking and public art.

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

- Worcester City Council received £392,777 of S106 monies from developers; £376,565 in open space contributions and £16,212 for the maintenance of CCTV.
- £114,243 was spent on improvements to and maintenance of public open space, improvements to the public realm and maintenance of CCTV in the City.

### **1.2 Community Infrastructure Levy (CIL) and Section 106 (S106) Agreements**

CIL is a tariff-based charge on development of new floorspace and is charged per square metre; the Levy is charged on some, but not all, types of development. The charges for Worcester City are set out in the [Worcester City CIL Charging Schedule](#) (the Charging Schedule) adopted 16 May 2017 and implemented from 4 September 2017.

The decision to introduce CIL was taken by the three south Worcestershire Councils, Malvern Hills District Council, Worcester City Council and Wychavon District Council. It is intended to contribute, in part, towards funding the infrastructure requirements identified in the joint South Worcestershire Development Plan (SWDP) 2016.

Each of the three authorities has adopted its own Charging Schedule and collects CIL by council area, although monies collected will be pooled centrally for the whole of south Worcestershire to be spent on identified priorities. CIL was first implemented in June 2017 in Wychavon and Malvern Hills District Councils and in September 2017 in Worcester City Council. The monies once collected can potentially be used to fund a wide range of infrastructure that is needed to meet the future growth needs of south Worcestershire.

S106 agreements are used to mitigate the impacts of development and are directly linked to a planning application; they are a legal agreement that is entered into to ensure that the planning policy requirements of the SWDP are fully met. S106 obligations 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, the provision and maintenance of open space, improvements to the public realm, and the delivery of 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, occupancy restrictions for affordable housing, for example to meet a particular

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need for housing key workers, and protecting city centre retail floorspace from being lost to out of town development.

Over the financial year 2019/20, no money has been collected from CIL contributions but £392,777 of funding has been raised from S106 contributions towards the delivery and maintenance of infrastructure across Worcester City.

## **2. Community Infrastructure Levy**

The adopted [Charging Schedule](#) sets out the rates that are charged for different types of development in the City along with any exemptions to the levy. CIL liable development within Worcester City is applicable to:

- retail warehouse and food retail (supermarket) development which is charged at a rate of £60<sup>2</sup> per square metre; and
- student accommodation which is charged at a rate of £100<sup>3</sup> per square metre.

The charge is calculated on the measurement in square metres of the Gross Internal Area of new development and is payable (unless exempt, e.g. self-build) once the development commences.

The level of the tariff is based on the viability evidence undertaken for development across south Worcestershire as a whole and is further justified by the needs identified in the South Worcestershire Infrastructure Delivery Plan (SWIDP).

### **2.1 CIL Income in Worcester City**

To-date there have been no CIL funds collected from development in the City, therefore there is no CIL income to report for the monitoring period 1 April 2019 to 31 March 2020.

Once collected, a proportion of CIL from liable development in a charging area is required to be transferred to local communities via a neighbourhood portion. In Worcester City this will be given to the parish council where the development is taking place at 15% of that collected, or if an area has an adopted neighbourhood plan at 25%. In un-parished areas the 15% of the levy receipts will be held by the charging authority, who will then engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding.

### **2.2 CIL Income in South Worcestershire**

Malvern Hills and Wychavon District Councils have different charging schedules to the City Council and a number of CIL liable developments have commenced in the two districts since the introduction of CIL in June 2017. Between 2017 and 2020 a total of £1,677,821 CIL receipts have been collected in South Worcestershire.

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<sup>2</sup> This figure excludes the annual indexation of the levy. In order to ensure the charging schedule stays responsive to market conditions, indexing of the charging schedule will be applied at the beginning of each year on 1 January by the south Worcestershire Councils based on the index figure of 1 November of the preceding year.

<sup>3</sup> As footnote 1 this figure excludes the annual indexation and is for indicative purposes.

**2.3 Potential Future Income from CIL Liable Development**

The Levy is non-negotiable and is payable to the charging authority on commencement of development or, for large developments, over an agreed phased period as set out in the instalments policy at appendix E of the Charging Schedule. There are some exemptions to the Levy, CIL regulations state that affordable housing and charitable developments (development by a registered charity for charitable purposes), as well as self-build residential properties, are exempt from CIL.

There have been two CIL liable planning approvals prior to the monitoring period. These were both approved in 2018/19 but neither development had commenced by 1 April 2020. The table below shows the two approvals that were CIL liable and highlights that the second application (ref P18J0124) is exempt from the Levy as it is being developed by, and for, a registered charity. Therefore, the only anticipated income from applications approved up to and including the monitoring period is from application P17J0577 where £222,679.71 will be liable on commencement of development.

At the time of drafting, a liability transfer had been received on 29 June 2020 and pre-commencement conditions were being discharged, therefore, it is anticipated that the City Council will receive 50% of this CIL payment in the 2020/2021 monitoring period and 50% in the 2021/22 monitoring period in accordance with the installments policy set out in the adopted Charging Schedule.

**Table 1: CIL Liable Applications Prior to 1 April 2019**

<b>App Ref</b>	<b>Address</b>	<b>Description</b>	<b>Decision Date</b>	<b>Amount</b>	<b>Relief?</b>	<b>Revised Total</b>
P17J0577	YMCA Hostel Henwick Rd Worcester WR2 5NS	Change of use of hostel to student accommodation	29/10/2018	£222,680	No	£222,680
P18J0124	University of Worcester land off Himbleton Rd Worcester WR2 6AJ	20 bed student residence (use class C2)	31/07/2018	£83,729	Yes Charity	£0.00

In addition to the CIL liable approvals in 2018/19, there have been two further approvals in September and December 2020 that are CIL liable. At this stage it is unknown when and whether these developments will

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commence, therefore we are unable to forecast which monitoring period CIL monies could potentially be collected in.

**Table 2: CIL Liabile Applications Post 1 April 2020**

App Ref	Address	Description	Decision Date	Amount	Relief?	Revised Total
19/00851/FUL	JVM Castings Site, Droitwich Road, Worcester, WR3 7JX	Erection of a retail food store (Class A1) with associated infrastructure	10/09/2020	£127,387	No	£127,387
19/0247/FUL	Images Club 19 The Butts Worcester WR1 3PA	Demolition and erection of 83 bedroom student accommodation including ancillary and communal living space	08/12/2020	£242,208	No	£242,208

### 2.4 CIL Expenditure

Despite income from CIL in two of the three Charging Authorities, Malvern Hills and Wychavon, no CIL monies have been spent on identified infrastructure projects to-date. Overall, the amount of CIL estimated to be collected from development in accordance with the adopted SWDP was judged to be approximately £6 million over the entire plan period. The Charging Authorities collectively agreed that CIL reserves should be allowed to accrue to a minimum of £500,000 in order to help make a substantive contribution towards any identified infrastructure project(s).

This sum has now been reached and exceeded and the three Council's will be establishing governance arrangements in 2021 to identify and prioritise CIL spend on projects for the financial years to come. This information will be included in next year's IFS.

### **3. Section 106 Agreements, Collection and Expenditure 2019/20**

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 and securing appropriate levels of open space provision.

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

#### **3.1 Notable S106 Agreements Signed**

During the last financial year sixteen S106 agreements were entered into with developers and/or landowners. Not all the S106 agreements have financial obligations associated with them; four agreements relate either to occupancy restrictions or retail/trading restrictions rather than providing a financial contribution toward infrastructure or affordable housing. The remaining twelve covered a range of contributions including: affordable housing, open space, education, highways and transport, cycle parking and public art.

One of the most notable agreements entered into during the financial year was the joint agreement with Malvern Hills District Council regarding part of the allocated urban extension at Worcester South (SWDP 45/1) for 255 dwellings, employment land and the bridge over the A4440.

The majority of the site falls within Malvern Hills District, but the S106 allocates: 70% of the affordable dwellings (expected to be approximately 36) to meet the needs of Worcester City; and an open space contribution toward the enhancement and/or maintenance of Power Park and public open space in the parish of St Peters. The exact number of affordable homes and the final value associated with the open space contribution is yet to be confirmed as the approved outline application does not set out this level of detail. As the application progresses, and the phases of development are permitted we will be able to provide more detail in future editions of the IFS.

This S106 agreement also contains sizeable contributions toward County Council infrastructure, with £2,636,102 for highways related infrastructure and £1,483,962 for education. These sums will be paid directly to Worcestershire County Council at various stages of the development.

Other notable S106 agreements signed in the last financial year (2019/2020) include:

- The former Defra Site, Whittington Road. Redevelopment of the site to deliver 64 dwellings and 71 extra-care living apartments. This scheme once developed will provide 41 affordable homes and contribute £139,159 toward the provision of open space and its ongoing maintenance.
- Land at Old Northwick Farm, Northwick Road allowed on appeal. Development of the site to deliver 62 dwellings. This scheme once developed is required to provide approximately 19 affordable homes (at least 30% of the total dwellings on site) and contribute £131,898 toward open space provision and maintenance.
- Citation House, 39 Foregate Street. Conversion and extension of the building to form 38 dwellings, office and leisure uses. The developer of this scheme is required to contribute £197,544 toward off-site affordable housing.
- Rose Avenue, Tolladine. Redevelopment of the site to deliver 25 dwellings, a retail unit, a takeaway and associated parking. This scheme once developed will require the developer to contribute £50,000 toward open space provision and maintenance.

### 3.2 Overview of Signed S106 Agreements

Table 3 overleaf sets out the type of infrastructure the S106 agreements signed in the monitoring period are expected to contribute toward if they proceed. There are a total of seven financial contributions toward open space which exceed £360,000; two of these contributions are dependent on the final mix of dwellings delivered on a site.

Five of the agreements require the provision of affordable housing; it is anticipated that should all the developments overleaf go ahead they will deliver approximately 116 affordable homes. In addition to this, one further agreement requires a financial contribution toward off-site affordable housing.

There is one agreement that requires a contribution to public art.

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**Table 3: Monies and Affordable Housing Agreed in Signed S106 Agreements 2019/20.**

Application ref	Location	Number of affordable units	Financial contributions (£) for Worcester City		
			Affordable Housing	Open Space	Public Art
P18G0322	DEFRA Site, Whittington Road	41		£139,159	
P13A0617	Taylor's Lane (Worcester South)	70% of the affordable dwellings for Worcester's needs Approx. 36 units		Tariff per unit final amount tbc to be split 50/50 with Malvern Hills	
P13A0617	Land at Old Northwick Farm, Northwick Road	30% of scheme (approx. 19 units)		£131,898	
P18D0155	2 Stanley Street	15			
P18D0107	Citation House, 39 Foregate Street		£197,544		
P18H0280	Rose Avenue			£50,000	
19/00314/F UL	Crown Gate Shopping Centre				£15,000
P18C0468	Sherwood Lane			£12,869	
P18D0101	Rear of 1-11 Cecil Road	5			
P19D0025	Diglis Marina			£25,974	
19/00458/F UL	Land at Pope Iron Road			£2281 per unit up to a max of £18,248	

Four of the agreements signed in 2019/20 include contributions toward infrastructure provided by Worcestershire County Council. These are set out in the Table 4 below and if development proceeds will be paid directly to the County Council.

**Table 4: Monies Agreed in Signed S106 Agreements 2019/20 for Infrastructure Provided by Worcestershire County Council**

Applicati on ref	Location	Financial contributions (£) for Worcestershire County Council			
		Education Primary	Education Secondary	Highways	Transport and travel
P18G0322	DEFRA Site, Whittington Road				£138,000
P13A0617	Taylors Lane (Worcester South)	£696,172	£787,789	£2,636,102	
P13A0617	Land at Old Northwick Farm, Northwick Road				£44,400
19/00265/ RM	Land at Oak View Way			£20,000	

It should be noted that until a trigger for the S106 agreement has been made there is no certainty that these monies or non-financial contributions will be collected by the Council. Should these permissions remain unimplemented and/or subsequently expire there would be no requirement for the owner or developer to make the financial or non-financial contribution.

### **3.3 S106 Contributions Received 2019/20**

In 2019/2020 a total of £392,777 was received in S106 contributions in Worcester City, this includes commuted sums for maintenance. Table 5 sets out the S106 income and expenditure for the last four financial years.

Income fluctuates each year; this year's income has been at a similar level to that achieved in 2016/17 although spend had been at a lower level than the previous three years.

**Table 5: Worcester City Council S106 Income and Expenditure Since 2016**

Year	Received in year	Expenditure in year
	£	£
2016/17	378,730	552,284
2017/18	1,738	597,658
2018/19	153,999	366,612
2019/20	392,777	114,244

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The income in 2019/20 came from seven development sites. Six were financial contributions for open space and one was a commuted sum for maintenance of CCTV in Castle Street.

- The largest sum was £159,453 received from the development of 215 dwellings on the former Crown Packaging site on Perry Wood Walk. The S106 specifies that the money must be used for one or more of the following purposes including improvements to:
  - access to Perry Wood heritage trail;
  - biodiversity, access, signage, boundary treatments, street furniture and security at Perry Wood Local Nature Reserve;
  - security, boundary fencing, gates, access road, car parking and tipping bays at Hillborough Allotments;
  - play provision at Medway Close, Ribble Close, Ronkswood Community Centre and Horizon Community Centre; and
  - provide facilities for young adults at either Medway Road, Perry Wood Local Nature Reserve or Ronkswood Community Centre/Newtown Green.

This funding will be allocated to one or more of these projects once the details have been finalised and the schemes have been considered by the Council's S106 Programme Board.

- £139,159 was received from the redevelopment of the former Government Buildings on Whittington Road (P18G0322), this is to be used for improvements to Cromwell Crescent Pocket Park and play area and for the provision of new and/or improved site access and a turning area at Foxwell Street Allotments. Details of the exact work that will take place has yet to be finalised and agreed by the Council's S106 Programme Board. The site will also deliver 41 affordable homes which at 1st April 2020 were not yet under construction.
- £19,205 was received from development of student accommodation at 8-10 Foregate Street (P11D0111). This contribution was from a historic application where the developer had not contributed in accordance with the S106 agreement therefore the Council collected late fees in association with this. This contribution has been allocated by the Council's S106 Programme Board to the Arches project in the city connecting the riverside to Foregate Street.
- £14,526 was received from development at Oak View Way off Bromyard Road (P18C0175). This is to be directed toward off-site sports facilities and the provision of either or both civic space and allotments in the vicinity of the development. To-date £6,958 has been allocated and spent on the cricket pavilion at the Cinderella

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Sports Ground, Bransford Road, the remainder is yet to be allocated to a specific project by the Council's S106 Programme Board.

- £25,974 was received from the Diglis Marina development and £18,248 was received from development on Pope Iron Road. Both contributions are to for open space provision within the vicinity of the developments. The agreements do not specify which project the funding must be spent on but, limit it to enhancing one or more of the following: amenity space, equipped play space, civic space, allotments and formal pitches in the vicinity of each of the developments. To-date these contributions have not been allocated to any specific projects by the Council's S106 Programme Board.
- £16,212 was received from the University for ongoing maintenance of Castle Street CCTV and has been spent on this purpose. This sum has been paid annually for nine years since the development commenced.

Of the £392,777 received in 2019/20, £317,817 has been allocated to projects, although it should be noted that the majority of this money (£298,612) has been limited to particular uses in the S106 agreement (see bullet points above) and the Council has yet to finalise and sign off individual project details.

£23,170 of the monies received in 2019/20 has been spent in the financial year and £51,790 remains unallocated but is required to be spent on open space as detailed in the bullet points above. Table 6 overleaf provides an overview of the monies received in 2019/2020, whether they have been allocated to a project, remain unallocated, or have been spent in the monitoring year.

**Table 6: Worcester City Council S106 Income 2019/20, Includes Allocations, Expenditure and Unallocated Balance**

<b>Application ref</b>	<b>Location</b>	<b>Financial Contribution</b>	<b>Received</b>	<b>Allocated not spent</b>	<b>Project funds allocated to</b>	<b>Spent</b>	<b>Project funds spent on</b>	<b>Unallocated balance remaining</b>
P11D0111	8-10 Foregate Street	£19,205	06/09/2019	£19,205	Arches Project	£0	n/a	£0
P18C0175	Oak View Way	£14,526	06/06/2019	£0	n/a	£6,958	Cinderella Pavilion	£7,568
P18G0322	Govt Buildings, Whittington Rd - Phase 2	£139,159	24/07/2019	£139,159	Defined in S106 but detail to be finalised	£0	n/a	£0
P19D0025	Diglis Marina, Diglis Basin	£25,974	07/01/2020	£0	n/a	£0	n/a	£25,974
19/00458/FUL	Unit 2 Pope Iron Road	£18,248	13/03/2020	£0	n/a	£0	n/a	£18,248
P17G0258	Crown Packaging Perry Wood Walk	£159,453	26/04/2019	£159,453	Defined in S106 but detail to be finalised	£0	n/a	£0
P07D0193	Castle Street, Worcs Uni CCTV	£16,212		n/a	n/a	£16,212	CCTV Castle Street	£0
<b>Totals</b>		<b>£392,777</b>		<b>£317,817</b>		<b>£23,170</b>		<b>£51,790</b>

### **3.4 S106 Contributions Carried Forward from Previous Years**

In addition to money received in 2019/20, the Council had a balance of S106 monies carried forward from previous years; as at the 1<sup>st</sup> April 2019 the Council carried forward £616,881 of previously collected S106 contributions which included £98,659 set aside for long term maintenance. £70,613 was subsequently spent in the monitoring year on infrastructure projects and £20,460 on longer term maintenance (the amounts spent do not include money that was received and spent in the monitoring period as this is detailed in table 6 on the previous page).

£313,362 of the money that was carried forward at 1 April 2019 has been allocated to a range of projects in the City including:

- £135,222 toward open space enhancements in the vicinity of Diglis Basin as part of the Council's Diglis Project;
- £32,262 toward improvements to the Cinderella Sports Ground;
- £62,278 toward the replacement of the 3G pitch at Brickfields Park;
- £50,963 toward improvements to Fort Royal Park including the historical interpretation of the park, landscaping and and/or improved connections between park and the Commandery;
- £22,000 toward enhancements and maintenance at Newtown Green including new fencing and the installation of mini goals;
- £5,226 toward improvements to entrances and paths for public access onto Pitchcroft Racecourse as part of the Riverside Project; and
- £5,411 toward landscaping improvements at Whittington Road and island, and improvements to Foxwell Street allotments.

At the end of the monitoring period £134,247 of the money carried forward at the start of the financial year remained unallocated.

£78,199 will be carried forward for longer term maintenance on range of facilities including statues and sculptures, grounds maintenance and the upkeep of open space facilities at various locations in the City and maintenance of the wetlands at Offerton Lane Nature Reserve.

Tables 7 and 8 set out overleaf capture all this information relating to monies that were carried forward from previous years and any transactions associated with them.

**Table 7: Worcester City Council S106 Monies Carried Forward 1 April 2019 Summary of Transactions 2019/20**

<b>Application Ref</b>	<b>Development</b>	<b>Balance at 1 April 2019</b>	<b>Spent in 2019/20</b>	<b>Spent on</b>	<b>Monies Allocated</b>	<b>Project Allocated to</b>	<b>Remains Unallocated 31 March 2020</b>
P03L0182	Diglis Basin	£124,434	£0		£124,434	Diglis Project	£0
P05D0432	Royal Worcester	£10,788	£0		£10,788	Diglis Project	£0
P07Q0634	Dugdale Drive	£4,277	£4,277	Mabbs Orchard	£0		£0
P09C0007	Margaret Road	£295	£295	Maintenance of benches at Pitmaston	£0		£0
P10K0351	Earls Court Farm	£32,262	£0		£32,262	Cinderella Pavilion, Cricket Ground	£0
P12K0308	Gresham Road	£2,867	£2,867	Howard Road playing fields	£0		£0
P12Q0232	Ronkswood	£54,988	£0		£54,988	Replacement 3G pitch at Brickfields Park	£0
P13N0461	Brickfields	£7,290	£0		£7,290	Replacement 3G pitch at Brickfields Park	£0
P11D0028	9 New Street	£6,010	£6,010	Shambles improvements to public realm	£0		£0

<b>Application Ref</b>	<b>Development</b>	<b>Balance at 1 April 2019</b>	<b>Spent in 2019/20</b>	<b>Spent on</b>	<b>Monies Allocated</b>	<b>Project Allocated to</b>	<b>Remains Unallocated 31 March 2020</b>
P12D0249	17-19 Mealcheapen Street	£16,236	£16,236	Shambles improvements to public realm	£0		£0
P13D0385	St Peter's Street	£32,960	£16,244	Sidbury improvements to public realm and tree planting	£16,716	Fort Royal Park improvements	£0
P14K0485	28 Bromyard Road	£6,611	£6,611	Cripplegate Tennis Courts	£0		£0
P06D0292	Christian Meeting Room, Diglis Lane	£19,906	£0		£0		£19,906
P15G0315	Lichfield Avenue	£22,000	£0		£22,000	Newtown Green improvements - fencing, mini goals and maintenance	£0
P15D0423	Butlers Gym, Farrier Street	£5,226	£0		£5,226	Pitchcroft as part of Riverside project	£0
P16D0211	6-10 Bath Road	£16,335	£16,335	Sidbury improvements to public realm and tree planting	£0		£0
P15D0146	Land at Albert Road	£34,247	£0		£34,247	Fort Royal Park	£0

<b>Application Ref</b>	<b>Development</b>	<b>Balance at 1 April 2019</b>	<b>Spent in 2019/20</b>	<b>Spent on</b>	<b>Monies Allocated</b>	<b>Project Allocated to</b>	<b>Remains Unallocated 31 March 2020</b>
P16D0460	Farrier House	£1,738	£1,738	Shambles improvements to public realm	£0		£0
P16G0178	Government Buildings, Whittington Road	£5,411	£0		£5,411	Whittington Road and island landscaping and improvements to Foxwell Street allotments	£0
P18Q0226	Land South of Leopard Hill	£114,341	£0		£0		£114,341
<b>Totals</b>		<b>£518,222</b>	<b>£70,613</b>		<b>£313,362</b>		<b>£134,247</b>

**Table 8: Worcester City Council S106 Commuted Sums Allocated for Maintenance**

<b>Area of Maintenance</b>	<b>Balance at 1 April 2019</b>	<b>Spent in 2019/20</b>	<b>Balance 31 March 2020</b>
Artwork: statues/sculptures	£6,759	£0	£6,759
CCTV	£5,460	£5,460 <sup>4</sup>	£0
Open Space: grounds maintenance, recreation facilities, pitches and wetlands maintenance	£86,440	£15,000	£71,440
<b>Totals</b>	<b>£98,659</b>	<b>£20,460</b>	<b>£78,199</b>

<sup>4</sup> This does not include the £16,212 received and spent in 2019/20 as this captured in Table 6

### **3.5 S106 Contributions Transferred**

The City Council has not transferred any funding to other bodies in the monitoring period although a contribution was made to Worcestershire County Council toward the public realm improvements on the Shambles as they lead the project. Where other bodies provide the infrastructure for example Worcestershire County Council, they are involved in the S106 negotiations and generally receive contributions directly rather than being collected by the City and transferred. The County Council will be producing their own IFS.

### **3.6 S106 Contributions Returned to Developers**

Most Section 106 agreements include a clause to require money received by the City Council and not spent within a specified time limit (usually ten years) to be returned to the developer with interest.

There was no money refunded to developers in the monitoring period.

### **3.7 S106 Contributions Monitoring Fees**

The City Council has not collected any S106 monitoring fees in the 2019/20 monitoring period. New charges have been introduced by the City Council and will be reported on in future editions of the IFS.

### **3.8 Non-financial S106 contributions: Affordable Housing**

The SWDP requires all new residential development (including conversions) of 10 or more units and on sites of over 0.5 hectares to contribute toward the provision of affordable housing. The final number, size, type, and tenure of affordable dwellings provided on any scheme is subject to negotiation dependent on recognised local housing need, specific site and location factors and development viability.

The following thresholds are set for delivering affordable housing in the City (see the South Worcestershire Councils' [Position Statement](#) June 2019):

- On sites of 15 or more dwellings, on greenfield land, 40% of the units should be affordable and provided on site.
- On sites of 15 or more dwellings, on brownfield land 30% of the units should be affordable and provided on site.
- On sites of 10-14 dwellings, 30% of units should be affordable and provided on site.
- On sites of 9 dwellings or less and where the site area is less than 0.5ha, no affordable housing contributions will be sought.

Affordable housing should be provided on-site in the first instance, although where a robust justification exists off-site contributions (or an in-lieu payment) will be allowed.

As highlighted in Section 3.2 and at table 3, six S106 planning agreements have been entered into in the monitoring period that will potentially deliver affordable housing in the City.

- One agreement has been signed in 2019-20 that could generate a financial contribution of £197,544 toward the delivery of affordable housing
- Five agreements have been signed that could deliver approximately 116 affordable homes<sup>5</sup> if the development goes ahead.

Within the monitoring period 2019-20 three sites where S106 agreements had been entered into delivered 58 affordable homes.

**Table 9: Affordable Housing Completions 2019/20 on Sites with S106 Agreements**

<b>Application Ref</b>	<b>Location</b>	<b>Date Agreement Signed</b>	<b>Number of Units Completed</b>
P18C0175	Land off Oak View Way	01/02/2019	30
P16G0178	Whittington Road	26/08/2016	14
P18D0155	2 Stanley Road	09/04/2019	14

No financial contributions relating to affordable homes were collected within the monitoring period.

### **3.9 S106 spending**

As has been demonstrated in earlier sections the expenditure of S106 funds in 2019/20 totalled £114,243. This has been spent on a range of projects.

- £36,088 has been spent on open space and leisure projects including:
  - improvements to the Cinderella Sports Ground and pavilion;
  - landscaping and planting improvements at Mabbs Orchard;
  - maintenance of benches at Pitmaston Park;
  - repairs to damaged fencing and bark chippings at Howard Road play area;
  - improvements to tennis courts at Cripplegate Park; and

<sup>5</sup> Two of the applications are outline permissions where only a percentage of the total number of homes permitted is set out in the S106 agreement. Until Reserved Matters are approved and the final number of dwelling known it is only possible to estimate the number of affordable homes that will be delivered as part of these schemes based on the indicative number in the outline application.

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- ongoing maintenance at numerous open spaces in Warndon parish using commuted funds.
- £56,563 has been spent on improvements to the public realm including:
  - contributing to the paving and planting along the Shambles; and
  - improvements to public realm including railings, fences, paving and tree planting at Sidbury, adjacent to Commandery Road and at Commandery Road car park.
- £21,672 has been spent on maintenance of CCTV.

**Table 10: S106 Expenditure 2019/20**

<b>Application ref</b>	<b>Location</b>	<b>Spent 2019/20</b>	<b>Project funds spent on</b>
P18C0175	Oak View Way	£6,958	Cinderella Pavilion
P07Q0634	Dugdale Drive	£4,277	Mabbs Orchard
P09C0007	Margaret Road	£295	Maintenance of benches at Pitmaston
P12K0308	Gresham Road	£2,867	Howard Road playing fields
P11D0028	9 New Street	£6,010	Shambles improvements to public realm
P12D0249	17-19 Mealcheapen Street	£16,236	Shambles improvements to public realm
P13D0385	St Peter's Street	£16,244	Sidbury improvements to public realm and tree planting
P14K0485	28 Bromyard Road	£6,611	Cripplegate Tennis Courts
P16D0211	6-10 Bath Road	£16,335	Sidbury improvements to public realm and tree planting
P16D0460	Farrier House	£1,738	Shambles improvements to public realm

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P07D0193	Castle Street, Worcs Uni CCTV	£16,212	CCTV Castle Street Maintenance
P07D0193	Castle Street, Worcs Uni CCTV	£5,460	CCTV Castle Street Maintenance
Various	Multiple sites in Warndon	£15,000	Open Space: grounds maintenance, wetlands maintenance, recreation facilities and pitches
<b>Total</b>		<b>£114,243</b>	

## **4. Governance Arrangements and Spending Priorities**

Worcester City 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.

### **4.1 CIL Governance and Spending Priorities**

It is acknowledged that the 2019 regulations require the IFS to set out identified projects and prioritise them for CIL spending.

The three south Worcestershire authorities will agree governance arrangements and protocol for identifying and prioritising CIL expenditure in 2021, therefore, this will be reported on in future editions of the IFS.

### **4.2 S106 Governance and Spending Priorities**

The Council has a S106 Programme Board comprising senior officers from Legal, Finance, Planning and Economic Development, Property Services, Project Management, and Environmental Operations Management. The Board meets quarterly to review the collection and spending of developer contributions and acts as a decision-making body to oversee the allocation of funds to projects and to monitor their progress. Where appropriate, decisions are taken to the Corporate Leadership Team or Policy Committees as required.

The type of use a S106 contribution must be spent on is established in the S106 agreement itself, and very often the location in which it is to be spent is also detailed. Where the location is not specified it is normal for S106 agreements to require them to be spent within the vicinity of the development. The Programme Board consider project proposals that are presented to the Board to ensure that they meet the requirements of the S106 before finally allocating the funding. Progress against each project and the balance remaining in S106 agreements is reviewed at each meeting; any remaining funds that are close to reaching their specified time limit will be prioritised.

As has been presented in tables 6 and 7 in Section 3 money has been allocated to a range of projects and these will be prioritised and progress against these will be monitored during the next financial year. These include but are not limited to the Council's Diglis project, Arches project, Riverside Project, improvements to Cinderella Sports Ground, a new 3G Pitch at Brickfields, and improvements to Fort Royal Park and Newtown Green.

## **Infrastructure Funding Statement 2019/2020**

In addition to S106 funds the Council holds, it is important that the Council knows what it would spend developer contributions on before development proposals become planning applications. This ensures the determination of applications is not delayed, contributions are matched to the Council's infrastructure priorities and there is a reduced chance legal agreements will have to be re-negotiated via a deed of variation to match the developer contributions with a deliverable infrastructure project.

Members (Councillors) are asked to suggest projects to be funded from potential developer contributions on an annual basis to help inform officer negotiations with developers if appropriate applications should be received. These suggestions are reviewed by the Programme Board to assist with identifying future spending priorities and where appropriate project proposals are developed.