



Annual Infrastructure Funding Statement Summary

2019/20



Version 1.0

Published February 2021

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1.0 Introduction

1.1 This Worcestershire County Council (WCC) Annual Infrastructure Funding Statement Summary sets out the developer contributions applied for and secured by WCC between 1st April 2019 and 31st March 2020.

1.2 The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 require local authorities that receive contributions from Section 106 planning obligations and the Community Infrastructure Levy (CIL) to publish an annual infrastructure funding statement. In two-tier local authority areas, upper-tier authorities such as WCC can enter into Section 106 planning obligations directly or in conjunction with district councils to receive direct funding from the developer. It has been prepared in accordance with guidance from the Planning Advisory Service¹.

1.3 WCC cannot collect CIL funds, as the responsibility to implement and collect CIL rests with district councils. WCC has not received any CIL funding from the Worcestershire district councils in the financial year 2019/20. No CIL funding is therefore included either in this summary report or in the full published data set.

1.4 This document summarises more detailed data on all the transactions that have taken place in the financial year 2019/20. The detailed data is available separately, calculated and presented in a format mandated by Government and designed to provide a national picture of local authority performance with regards to infrastructure spending². The full datasets have been sent to the Government and published on WCC's website in accordance with national guidelines and best practice. Publishing the data also gives local communities the opportunity to better understand how local infrastructure projects are funded.

1.5 The data is taken from WCC's records of Section 106 transactions within Children's First and the Directorate of Economy and Infrastructure.

1.6 WCC collects Section 106 contributions mainly from residential developments in Worcestershire. Some commercial developments may also contribute towards highways infrastructure. The contributions are secured as part of planning obligations (commonly known as section 106 agreements). This statement provides further details on these contributions.

1.7 The following definitions are used in this document to reflect the various stages of Section 106 developer contributions:

- Agreed – Contributions that have been agreed within a signed legal document, but which have not yet been received; in most of cases this is due to the trigger points within the agreement not yet being met;
- Received – Contributions received by WCC;
- Allocated – Contributions that have been received by WCC and allocated to specific projects;
- Spent – Contributions spent on infrastructure.

¹ Planning Advisory Service guideline on infrastructure funding statement is available at: https://local.gov.uk/sites/default/files/documents/PAS%20good%20practice%20for%20IFS%20part%201%20and%202_0.pdf

² The government guidelines are available at: <https://www.gov.uk/guidance/publish-your-developer-contributions-data>.

2.1 Contributions agreed in Section 106 Agreements signed in 2019/20

Infrastructure Type	Monies Agreed (£)
Education	6,880,362
Highways ³	11,835,713
Transport & Travel ⁴	1,016,639
Total	19,732,714

2.2 Contributions received in 2019/20 through Section 106 Agreements

Infrastructure Type	Monies Received (£)
Education	3,386,141
Highways	3,469,254
Transport & Travel	477,525
Total	7,332,920

2.3 Section 106 Funding allocated in 2019/20 which was not spent during the year

Infrastructure Type	Monies Allocated (£)
Education	2,893,094
Highways	5,185,587
Transport & Travel	1,232,747
Total	9,311,428

2.4 Section 106 Funding transferred in 2019/20 to another organisation to be spent on behalf of WCC

Infrastructure Type	Monies Transferred (£)
Highways	3,000 ⁵
Total	3,000

2.5 Contributions spent in 2019/20 by infrastructure type

Infrastructure Type	Monies Spent (£)
Education	4,267,523
Highways	387,493
Transport & Travel	18,236
Total	4,673,252

No contributions were returned to developers in 2019/20.

³ Highways funding includes all contributions to physical transport infrastructure.

⁴ Transport and Travel funding includes travel plan contributions and contributions towards public transport services. Please note this does not include physical public transport infrastructure (such as bus shelters), as such infrastructure is included under 'Highways'.

⁵ Funding transferred to West Midlands Rail as part funding for new cycle parking infrastructure at Droitwich Spa railway station.

3.0 Conclusion

3.1 The information presented above highlights the key data on the authority's agreement, receipt, and spending of Section 106 developer contributions for the financial year 2019/20.

3.2 WCC successfully negotiated and entered into agreements for £19,732,714 during 2019/20, demonstrating WCC's commitment to securing funding for infrastructure across the county. The agreements signed in 2019/20 may take some years to reach the payment (trigger) point(s), because payments are phased alongside the delivery of developments on site. This phasing also aims to avoid cash flow problems for developers caused by having to pay significant sums in section 106 agreements in advance of sales.

3.3 A consequence of the phasing delays is that WCC is frequently required to forward-fund infrastructure in advance of section 106 receipts. In these circumstances, WCC uses contributions as they are received to redress its internal forward-funding mechanisms.

3.4 Conversely, on occasion the reverse can happen, whereby the contribution may need to be held by WCC until other contributions are received, or until other parts of the development process (such as utility installation) are completed, before funds are spent on an infrastructure project.

3.5 During the 2019/20 financial year WCC spent £4,673,252 on education infrastructure, using the funds to expand schools. Significant projects include the expansion to one form of entry for Rushwick Primary School, and the expansion of Hartlebury Church of England Primary School. Both Pershore High School and The Stourport High School were expanded by one form of entry to enable them to cater for additional pupils arising from new housing development. There were also several smaller expansion projects across schools in Worcestershire, providing for additional pupils.

3.6 Highways section 106 spending was much lower during the year, at £387,493, but this reflects the long-term nature of infrastructure development. It is also important to note that some of this funding was used as match-funding to bid for much larger funding streams for the county's road and rail infrastructure. Despite this relatively small spend of section 106 funding, large-scale road and rail projects were still finalised and under construction during the 2019/20 financial year, including the Southern Link Road (A4440) dualling in Worcester and Worcestershire Parkway rail station. Whilst these projects were not funded by section 106 contributions received in the 2019/20 financial year, they demonstrate the long-term nature of large-scale infrastructure projects, which can take many years to complete and will be funded from multiple sources, including section 106. The allocated figure for potential future spending on highways is £5.2m for the coming years. Taking this into account along with previous years allocated funding next year's highways spend is predicted to be higher.