

Solihull Metropolitan Borough Council

Annual Infrastructure Funding Statement

For

Community Infrastructure Levy and Section
106

Reporting Period:

From 01 April 2023 to 31 March 2024

1. Introduction

The Infrastructure Funding Statement (IFS) is a report required to be published annually. It provides a summary of the financial and non-financial developer contributions relating to Section 106 Legal Agreements (S106) and the Community Infrastructure Levy (CIL) within Solihull for a given financial year.

It also includes a statement of infrastructure projects that Solihull MBC intends to be, or may be, wholly or partly funded by CIL.

Throughout the IFS there will be references to the following definitions:

- Agreed – Contributions that have been agreed within a signed legal document. These contributions have not been collected/delivered and if the planning applications are not implemented, they will never be received.
- Received – Contributions received, either non-monetary or monetary that have been transferred to Solihull Metropolitan Borough Council (SMBC)
- Spent/ Delivered – Monetary or non-monetary contributions that have been used as intended, either by spending the allocated funds or completing the contribution as agreed.
- This Financial Year - unless stated otherwise, this refers to the period 01/04/2023 – 31/03/2024.

2. Section 106 Matters

2.1. Obligations Agreed:

- a. The total amount of money to be provided under any planning obligations which were entered into during the reported year is £152,076.81. This figure does not consider indexation (inflation/deflation) that may be applied when the money becomes due.

PLANNING APPLICATION	AMOUNT AGREED	SERVICE AREA
ARRAN MEDICAL CENTRE, MULL CROFT, SMITHS WOOD, SOLIHULL PL/2022/01274/PPFL	£2,139.08	Tree planting contribution
THE ROUGH, NEC, PENDIGO WAY, SOLIHULL PL/2023/01326/PPFL	£87,600	Biodiversity Net Gain
ARDEN WOOD SHAVINGS LTD, KENILWORTH ROAD PL/2020/03060/PPFL	£29,915.73 £500	Biodiversity offsetting Monitoring
LAND AT CHEP UK LTD, BICKENHILL LANE, MARSTON GREEN PL/2022/02400/PPFL	£5,000	Travel Plan monitoring
LAND REAR OF 86 MERIDEN ROAD HAMPTON IN ARDEN PL/2022/01812/VAR	£500	Monitoring
60 LOWBROOK LANE, TIDBURY GREEN	£20,021	Biodiversity offsetting Monitoring

PL/2022/01898/PPFL	£1,000	
LAND AT FOUR OAKS BARN, BACK LANE, MERIDEN, SOLIHULL CV7 7LD PL/2022/00530/MINFHO	£500	Monitoring
BERKSWELL QUARRY, CORNETS END LANE, MERIDEN, SOLIHULL CV7 7LH PL/2022/01942/VAR	£500	Monitoring
LAND AT THE 20-66 STATION ROAD, B91 3RX PL/2023/00393/VAR	£500	Monitoring
354 STRATFORD ROAD, SHIRLEY, SOLIHULL, B90 3DN AKA LAND ON THE WEST SIDE OF STRATFORD ROAD PL/2022/02513/VAR	£500	Monitoring
PRINCE OF WALES PUBLIC HOUSE, HIGH STREET, SOLIHULL LODGE, SOLIHULL, B90 1JW PL/2022/01784/PPFL	£3,000 £401	Monitoring Monitoring

During the reported year the following non-monetary contributions have been agreed under planning obligations:

- b. The total number of affordable housing units agreed is 0.
- c. The total number of education provisions agreed under S106 agreements in the reporting year is 0.

2.2. Funding Received:

- a. The total amount of money received from S106 planning obligations during the reported year is as follows:

INFRASTRUCTURE/SERVICE TYPE	AMOUNT RECEIVED
OFF SITE AFFORDABLE HOUSING	£186,325.96
EDUCATION	£779,735
HEALTHCARE	£194,479.12
BIODIVERSITY	£35,039.63
GENERAL MONITORING	£16,087.05
ENVIRONMENTAL MONITORING ¹	£122,629.63
TOTAL	£1,334,296.39

¹ This includes carbon monitoring, noise monitoring in relation to Birmingham International Airport

It is worth noting that there will be a lag between the money being collected and it being spent, and this will be dependent upon the development and nature/extent of the contribution. For instance, significant contributions to enhancing education provision within the vicinity of a development site may need to be the subject of a consultation exercise in order to ensure that the funds are directed towards the most appropriate establishment.

2.3. Funds Spent & Projects Completed:

- a. The total amount of money from planning obligations spent during the reported year was **£2,516,650.50**
- b. In relation to money which was spent by Solihull Metropolitan Borough Council during the reported year, the items of infrastructure that planning obligation money has been spent on and the amount spent include the following²:

INFRASTRUCTURE TYPE	AMOUNT SPENT	PROJECTS DELIVERED & COMMITTED
AFFORDABLE HOUSING	£10,500	<ul style="list-style-type: none"> • Enabling the provision of affordable housing
TRANSPORT / HIGHWAYS	£625,079.76	<ul style="list-style-type: none"> • Repayment of over-invoiced contribution • Blythe Valley Park (BVP) Cycle Route overall scheme • Highway design fees and consultation etc. for BVP - Monkspath - Dorridge routes • Residential travel planning project in Tidbury Green to reduce car journeys, promote active travel and public transport use
BIODIVERSITY, LANDSCAPE, GREEN INFRASTRUCTURE	£173,274.94	<ul style="list-style-type: none"> • ERDF Hedges and Sedges project • ERDF Newts and Shoots project • ERDF Bees and Trees project • ERDF Frogs and Logs project • Arden Free Tree Scheme • Contribution to Senior Ecology officer costs
GENERAL MONITORING	£16,087.05	<ul style="list-style-type: none"> • Monitoring of S106 Agreements
ENVIRONMENTAL MONITORING	£122,629.63	<ul style="list-style-type: none"> • Noise and Historic Environment, Ecology and Landscape Management Plan (HEELMP) monitoring at Birmingham International Airport • Carbon Management Plan through the Arden Free Tree Scheme at Birmingham International Airport
EDUCATION	£1,374,600	<ul style="list-style-type: none"> • Contribution towards the provision of school places at Cheswick Green Primary and St Peters Secondary Academy.
HEALTHCARE	£194,479.12	<ul style="list-style-type: none"> • Payment to University Hospitals Birmingham NHS Foundation Trust
TOTAL	£2,516,650.50	

² This may include ongoing projects that will receive further funding in subsequent financial years

- c. A total of 60 (37 social rented and 23 shared ownership) affordable housing provisions have been delivered (completed) through S106 (negotiated through Policy P4a of the SLP 2013) in the reported year as follows.

PLANNING APPLICATION	AFFORDABLE HOUSING TYPE	NUMBER OF DWELLINGS COMPLETED
THE GREEN PL/2018/02731	Social Rent	31
THE GREEN PL/2018/02731	Shared Ownership	14
BLYTHE VALLEY PARK – PARCEL J/K/M WOODLANDS PARK PL/2019/00316/PPRM	Social Rent	6
BLYTHE VALLEY PARK – PARCEL J/K/M WOODLANDS PARK PL/2019/00316/PPRM	Shared Ownership	9
TOTAL		60

- d. A total of 210 school places are being provided at Cheswick Green Primary School. Accommodation is also being provided at St Peters Secondary Academy to support bulge classes moving through the school with additional pupils planned in 2024/25 and 2027/28. The funding is providing extended accommodation at both school sites to meet additional demand. Places are provided to meet pupil demand, so place delivery does not necessarily fit with financial year funding.

3. Community Infrastructure Levy Matters

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 1

- a. Once CIL receipts are received, the monies are divided into three areas: -
- **Strategic CIL** - which is to be spent on large scale, strategic infrastructure across the Borough.
 - **Neighbourhood Proportion** – this is passed directly to the Parish Council where the development takes place and can be up to 25% of the total CIL Receipts where a Neighbourhood Plan exists. Parishes without a Neighbourhood Plan will receive 15% (capped at £100 per existing Council Tax Dwelling). Where the Levy is collected in areas without a Parish, monies are held within a Ward allocation, with the responsibility for spending held with the Charging Authority.
 - **Administration Expenditure** – up to 5% of all CIL receipts are retained for administration costs for the Levy.
- b. The total value of demand notices issued in the reported period is **£5,312,348.71**. Demand notices are issued upon commencement of development. The balance due is collected in accordance with the approved Charging Schedule and instalment policy (which may mean that balances are not collected immediately).

- c. Of total value, the amount from Liability Notices (liable floorspace after any relief that has been granted) is **£6,340,971.92**. This provides an estimate of what may be collected if the planning permission is implemented.
- d. The total value from surcharges imposed due to breaches of the Community Infrastructure Levy Regulations is **£38,891.06** and the total value of the late payment interest accrued is £0.00.
- e. The total amount of CIL collected within the reported period totals **£2,936,141**.
- f. The amount of CIL collected prior to the reported period totals £9,949,204³. The following table sets out the total CIL receipts since the levy was introduced in 2016⁴:

Year	STRATEGIC FUND	NEIGHBOURHOOD FUND	ADMINISTRATION FUND	ADMIN AS PERCENTAGE OF TOTAL	TOTAL RECEIPTS
2016/17	£254,530	£47,724	£15,908	5.00%	£318,162
2017/18	£743,375	£141,698	£46,457	4.99%	£931,530
2018/19	£1,573,013	£296,527	£97,359	4.95%	£1,966,899
2019/20	£2,298,134	£476,276	£145,577	4.99%	£2,919,987
2020/21	£917,886	£174,828	£56,891	4.95%	£1,149,605
2021/22	£1,241,664	£268,468	£78,816	4.96%	£1,588,948
2022/23	£863,438	£160,344	£50,291	4.68%	£1,074,073
2023/24	£2,301,604	£490,212	£144,325	4.92%	£2,936,141
Total	£10,193,644	£2,056,077	£635,624	4.93%	£12,885,345

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

TYPE	EXPENDITURE
ADMIN CIL	£144,325
NEIGHBOURHOOD CIL ⁵	£83,571
CIL LAND PAYMENTS	£0.00
OTHER CIL CASH	£0.00
TOTAL VALUE	£227,896

- h. The amount of CIL collected towards administration expenses is £144,325. This was 4.93% of the total CIL receipts collected in the reported period.

Solihull Metropolitan Borough Council has set a collection percentage of 5.00%. The percentage taken may differ due to land payments (including payments in kind and infrastructure payments) not being allocated to administration expenses, surcharges and late payment interest not being split with Neighbourhood Areas.

³ While performing the reconciliation of income received in 2023/24, a wider reconciliation of historic CIL funding took place. Based on new data, it has been found that previous statements have understated CIL income by £350,921, mainly in relation to years preceding 2020/21. The Infrastructure Funding Statement has been updated to reflect this.

⁴ Rounded to the nearest GBP

⁵ Total spent by Parish Councils. This does not include collected funds that are yet to be spent.

- i. The total amount of CIL passed to a neighbourhood zone under Regulation 59A (collected on behalf of the neighbourhood zone in cash), cash collected and allocated towards Neighbourhood CIL, and 59B (cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have received on a payment in kind), are as follows:

PARISH	ALLOCATION DATE	AMOUNT TRANSFERRED
BICKENHILL AND MARSTON GREEN	November 2023	£10,092.30
CASTLE BROMWICH	November 2023	£1441.99
CHADWICK END	November 2023	£2423.73
HOCKLEY HEATH	November 2023	£2850.52
TIDBURY GREEN	November 2023	£23,870.92
TOTAL		£40,679.46

- j. In non parished areas the amount awarded to groups who have successfully bid for 2023 NCIL funding from ward pots was £147,241⁶. In the current monitoring year, the amount of money transferred to groups who had successful bids is £242,257⁷.
- k. The total amount of CIL that was available⁸ in areas without a parish council under Regulation 59F (collected on behalf of the neighbourhood zone in cash, where no local council is in place to manage the levy) to bid for under the approved NCIL bidding process is as follows:

WARD AREA	AMOUNT AVAILABLE
BLYTHE	£14,639
DORRIDGE AND HOCKLEY HEATH	£48,449
ELMDON	£12,327
KNOWLE	£62,167
LYNDON	£20,585
OLTON	£16,251
SHIRLEY EAST	£13,314
SHIRLEY SOUTH	£211,009
SHIRLEY WEST	£0 ⁹
SILHILL	£15,167
ST ALPHEGE	£27,182
TOTAL	£441,090

- l. The amount of CIL spent by Parish Councils during the reported year under Regulation 59C during the reported year is as follows:

INFRASTRUCTURE	NEIGHBOURHOOD ZONE	AMOUNT
ROTATION OF SPEED SIGN	Cheswick Green Parish Council	£553
PLAYGROUND EQUIPMENT	Cheswick Green Parish Council	£55,058

⁶ This figure is the amount that was awarded. The successful bids were not paid in the current monitoring year. They will therefore be included in next year's monitoring period.

⁷ This relates to the funding of all successful bids from the 2022 bidding round that were paid post March 2023 and are therefore included in this year's monitoring period.

⁸ This includes funds 'rolled over' from previous years that were not allocated.

⁹ Pot unavailable to bid from as funds had not exceeded £10,000

PLAY AREA UPDATES – BONDED RUBBER MULCH	Hampton-in-Arden Parish Council	£7,800
GEORGE FENTHAM ENDOWED SCHOOL – SENSORY EQUIPMENT	Hampton-in-Arden Parish Council	£2,500
SPEEDVISOR	Tidbury Green Parish Council	£4,000
SPEED VISOR ANNUAL MAINTENANCE COSTS FOR 3 YEARS	Tidbury Green Parish Council	£11,000
SUPPLY AND INSTALL OF NEW BINS	Tidbury Green Parish Council	£2,660
TOTAL		£83,571

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

4. Planned expenditure (2024/2025 and beyond)

This section sets out how CIL and S106 income will be spent and prioritised over the next reporting period (as per the requirements set out in relevant planning practice guidance and the CIL regulations).

As a result of changes to the regulations, CIL is no longer restricted to strategic infrastructure projects identified in the Regulation 123 List. Local Authorities are now required to publish annual Infrastructure Funding Statements (IFS) as a result of new regulations. They are annual statements published each year on the Council’s website and replace the CIL income monitoring and Regulation 123 list.

Strategic CIL

The Council is now embarking on the preparation of a new Local Plan following the recent withdrawal of the Draft Local Plan. The new Local Plan will set out a strategy for development in the Borough to 2043. As part of the process, an updated Infrastructure Delivery Plan (IDP) will be prepared. The IDP will provide a baseline of the existing infrastructure capacity and needs in the Borough and it will highlight the infrastructure requirements needed to support the predicted growth set out in the new Local Plan. The IDP will be an evolving document, that can develop and flex to identify infrastructure requirements as they arise in the future. It is envisaged that Strategic CIL funds will support the delivery of the IDP and will enable any spending to be focused on key infrastructure needs that will unlock potential growth.

Governance arrangements for the spending of the Strategic CIL fund were adopted by Cabinet on 13th July 2017 as part of the Growth and Development Investment Plan.

The Growth & Development Investment Plan serves a dual purpose in its relationship to the IDP; it (a) helps inform what infrastructure is necessary to support the growth aspirations in the plan and (b) provides a delivery mechanism for both the currently known infrastructure requirements and those that will be identified as the Local Plan progresses. The allocation of Strategic CIL monies will be considered for appropriate projects, this will be considered and endorsed by the Growth and Development Programme Board and, in accordance with Financial Standing order, be reported to Full Cabinet for approval as appropriate.

By its very nature, strategic infrastructure is likely to include more expensive projects and therefore there is some benefit in allowing the Strategic CIL fund an opportunity to accrue so that it can make a significant and meaningful contribution to an appropriate project. This is particularly relevant in the context of the review of the Local Plan noted above.

Neighbourhood CIL

Cabinet has delegated responsibility for this spending to the Cabinet Member for Communities. This governance of spend has been in place for six years, starting in 2019. After agreeing a process and scoring matrix in January 2019, decisions on allocations will be made at the Communities Cabinet annually. Some examples of projects that have been funded (both through Parish Council governance and NCIL bidding) are:

- Cultural spaces and cafes;
- Improvements to streets and local green spaces;
- Youth facilities;
- Public realm works (e.g. street furniture);
- Skills and training hubs (e.g. digital technology); and
- Security measures to reduce crime and anti-social behaviour (e.g. CCTV).

Neighbourhood CIL allocations will continue on an annual basis in all wards that are not located in Parished areas. SMBC will continue to work with Parish Councils to provide guidance on the appropriate spend of the levy.

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S106 funding must be spent in accordance with the terms of the legal agreement (as part of the planning application process). The heads of terms can include a clause to spend the S106 contribution between five and ten years of the agreement. S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement. S106 income varies on a site-by-site basis depending on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure.

Details of planned S106 expenditure across each main spend area are set out below. Much of the planned spending is focussed on small-scale improvement works to directly mitigate the impact of development; for example:

- Primary and secondary education provision
- Public transport contributions, including bus services
- Biodiversity offsetting and enhancement schemes
- Offsite affordable housing contributions
- Highways contributions including traffic management, traffic calming and traffic signals
- Sustainable travel and travel planning
- Local healthcare provision
- Local green space and parks enhancement and installation

In terms of the unallocated remaining balances, careful consideration will be given to how to allocate monies according to the legal definition within the corresponding S106 agreements as well as the wider funding and policy context. Spending levels will need to be closely monitored to take account of changing priorities and the phasing requirements of development that arise from the current Solihull Local Plan 2013, the draft allocations that were identified in the now withdrawn Solihull Local Plan, as well as the new Solihull Local Plan.

Many of the S106/CIL projects will be identified and prioritised through the IDP. The IDP will be developed as part of the evidence base for new Solihull Local Plan. The IDP is a live document and includes an Infrastructure Schedule of proposed schemes that will support growth and development in the Borough, as well as meet sustainability objectives such as low carbon initiatives and biodiversity gain. As the IDP progresses, relevant projects can be incorporated within the Infrastructure Funding Statement.