



INFRASTRUCTURE, SAFETY AND GROWTH SCRUTINY COMMITTEE

Date 21 November 2002

Tuesday, 22nd November, 2022, 6.00 pm in Town Hall, Market Street, Tamworth

SUPPLEMENT – ADDITIONAL DOCUMENTS

Further to the Agenda and Papers for the above meeting, previously circulated, please find attached the following further information, which was not available when the agenda was issued:

Agenda No. Item

5. **Infrastructure Funding Statement 2021/22** (Pages 3 - 18)
(Report of the Portfolio Holder for Skills, Planning, Economy & Waste)

Yours faithfully

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

Chief Executive

To Councillors: S Goodall, R Ford, M Cook, J Harper, D Maycock, S People, B Price,
R Rogers and P Turner.

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Tuesday, 22 November 2022

Report of the Portfolio Holder for Skills, Planning, Economy & Waste

Infrastructure Funding Statement 2021/22

Exempt Information

None.

Purpose

The purpose of this report is to seek Committee endorsement of the recommendation that will be put before Cabinet on 15 December 2022 in relation to the publication of the Infrastructure Funding Statement for 2021/22.

Recommendations

It is recommended that the Committee endorse the following recommendations to go to Cabinet:

1. Regeneration projects within Tamworth remains the priority for spending the strategic element of CIL; and
2. The draft Infrastructure Funding Statement at Appendix A be approved for publication on the Council's website subject to confirmation of the final figures.

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 2021/22 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.

Options Considered

The Council is required to publish an Infrastructure Funding Statement (IFS) by the end of 2022 and the majority of the content is factual and 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. No specific projects have been identified within the timeframe that the Infrastructure Funding Statement covers, however a number of projects are being explored currently and an update will be able to be provided within the 2022/23 Infrastructure Funding Statement. It is therefore considered that retaining 'regeneration projects within Tamworth' as the spending priority would allow sufficient flexibility for relevant projects to come forward.

Resource Implications

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

The draft IFS at Appendix A sets out the income, allocation, and expenditure of planning obligations (both via s106 agreements and CIL) during the period 01 April 2021 to 31 March 2022.

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.

Environment and Sustainability Implications (including climate change)

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 at this time, 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.

Report Author

List of Background Papers

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

Appendices

Appendix A – Draft 2021/22 Infrastructure Funding Statement

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Infrastructure Funding Statement

Reporting Period
2021/22

Tamworth
Borough Council

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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 2021 to 31st March 2022.

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 2021/22

The following summaries have been provided in relation to the collection, allocation and expenditure of both CIL and S106 monies during 2021/22. Further detail can be found in the individual reports included in the following section.

CIL Headline Figures 2021/22

- Demand notices to the value of **£374,522.43** were issued during the 2021/22 period.
- A total of **£131,891.08** was collected during the financial year from **two liable developments**.
- **£6,594.55** 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 **£19,783.66**. 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 2021/22.
- No CIL income was **spent** during the given monitoring period.

S106 Headline Figures 2021/22

- Agreements were entered into during the year totaling **£12,875.00**. All these funds relate to infrastructure that is the responsibility of Staffordshire County Council, such as highways and education.
- A total sum of **£3,162,422.00** was collected during the year from **six** relevant planning obligations.
- A total of **£531,510.00** was allocated towards two projects but was not spent during the reporting period.
- A total of **£4,000.00** from **one** obligation was spent on infrastructural projects during 2021/22.
- A total of **£4,668,952.15** 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 several years to deliver.
- A total of **29 affordable dwellings** have been provided from **two** liable developments.
- **£2,638.68** was spent on monitoring compliance with S106 Agreements.

4.0. Community Infrastructure Levy Report 2021/22

The table below sets out CIL income, allocation and spending during the period 2021/22.

Detail	Value (£)	Additional Information
The total value of CIL set out in all demand notices issued in the reported year.	£374,522.43	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.	£131,891.08	The total amount was collected from two 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.	£260,012.11	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.	£6,594.55	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	£19,783.66	
(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	£105,512.87	
(ii) CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied	£211,650.09	
(iii) CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year;	£19,783.66	
(iv) CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year	£39,001.81	

Table 1 Community Infrastructure Levy Report 2021/22

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 2021/22

The table below provides details of the income, allocation and spending of money provided under planning obligations during 2021/22. 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.	£ Nil	An additional £12,875.00 was secured for Staffordshire County Council to be collected by them directly. The total amount to be provided to both councils is £12,875.00.
The total amount of money under any planning obligations which was received during the reported year.	£3,162,422.00	£3,162,422.00 was collected from six obligations.
The total amount of money under any planning obligations which was received before the reported year which has not been allocated by the authority.	£1,513,168.83	Several significant sums have been received towards large infrastructure projects which will take several 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	N/A	Staffordshire County Council are party to all agreements where education related obligations are administered by them directly
(i) in relation to affordable housing, the total number of units which will be provided	29	The 29 dwellings were provided across two developments (24 dwellings provided by permission ref: 0334/2021 and 5 dwellings provided by permission ref: 0189/2021)
The total amount of money (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure.	£ 531,510.00	The sum of £531,510.00 was allocated but was not spent during the reporting period.

Detail	Value (£)	Additional Information
The total amount of money (received under any planning obligations) which was spent by the authority (including transferring it to another person to spend)	£4,000.00	Sustainable Urban Drainage System Monitoring on the former Golf Course site.
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.	£ 531,510.00	Please see Table 3 below 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	£4,000.00	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	No money was spent on repaying money borrowed during 2021/22.
(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 several 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	£4,668,952.15	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 2021/22

Table 3: S106 Funds Allocated but not Spent in 2021/22

Permission Reference	Infrastructure Description	S106 Funds
0088/2015	Amington Community Woodland project	£331,510.00
0088/2015	Amington Community Woodland maintenance for 10 years	£200,000.00
Total S106 Allocated but not spent in 2021/22		£531,510.00

Table 4: S106 Funds Spent in 2021/22

Infrastructure Description	S106 Funds
Sustainable Urban Drainage System Monitoring on the former Golf Course site	£4,000.00
Total S106 Spent in 2021/22	£4,000.00

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 (2020/21). 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.

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