



INFRASTRUCTURE, SAFETY AND GROWTH SCRUTINY COMMITTEE

Date 16th November 2021

Tuesday, 23rd November, 2021, 6.00 pm in Council Chamber, Marmion House,
Lichfield Street, Tamworth, B79 7BZ

SUPPLEMENT – UPDATED DOCUMENT

Further to the Agenda and Papers for the above meeting, previously circulated, please find attached an updated Report for the following agenda item:

Agenda No. Item

8. **Infrastructure Funding Statement 2020/21** (Pages 3 - 18)
(Report of the Portfolio Holder for Regulatory and Community Safety)

Yours faithfully

A handwritten signature in black ink, appearing to be 'AS', followed by a long horizontal line extending to the right.

Chief Executive

To Councillors: S Goodall, T Clements, J Chesworth, R Claymore, A Cooper,
D Maycock, Dr S People, B Price and M Summers.

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Tuesday, 23 November 2021

Report of the Portfolio Holder for Regulatory & Community Safety

Infrastructure Funding Statement 2020/21

Exempt Information

None.

Purpose

The purpose of this report is to inform the Committee on the recommendation that will be put before Cabinet on 02 December 2021 in relation to the spending of Community Infrastructure Levy income and the publication of the Infrastructure Funding Statement.

Recommendations

It is recommended that:

1. Regeneration projects within Tamworth remains the priority for spending the strategic element of CIL;
2. A further £6,208.10 be added to the neighbourhood projects budget for 2022/23; and
3. The draft Infrastructure Funding Statement at Appendix A be approved for publication on the Council's website.

Executive Summary

The Council is required to produce an annual Infrastructure Funding Statement (IFS) in order to give communities a better understanding of how developer contributions have been used to deliver infrastructure in their area. A copy of the draft IFS for 2020/21 is included at Appendix A.

It is recommended that the spending priority for the strategic element of Community Infrastructure Levy income remains as 'regeneration projects within Tamworth' and that Cabinet approve the publication of the IFS.

An additional £6,208.10, forming the neighbourhood element of CIL income, is available to be spent in line the relevant regulations and guidance. It is recommended that these funds be added to the existing neighbourhood project budget, set up at the Cabinet meeting of 18 February 2021, for Cabinet to spend on a neighbourhood project basis.

Options Considered

The Council is required to publish an Infrastructure Funding Statement (IFS) by the end of 2021 and the majority of the content is factual and are prescribed by guidance published by Government. Therefore no alternative options have been considered for this element.

Part of the required IFS is a section setting out the Council's priorities for spending the strategic element of CIL income. At the Cabinet meeting of 08 April 2021, which approved the 19/20 IFS, the strategic priority was set as 'regeneration projects within Tamworth'. Alternative priorities could be set, provided that they are within the framework set out in the relevant regulations. However, as no specific projects have been identified at this time and

the current strategic priority is sufficiently broad to allow a number of projects to come forward, retaining the existing strategic priority is considered to be the best option.

Resource Implications

There are no resource implications associated with the retention of the current CIL spending priorities. CIL income to date amounts to £260,012.12 of which 80% (£208,009.69) forms the strategic element. This income is available to the Council for funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of Tamworth Borough. The money is available to be spent at the Council's discretion so long as the spending is in accordance with the regulatory framework as set out in the following section of this report.

15% of CIL income per year forms the neighbourhood element, which is to be spent in consultation with the public. At the Cabinet meeting of 18 February 2021 it was resolved to form a budget in 2021/22 of £35,000 (from the neighbourhood portion of CIL income at that point) for Cabinet to allocate on a neighbourhood project basis. Additional CIL income of £41,387.36 was received during 2020/21, of which £6,208.10 forms the neighbourhood element. This brings the balance to £39,577 that remains unspent for Cabinet to spend on neighbourhood projects.

There are no resource implications associated with the publication of the Infrastructure Funding Statement.

Legal/Risk Implications Background

The relevant legal basis for the collecting and spending of CIL is the Planning Act 2008 (the act) and the Community Infrastructure Levy Regulations 2010 (as amended) (the regulations). The regulations allow a charging authority (in this case the Council) to apply CIL to administrative expenses incurred by it in connection with CIL.

As regards the strategic element, the regulations state that a charging authority must apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area and the act sets out the types of infrastructure to which this element of CIL can be applied. These are:

- (a) roads and other transport facilities,
- (b) flood defences,
- (c) schools and other educational facilities,
- (d) medical facilities,
- (e) sporting and recreational facilities,
- (f) open spaces

At this point, no specific projects have been identified on which to spend the strategic element of CIL. Any project within the proposed broad strategic priority of regeneration would need to fit within one of the categories listed above in order to comply with the regulations.

Equalities Implications

None.

Sustainability Implications

The proposals set out relate to the delivery of infrastructure to support the sustainable development of Tamworth in line with the objectives of the Local Plan. There are no additional sustainability implications as a result of the proposals set out in this report.

Background Information

In 2019 the CIL regulations were amended to include a requirement for councils to produce an annual Infrastructure Funding Statement (IFS) in order to give communities a better understanding of how developer contributions have been used to deliver infrastructure in their area. The statement should include details of the money received through s106 and CIL during the previous financial year and information on what projects that money has been allocated to and/or spent on. The statement should also set out the infrastructure projects or types of infrastructure that the authority intends to fund wholly or partly through CIL.

The IFS sets out income and expenditure of both CIL and s106 income each year along with the Council's spending priorities for the strategic element of CIL. At the Cabinet meeting of 08 April 2021, it was resolved that 'regeneration projects within Tamworth' should be set as the Council's spending priority for CIL. As no specific infrastructure projects have been identified as an alternative, it is recommended that 'regeneration projects within Tamworth' remains the Council's strategic CIL spending priority until such time as specific regeneration projects, or alternative infrastructure projects, are identified.

At the Cabinet meeting of 18 February 2021 it was resolved to form a budget in 2021/22 for Cabinet to allocate the neighbourhood portion of CIL on a neighbourhood project basis. CIL income for the year 2020/21 totalled £41,387.36 means that an additional £6,208.10 was added to the neighbourhood portion. It is therefore recommended that the additional £6,208.10 be added to the neighbourhood project budget for 2022/23.

A draft of the latest Infrastructure Funding Statement, covering the period 01 April 2020 to 30 March 2021, is included at Appendix A and it is recommended that Cabinet approve the publication of this document.

Report Author

Richard Powell – Planning Policy and Delivery Team Leader

List of Background Papers

Report of the Portfolio Holder for Heritage and Growth – Community Infrastructure

Levy – Council meeting - 17 July 2018;

Minute of the meeting of Cabinet – 18 February 2021;

Report of the Portfolio Holder for Regulatory & Community Safety – CIL Spending – Cabinet – 08 April 2021.

Appendices

Appendix A – Draft 2020/21 Infrastructure Funding Statement

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Infrastructure Funding Statement

Tamworth
Borough Council

Reporting Period

2020/21

Published December
2021

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1.0. Introduction

- 1.1. The Infrastructure Funding Statement (IFS) provides an overview of all financial and non-financial developer contributions relating to Section 106 Agreements (S106) and the Community Infrastructure Levy (CIL) within Tamworth Borough for a given year. Such contributions are sought from developers to provide infrastructure which supports the wider economic and social development of the Borough.
- 1.2. This report offers a summary of how contributions are collected, allocated and spent by Tamworth Borough, including further reference to the Council's future expenditure priorities in relation to CIL income.

Regulation Requirements

- 1.3. This IFS has been prepared in accordance with the requirements of The Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019. In line with government guidance, the information included in this report will be updated annually and subsequently published on the Tamworth Borough Council website.

Monitoring Period

- 1.4. Unless otherwise specifically stated, the monitoring period for this report is 1st April 2020 to 31st March 2021.

2.0. Developer Contributions

Section 106 Planning Obligations (S106)

- 2.1. A Section 106 Agreement (S106) is a legal agreement, typically between an applicant seeking planning permission and the local planning authority, which is used to mitigate the impact of new development upon the local area.
- 2.2. Obligations can only be sought in instances where they are directly related to the development, to which they are reasonably related in both scale and kind, and necessary to ensure an acceptable development in planning terms.
- 2.3. S106 contributions can either be provided on-site, for example through the provision of affordable housing, or off-site in the alternative form of financial payments. Such monies may contribute towards the provision or improvement of infrastructure, such as schools and leisure facilities.
- 2.4. Tamworth Borough Council's requirements for S106 planning obligations are published in the Planning Obligations Supplementary Planning Document (2018), which can be accessed online at <https://www.tamworth.gov.uk/supplementary-planning-documents>.

Community Infrastructure Levy (CIL)

- 2.5. CIL is a levy mechanism used to secure financial contributions from developers on viable developments. Monies levied and collected through CIL charging can be used to fund the provision, enhancement, maintenance or replacement of infrastructure intended to support the growth and development of Tamworth Borough.
- 2.6. Not all development is liable to financially contribute under CIL. Different forms and scales of development may encounter different charging rates.
- 2.7. The Borough's CIL rates are set out via a published Charging Schedule, which was adopted in August 2018. Further information regarding both CIL liability and charging rates can be found on the following Council webpage: <https://www.tamworth.gov.uk/cil>.

Infrastructure

- 2.8. S106 and CIL can be used to fund a wide range of infrastructure. For the purposes of this report, examples of infrastructure may be defined as:
- Roads and other transport facilities;
 - Flood defences;
 - Educational, health and social care facilities;
 - Sporting and recreational facilities; and
 - Open spaces

3.0. CIL and S106 Headline Figures 2020/21

The following summaries have been provided in relation to the collection, allocation and expenditure of both CIL and S106 monies during 2020/21. Further detail can be found in the individual reports included in the following section.

CIL Headline Figures 2020/21

- A total of **£79,657.83** was invoiced during the 2020/21 period through the issue of Demand Notices.
- A total of **£41,387.36** was collected during the financial year from **three liable developments**.
- **£2,069.37** was retained towards the costs of monitoring and administration of CIL. This equates to **5%** of the income received during the year.
- Regulations 59E and 59F apply to a total of **£6,208.10**. Tamworth Borough does not contain any neighbourhood or parish localities, and as such these monies are to be retained for spending in line with Cabinet priorities.
- No CIL income was **allocated** to infrastructure projects during 2020/21.
- No CIL income was **spent** during the given monitoring period.

S106 Headline Figures 2020/21

- Agreements were entered into during the year totaling **£656,322.11**. This includes **£653,622.11** which relates to infrastructure that is the responsibility of Staffordshire County Council, such as highways and education.
- A total sum of **£43,273.80** was collected during the year from **five** liable developments.
- Income from **five** obligations totaling **£72,733.00** was allocated to infrastructural projects during 2020/21.
- A total of **£285,000** was spent on infrastructural projects during 2020/21.
- A total of **£1,513,168.83** was retained at the end of the year. This includes commuted sums of **£166,645.03**, which are intended to fund long term maintenance of infrastructure. A significant proportion of retained income has also been collected towards large scale projects which will take a number of years to deliver.
- A total of **29 affordable dwellings** have been provided from **one** liable development.
- **£2,638.68** was spent on monitoring compliance with S106 Agreements.

4.0. Community Infrastructure Levy Report 2020/21

The table below sets out CIL income, allocation and spending during the period 2020/21.

Detail	Value (£)	Additional Information
The total value of CIL set out in all demand notices issued in the reported year.	£79,647.83	This is the amount of CIL that became due during the year and where a demand notice was issued requesting payment.
The total amount of CIL receipts for the reported year.	£41,387.36	The total amount was collected from three liable developments.
The total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year but which have not been allocated.	£ 218,624.75	No CIL funds were allocated prior to the period 2020/21.
The total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year and which have been allocated in the reported year.	£ Nil	No CIL funds have been allocated during 2020/21.
The total amount of CIL expenditure for the reported year.	£ Nil	No CIL income was spent during 2020/21.
The total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year.	£ Nil	No CIL income was allocated during 2020/21.
In relation to CIL expenditure for the reported year, summary details of:		
(i) The items of infrastructure on which CIL (including land payments) has been spent, and the amount of CIL spent on each item.	N/A	No CIL income was spent during 2020/21.
(ii) The amount of CIL spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part).	£ Nil	No CIL income was spent during 2020/21.
(iii) The amount of CIL spent on administrative expenses pursuant to Regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation.	£2,069.37	This contributes towards the cost of the software used for the CIL monitoring and administration, equating to 5% of CIL income for the year.

Detail	Value (£)	Additional Information
In relation to CIL receipts, whenever collected, which were allocated but not spent during the reported year, summary details of the items of infrastructure on which CIL (including land payments) has been allocated, and the amount of CIL allocated to each item.	£ Nil	No CIL income was allocated during 2020/21
The amount of CIL passed to:		
(i) Any parish council under regulation 59A or 59B	£ Nil	There are no parish councils within the administrative area of Tamworth.
(ii) Any person under regulation 59(4)	£ Nil	No CIL income was transferred to any other party during 2020/21.
Summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year including:		
(i) the total CIL receipts that regulations 59E and 59F applied to	£6,208.10	
(ii) the items of infrastructure to which the CIL receipts to which regulations 59E and 59F applied have been allocated or spent, and the amount of expenditure allocated or spent on each item	None	
Summary details of any notices served in accordance with regulation 59E, including:		
(i) the total value of CIL receipts requested from each parish council	N/A	
(ii) any funds not yet recovered from each parish council at the end of the reported year	N/A	
The total amount of:		
(i) CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied	£33,109.89	
(ii) CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied	£174,899.80	
(iii) CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year;	£6,208.10	
(iv) CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year	£ 32,793.71	

Table 1 Community Infrastructure Levy Report 2020/21

Notes

Demand Notices

A demand notice is issued when a development commences, showing the total amount of CIL that is due to be paid in respect of a liable development. The payment of CIL is typically due within 60 days of commencement. Tamworth Borough Council have an installments policy, which means that CIL can be paid across a number of stages, with the number of installments dependent on the total amount of CIL payable. As such, there is a delay between a demand notice being issued and the full payment being received in some cases over 18 months.

Regulation 59(4)

Part of the CIL regulations covering the passing of any CIL income to any other person for that person to use for the provision, improvement, replacement, operation or maintenance of infrastructure.

Regulations 59A and 59B

Part of the CIL regulations relating to the payment of CIL income to local councils (such as town or parish councils). As there are no parish councils in Tamworth, these regulations don't apply.

Regulation 59E

Part of the CIL regulations covering the return of income passed to local councils (see regulations 59A and 59B) where it has not been used or has not been used appropriately.

Regulation 59F

Part of the CIL regulations covering the CIL income that would've been passed to a local council (see regulations 59A and 59B) but where there are no local councils.

5.0.S106 Report 2020/21

The table below provides details of the income, allocation and spending of money provided under planning obligations during 2019/20. The table also contains information on non-monetary contributions where applicable.

Detail	Value (£)	Additional Information
The total amount of money to be provided under any planning obligations which were entered into during the reported year.	£2,700.00	An additional £653,622.11 was secured for Staffordshire County Council to be collected by them directly. The total amount to be provided to both councils is £656,322.11.
The total amount of money under any planning obligations which was received during the reported year.	£43,273.80	£43,273.80 was collected from five developments.
The total amount of money under any planning obligations which was received before the reported year which has not been allocated by the authority.	£1,757,533.71	A number of significant sums have been received towards large infrastructure projects which will take a number of years to deliver.
Summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year, including details of:		
(ii) in relation to educational facilities, the number of school places for pupils which will be provided, and the category of school at which they will be provided	29	All 29 dwellings were provided on one development (permission ref: 0020/2019)
(i) in relation to affordable housing, the total number of units which will be provided	N/A	Staffordshire County Council are party to all agreements where education related obligations are administered by them directly.
The total amount of money (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure.	£ 72,733.00	Income from five obligations totaling £72,733.00 was allocated to projects during the year.
The total amount of money (received under any planning obligations) which was spent by the authority (including transferring it to another person to spend)	£ 285,000.00	A proportion of S106 funds were spent on one project totaling £285,000.

Detail	Value (£)	Additional Information
In relation to money (received under planning obligations) which was allocated by the authority but not spent during the reported year, summary details of the items of infrastructure on which the money has been allocated, and the amount of money allocated to each item.	N/A	Please see Table 3 for further detail.
In relation to money (received under planning obligations) which was spent by the authority during the reported year (including transferring it to another person to spend), summary details of:		
(i) the items of infrastructure on which that money (received under planning obligations) was spent, and the amount spent on each item	N/A	Please see Table 4 for further detail.
(ii) the amount of money (received under planning obligations) spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part)	£ Nil	
(iii) the amount of money (received under planning obligations) spent in respect of monitoring (including reporting under regulation 121A) in relation to the delivery of planning obligations	£2,638.68	This is a proportion of the sums paid by the developers on a number of the larger developments specifically towards the cost of monitoring compliance with S106 agreements.
The total amount of money (received under any planning obligations) during any year which was retained at the end of the reported year	£1,513,168.83	Total amount retained at the end of the year.
Retained money which has been allocated for the purposes of longer term maintenance (commuted sums).	£166,645.03	Amount of retained funds that are commuted sums for longer term maintenance.

Table 2 S106 Report 2020/21

Table 3: S106 Funds Allocated but not Spent in 2020/21

Permission Reference	Infrastructure Description	S106 Funds
0464/2018	Biodiversity and Ecology Improvements at Kettlebrook Local Nature Reserve	£60,605.00
0539/2017	Tree Works in Kettlebrook Local Nature Reserve	£2,020.00
0311/2017	Facility Improvement within Wigginton Park	£1,068.00
0197/2017	Tree Works in Kettlebrook Local Nature Reserve	£2,133.00
0156/2017	Tree Works in Kettlebrook Local Nature Reserve	£6,907.00
Total S106 Allocated in 2020/21		£72,733.00

Table 4: S106 Funds Spent in 2020/21

Infrastructure Description	S106 Funds
3G Artificial Grass Pitch, New LED Floodlighting System and New Changing Rooms	£285,000.00
Total S106 Spent in 2020/21	
	£285,000.00

Further Notes

Staffordshire County Council is a signatory to any S106 Agreement that contains obligations for which they have responsibility, such as education and highways.

6.0. Tamworth Borough Council's Priorities towards Future CIL Expenditure

- 6.1. The Borough's Regulation 123 List was published in 2018, and details a series of infrastructure projects which the Council currently intends to be wholly or partly funded by CIL. This document can be found on our website at <https://www.tamworth.gov.uk/cil>.
- 6.2. Following a review of this list, it has been determined that Tamworth Borough Council's priorities towards future CIL spending remains unchanged from the previous IFS publication (2019/20). As such, regeneration projects will continue to form the priority for future strategic CIL expenditure, in order to support growth and development across the Borough. Notwithstanding, there are no specific infrastructural projects identified at this moment in time.

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