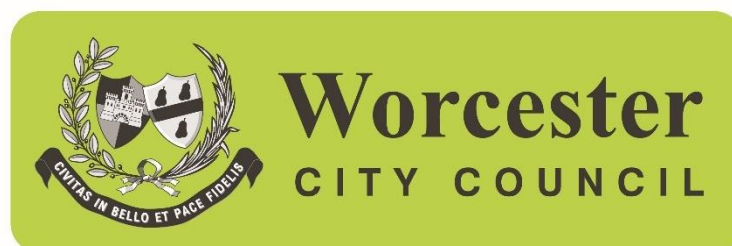


Worcester City Council

Infrastructure Funding Statement 2021/22

For the monitoring period 1 April 2021 – 31 March
2022

Published December 2022



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.

Legislation changes introduced in 2019¹ require Local authorities to produce an IFS on an annual basis.

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 the applications from which CIL has been collected in the city. The Council is in the process of identifying and prioritising CIL infrastructure projects and spend and these will be published during 2023 as an addendum to this 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 2021/22 the headline figures are as follows:

Community Infrastructure Levy

- £471,171 of CIL was collected by Worcester City Council over the last financial year. To date no CIL has been spent.

Section 106 Agreements

- Worcester City entered into 5 new S106 agreements in 2021/22.
- Worcester City Council received £791,146 of S106 monies from developers in the monitoring period; £610,991 in open space contributions, £160,000 in lieu of providing a footbridge and £20,155 in affordable housing contributions.

¹ Community Infrastructure Levy (Amendment)(England)(No.2) Regulations 2019

- £123,849 was spent on improvements to and maintenance of public open space, and improvements to the public realm in the monitoring period.

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

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Over the financial year 2021/22 £471,171 has been collected from CIL contributions and £791,146 of funding has been collected 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 £60² per square metre; and
- student accommodation which is charged at a rate of £100³ 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

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 four CIL liable planning approvals since the introduction of CIL in the City, two of these were approved during 2020/21 and two during 2018/19. However, only three are required to pay CIL, as a site at the University of Worcester (ref P18J0124) is exempt from the Levy as it is being developed by, and for, a registered charity.

During the monitoring period 1 April 2021 to 31 March 2022 £471,171.11 of CIL receipts were collected in the City.

² 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.

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

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Table 1: CIL Receipts 2021-2022

App Ref	Address	Amount	Commence ment Date	Amounts Received	Dates Received	Outstanding
P17J0577	YMCA Hostel Henwick Rd WR2 5NS	£222,680	28/06/2021	£111,340 £111,340	2 instalments on 25/08/2021 15/12/2021	£0
19/00851/ FUL	JVM Castings Site, Droitwich Road, WR3 7JX	£127,387	21/06/2021	£63,694 £63,694	2 instalments on 18/08/2021 6/12/2021	£0
19/00247/ FUL	Images Club 19 The Butts WR1 3PA	£242,208	08/11/2021	£121,104	18/02/2022	£121,104
Total				£471,171		£121,104

The outstanding amount of £121,104 for planning application 19/00247/FUL has been paid in accordance with the phases set out in the charging schedule and was received outside the monitoring period on 8 May 2022.

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 neighbourhood portion 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.

To-date the CIL funds in the City have been collected from sites that are located in unparished areas therefore 15% of the total sum collected, £70,676 will be available for neighbourhood funding. At the time of drafting officers are developing a procedure for engaging with the relevant communities to identify how the neighbourhood portion will be allocated. The S106 Programme Board will be the internal body that oversees this process.

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.

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Between 2017 and 2022 a total of £3,604,600 CIL receipts have been collected in South Worcestershire. £592,683 of this has been transferred to the relevant Parish Councils in Wychavon District and Malvern Hills District as their neighbourhood portion, and a further £70,676 will be allocated to projects in Worcester City once a procedure for allocating neighbourhood funding in unparished areas has been formally established.

Table 2: South Worcestershire CIL Receipts 2017-2022

Year	Wychavon	Malvern Hills	Worcester City
2017-2018	£61,492	£8,381	£0
2018-2019	£217,895	£512,913	£0
2019-2020	£371,635	£505,505	£0
2020-2021	£432,689	£467,895	£0
2021-2022	£390,349	£164,675	£471,171

2.3 CIL Expenditure

Despite income being accrued from CIL in all three Charging Authorities, 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 2020/21 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 confirm specific infrastructure projects to be supported by CIL during this monitoring year. However, there is an undertaking that projects will go through the internal governance process early in 2023 and the identified projects for CIL spending will be published as an addendum to this IFS as soon as is practicable.

3. Section 106 Agreements, Collection and Expenditure 2021/22

The SWDP 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 five S106 agreements were entered into with developers and/or landowners. Not all the S106 agreements have financial obligations associated with them, two will see the delivery of affordable housing if development proceeds and two were deeds of variation to existing agreements.

During the period 2021/22 the following notable S106 agreements were signed:

- Land at Ketch Field to the north of Taylors Lane (20/00775/FUL). Full permission for 92 dwellings.

The S106 agreement establishes that the development will provide 100 percent of the dwellings as affordable homes (92) for Worcester City Council. The site will also deliver on site public open space as part of the scheme including allotments and a community orchard. The S106 requires a contribution to the County Council to deal with traffic management.

- Worcester Fire Station Copenhagen Street (21/00094/FUL). Full permission for conversion to provide mixed use development comprising 28 residential units and commercial floorspace.

The S106 agreement establishes that the development will provide a financial contribution of £20,155 toward off-site affordable housing provision and a contribution of £92,524 toward off-site open space in the vicinity of the development.

- 4 Mayfield Road, Worcester (20/00246/FUL) Full permission for the development of 22 apartments.

The S106 agreement establishes that the development will provide a financial contribution of £21,755 toward off-site affordable housing provision and a contribution of £27,262 toward off-site open space in the vicinity of the development. This is to be used for improvements

and enhancements to one or more of the following: allotments, equipped play space and amenity space.

3.2 Overview of Signed S106 Agreements

Table 3 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 two financial contributions toward open space amounting to £119,786, these are to be spent on open space provision and enhancements within the vicinity of the developments. Two of the agreements require financial contributions toward off-site affordable housing provision totalling £41,910 whilst two will deliver a total of 104 affordable dwellings on site.

Two of the agreements were deeds of variation to existing agreements. The first is a variation to remove the clawback provisions. This has removed the requirement for the developer to undertake a further viability assessment which may have resulted in the developer being required to make additional financial contributions. This has been removed because the developer submitted a new Viability Study demonstrating that the development is still considered unviable if full contributions are made. It should be noted that the transport and public open space contributions detailed in the original S106 were received in 2020, but there will be no additional contributions or affordable housing on the site. The second deed of variation to an agreement is a variation to the mix of affordable housing required on the site to more accurately reflect the existing housing need rather than a change to the amount of housing.

Table 3: Monies and Affordable Housing Agreed in Signed S106 Agreements 2021/22.

Application ref	Location	Number of affordable units	Financial contributions (£)	
			Affordable housing	Open space and leisure
20/00246/FUL	4 Mayfield Road, Worcester		£21,754.90	£27,261.62
20/00775/FUL	Land at Ketch Field to the north of Taylors Lane	92 (100%)		
21/00094/FUL	Worcester Fire Station Copenhagen Street		£20,155.27	£92,524.00
P15D0510	Lowesmoor Trading Estate, St Martins Gate	n/a variation no contributions required		
P15B0288	Former NALGO sports Pitches, Worcester	12 Variation to mix		

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One of the agreements signed in 2021/22 includes a contribution toward infrastructure provided by Worcestershire County Council. This is set out in Table 4 and if development proceeds will be paid directly to the County Council who will produce their own IFS report.

Table 4: Monies Agreed in Signed S106 Agreements 2021/22 for Infrastructure Provided by Worcestershire County Council

App ref	Location	Financial contributions (£) for Worcestershire County Council			
		Education Primary	Education Secondary	Highways	Transport and travel
20/00775/ FUL	Land at Ketch Field to the north of Taylors Lane				£13,500.00

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 2021/22

In 2021/2022 a total of £791,146 was received in S106 contributions in Worcester City.

Table 5 sets out the S106 income and expenditure for the last five financial years; income fluctuates each year. This year's income has been higher than the preceding years and may be a result of a backlog of sites being delivered after the delays caused by the Covid pandemic in addition to normal site commencement and delivery.

Spend has increased slightly but still remains lower than 2016 to 2019.

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

Year	Received in year	Expenditure in year
	£	£
2016/17	378,730	583,285 ⁴
2017/18	1,738	628,656 ⁴
2018/19	153,999	440,236 ⁴
2019/20	392,777	114,244
2020/21	108,444	105,904
2021/22	791,146	123,849

⁴ This sum differs from previous editions of IFS as it previously excluded commuted sums

The income in 2021/22 came from seven development sites. The majority of the contributions were toward open space.

- The largest sum was an open space contribution of **£343,019**, received from a residential development of 215 dwellings at the former Crown Packaging site, Perrywood Walk (P17G0258). This was the last two of three instalments to be paid on this site. The second instalment was required on or before occupation of 50% of the dwellings and the last instalment on or before occupation of 75% of the dwellings. 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.

The applicant was also required to make a second education contribution direct to Worcestershire County Council prior to the occupation of 50% of the dwellings, this sum will be reported in the County's IFS.

- **£160,000** was received from the Royal Porcelain Works redevelopment application for a mixed-use development (P05D0432), this was in lieu of providing a footbridge at the site. The funding is allocated to the Diglis to Carrington Active Travel Corridor project which provides a walking and cycling route between the two areas.
- **£141,416** was received from the Old Northwick Farm residential development (P19E0021) as an off-site public open space contribution. This is to be used in the vicinity of the development for improvements, enhancements and continued maintenance to one or more of the following: allotments, civic space and amenity space. No agreements for spend were finalised during the monitoring period but in June 2022 the Council's S106 Programme Board approved spending £10,000 to

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meet a shortfall in funding for the ongoing improvements to [Perdiswell Park](#) as part of the amenity space improvements. Details of the exact work that the remainder of the money will be spent on has yet to be finalised and agreed by the Council's S106 Programme Board.

- **£112,679** was received from the Former Fire Station redevelopment (21/00094/FUL). £92,524 was an off-site open space contribution to be spent in the vicinity of the development, whilst £20,155 was a contribution toward off-site affordable housing. The affordable housing and open space funding will be allocated to one or more projects once the details have been finalised and the project(s) approved by the Council's S106 Programme Board.
- **£13,000** was received from development on land at Hopton Street to contribute toward the Mecco Memorial Nature Park. Landscape architect procurement was completed in the monitoring period. This development has provided 25 affordable dwellings which were also completed in the monitoring year.
- **£11,397** was received from development at Mayfield, 282 Malvern Road (20/00579/FUL). This is an open space contribution toward as an off-site public open space contribution. This is to be used in the vicinity of the development for improvements and enhancements to one or more of the following: allotments, children's play equipment, sport pitches, civic space and amenity space. The funding will be allocated to one or more projects once the details have been finalised and the project(s) approved by the Council's S106 Programme Board.
- **£9,634** was received from development at 18 St Johns (P15K0271) This is an open space contribution toward as an off-site public open space contribution. The S106 specifies that this is to be used for improvements to Cripplegate Park. It can either be used for improving entrances and lighting and/or improving or enhancing the swing play equipment. The funding will be allocated to one or more of these projects once the details have been finalised and approved by the Council's S106 Programme Board.

Only £1,335 of the money received in 2021/22 has been spent in this financial year. £544,473 of the funds collected in the monitoring period already have a specified project or projects outlined in a S106 agreement. At the time of drafting the Council has yet to finalise and sign off all the individual projects, where necessary they will be presented to the Council's S106 Programme Board for approval, once resource and capacity allows, prior to any work taking place.

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Funds that have been collected where no project has been specified in the S106 agreement will be considered alongside member priorities to identify where this money can be spent in accordance with the wording of the S106 agreements as resource and capacity allows.

Table 6 provides an overview of the income received in 2021/2022, 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 2021/22, Includes Allocations, Expenditure and Unallocated Balance

App. ref	Location	Financial Contribution	Received	Allocated not spent	Project funds allocated to	Spent	Unallocated balance remaining
P05D0432	Royal Worcester	£160,000	18/03/2022	£160,000	Diglis to Carrington Active Travel Corridor	£0	£0
P17G0258	Crown Packaging Perry Wood Walk	£343,019	18/06/2021 10/12/2021	£343,019	Defined in S106 but detail to be finalised	£0	£0
P18K0195	Hopton Street	£13,000	27/08/2021	£11,665	Meco Memorial Park	£1,335	£0
21/00094/ FUL	Former Fire Station, Copenhagen Street	£112,679	15/11/2021	£20,155	£20,155 for affordable housing and £92,524 for Open space - project for open space TBC	£0	£92,524
P19E0021	Old Northwick Farm	£141,416	29/12/2021	£0	Options established in S106 but detail to be finalised.	£0	£141,416
P15K0271	18 St Johns	£9,634	18/01/2022	£9,634	Defined in S106 but detail to be finalised	£0	£0
20/00579/ FUL	Mayfield, 282 Malvern Road	£11,397	31/01/2022	£0	Open space project TBC	£0	£11,397
Totals		£791,146		£544,473		£1,335	£245,337

3.4 S106 Contributions Carried Forward from Previous Years

In addition to money received in 2021/22, the Council had a balance of S106 monies carried forward from previous years; as at the 1st April 2021 the Council carried forward £897,954 of previously collected S106 contributions which included £63,714 set aside for long term maintenance. £113,849 was subsequently spent in the monitoring year on infrastructure projects and £10,000 on longer term maintenance. See tables 7 and 8 overleaf for a breakdown.

£608,144⁵ of the money that was carried forward at 1 April 2021 has been allocated to a range of projects in the City including:

- £159,452 towards various improvements around Perrywood Walk.
- £129,487 towards improvements at Foxwell Street Allotments and Cromwell Crescent, £102,390 has been spent in the monitoring year.
- £135,222 towards Towns Fund active travel corridor projects.
- £75,000 towards a new Multi Use Games Area (MUGA) at Brecon Avenue.
- £62,278 toward the replacement of the 3G pitch at Brickfields Park.
- £50,811 toward improvements to play equipment and landscaping at Hollymount School. A proposal is being worked up by the school.
- £34,246 toward improvements to Fort Royal Park including the historical interpretation of the park, £10,124 has been spent in the monitoring year.
- £30,027 toward either or both improvements or enhancement to children's play provision at Field Walk play area, and /or access and path improvements, to Battenhall Park/Duckbrook corridor.
- £27,605 toward works to the pasture and meadow adjoining Laugherne Brook.
- £7,567 towards open space at Oak View Way.
- £5,226 toward improvements to entrances and paths for public access onto Pitchcroft Racecourse as part of the Riverside Project.
- £3,006 toward Whittington Road and island landscaping.

At the end of the monitoring period £113,581 of the money carried forward at the start of the financial year remained unallocated.

£ 53,714 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.

⁵ This total excludes sums that were carried over at the start of the financial year and subsequently spent within the monitoring year.

Table 7: Worcester City Council S106 Monies Carried Forward 1 April 2021 Summary of Transactions 2021/22

Application Ref	Development	Balance at 1 April 2021	Spent in 2021/22	Spent on	Monies Allocated	Project Allocated to	Remains Unallocated 31 March 2022
P03L0182	Diglis Basin	£124,434	£0		£124,434	Active travel corridor projects	£0
P05D0432	Royal Worcester	£10,788	£0		£10,788	Active travel corridor projects	£0
P12Q0232	Ronkswood Hospital site	£54,988	£0		£54,988	Replacement pitches at Brickfield Park	£0
P13N0461	Brickfields	£7,290	£0		£7,290	Replacement 3G pitch at Brickfields Park	£0
P13D0385	St Peter's Street	£728	£0		£728	Sidbury Public Realm	£0
P06D0292	Christian Meeting Room, Diglis Lane	£19,906	£0		£0		£19,906
P15G0315	Lichfield Avenue	£10,112	£0		£0		£10,112
P15D0423	Butlers Gym, Farrier Street	£5,226	£0		£5,226	Pitchcroft as part of Riverside project	£0
P15D0146	Rose Bank, London Street	£34,247	£10,124	Fort Royal Park cannons / Interpretation	£24,123	Fort Royal Park	£0

Application Ref	Development	Balance at 1 April 2021	Spent in 2021/22	Spent on	Monies Allocated	Project Allocated to	Remains Unallocated 31 March 2022
				Boards / Staff costs			
P16G0178	Government Buildings, Whittington Road	£3,006	£0		£3,006	Whittington Road and island landscaping	£0
P18Q0226	Land South of Leopard Hill	£114,341	£0		£75,000	MUGA at Brecon Avenue	£39,341
P17G0258	Crown Packaging Site, Perrywood Walk	£159,452	£0		£159,452	Various improvements in Perrywood Walk	£0
P18C0175	Oak View Way	£7,568	£0		£7,568	Open space near Oak View Way	£0
P18G0322	Govt. Buildings, Whittington Road – Phase 2	£129,487	£102,390	Foxwell Street Allotments / Cromwell Crescent improvements	£27,098	Foxwell Street Allotments / Cromwell Crescent improvements	£0
P19D0025	Diglis Marina, Diglis Basin	£25,974	£0		£0		£25,974
19/00458/FUL	Unit 2 Pope Iron Road	£18,248	£0		£0		£18,248
P15B0288	Former NAGLO Sports Ground Battenhall Rd	£30,027	£0		£30,027	Options defined in S106 but detail to be finalised.	£0
P18H0280	Rose Avenue	£50,811	£0		£50,811	Project being worked up by	£0

Application Ref	Development	Balance at 1 April 2021	Spent in 2021/22	Spent on	Monies Allocated	Project Allocated to	Remains Unallocated 31 March 2022
						Hollymount School for improvements to play equipment and landscaping	
P15C0371	Former Ice Works, Bromyard Road	£27,605	£0		£27,605	Works to the adjoining Laugherne Brook pasture and meadow – detail to be finalised	
Totals⁶		£834,240	£112,514		£608,144		£113,581

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

Area of Maintenance	Balance at 1 April 2021	Spent in 2021/22	Balance 31 March 2022
Artwork: statues/sculptures	£6,759	£0	£6,759
Open Space: grounds maintenance, recreation facilities, pitches and wetlands maintenance	£56,955	£10,000	£46,955
Totals	£63,714	£10,000	£ 53,714

⁶ May not sum exactly due to rounding

3.5 S106 Contributions Transferred

The City Council has not transferred any funding to other bodies in the monitoring period.

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 collected S106 monitoring fees in the 2021/22 monitoring period. The charge was introduced by the City Council in the 2019/20 monitoring period. During the period 2021/22 the Council has collected £1,950 from 3 agreements.

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.

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As highlighted in Section 3.2 and at table 3, two new S106 planning agreements have been entered into in the monitoring period that will potentially deliver 104 affordable homes in the City if the developments go ahead and two will contribute toward off-site delivery of affordable dwellings.

Within the monitoring period 2021-22 six sites where S106 agreements had previously been entered into delivered 128 affordable homes.

Table 9: Affordable Housing Completions 2021/22 on Sites with S106 Agreements

Application Ref	Location	Date Agreement Signed	Number of Units Completed
P18C0175	Land off Oak View Way	01/02/2019	18
P17G0258	Crown Packaging Site, Perrywood Walk	13/10/2017	40
P18K0195	Rear of 31 Hopton Street, Worcester	24/04/2020	25
P18H0280	112-118 and 155-161 and land adjoining Rose Avenue, Tolladine	26/06/2019	9
20/00352/FUL	Former Tolladine Golf Course, Worcester	19/03/2021	11
P19D033	3-4 Shaw Street	14/10/2019	25

3.9 Financial S106 contributions: Affordable Housing

One financial contribution toward affordable homes was collected within the monitoring period.

Table 10: Affordable Housing Contributions 2021/22

Application Ref	Location	Payment received	Contribution £
21/00094/FUL	Former Fire Station, Copenhagen Street	15/11/2021	£20,155

3.10 S106 spending

As has been demonstrated in earlier sections the expenditure of S106 funds in 2021/22 totalled £123,849. This has been spent on a range of open space projects.



- £102,390 spent on repairs to the access road at Foxwell Street Allotment Site and a range of improvements at Cromwell Crescent Park: new pathways, play area railings, a swing, cycle hoops, benches and picnic tables.
- 10,124 spent on Cannons and interpretation boards at Fort Royal Park celebrating the history of the area.
- £1,335 spent on Landscape architect procurement in the monitoring period toward the provision of Meco Memorial Park.
- £10,000 spent on ongoing maintenance at numerous open spaces in Warndon parish using commuted funds.

Table 10: S106 Expenditure 2021/22

Application ref	Location	Spent 2021/22	Project funds spent on
P15D0146	Rose Bank, London Street	£10,124	Fort Royal Park
P18G0322	Govt. Buildings, Whittington Road - Phase 2	£102,390	Foxwell Street allotments / Cromwell Crescent improvements
P18K0195	Hopton Street	£1,335	Meco Memorial Park
Various	Multiple sites in Warndon	£10,000	Open Space: grounds maintenance, wetlands maintenance, and recreation facilities
Total		£123,849	

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 are in the process of identifying and prioritising CIL expenditure in 2023, therefore, an update will be provided in 2023 when this process has been agreed.

4.2 S106 Governance and Spending Priorities

The Council has a S106 Programme Board comprising senior officers from Legal, Finance, Planning, 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 (for example expenditure over £50,000) 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. It is important that a S106 agreement is flexible enough to adapt to changing requirements particularly where it may be some time before a development commences and triggers for contributions are met. 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 active travel corridor projects, Riverside Project, finalising improvements to Foxwell Street Allotments / Cromwell

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Crescent, a new 3G Pitch at Brickfields, a replacement MUGA at Brecon Avenue and improvements to Fort Royal Park wall.

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 to help inform officer negotiations with developers if appropriate applications should be received. These suggestions are reviewed by the Programme Board and kept on a database for officers and Members to use to assist with identifying future spending priorities and where appropriate project proposals are developed.