

**Infrastructure Funding Statement  
2019/20**

**Community Infrastructure Levy  
and Section 106**

## **Community Infrastructure Levy**

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### **Background**

1. Birmingham City Council's Community Infrastructure Levy (CIL) charges took effect on 4 January 2016. The council is both a charging and collecting authority. Regulation 121A of the Community Infrastructure Levy Regulations 2010 (as amended) requires CIL charging authorities to produce an Infrastructure Funding Statement (IFS) detailing CIL income and expenditure. This is the fifth CIL annual report and covers the period from 1 April 2019 to 31 March 2020 (financial year 2019/20).

### **Allocation of CIL**

2. CIL income is required to be allocated as follows:
- Up to 5% of CIL can be applied towards its implementation and ongoing administration
  - 15% (25% in areas that have a Neighbourhood Development Plan in place) of CIL is passed to the neighbourhood in which the development that paid the CIL is located for the provision of local infrastructure improvements or other measures to support the development of the area (commonly referred to as Local CIL).
  - 80% (70% in areas that have a Neighbourhood Development Plan in place) of CIL is to be applied to strategic infrastructure to support the growth of the CIL charging authority's area (commonly referred to as Strategic CIL).

### **Parish Councils**

3. Birmingham City Council has one Parish and one Town Council in Frankley and Sutton Coldfield.

### **Neighbourhood Development Plans**

4. In order to qualify for the increased percentage of Local CIL (25%), the relevant CIL income must have been received from a development that was granted planning permission in an area covered by a Neighbourhood Development Plan.

5. Balsall Heath Neighbourhood Development Plan was adopted into the Local Development Framework in November 2015. No CIL liable development came forward within this report period.

### **CIL Income**

6. Total CIL income in 2019/20 was £5,326,899.67

### **CIL Expenditure**

7. Total CIL expenditure in 2019/20 was £0.

### **Parish and Town Councils**

8. £18,712.71 was paid directly to Sutton Coldfield Town Council in 2019/20.

9. No funds were paid to Frankley Parish Council.

#### **CIL Administrative Expenses**

10. £260,795.27 was claimed for the administration of CIL in 2019/20

#### **CIL Financial Summary**

11. The CIL financial summary for 2019/20 is set out in the following table:

	CIL Balance 31/03/2019	CIL Income 2019/20	CIL Balance 31/03/2020	CIL Expenditure 2019/20
Strategic CIL	£4,658,234.35	£4,172,725.27	£8,830,959.62	£0
Local CIL	£855,492.81	£874,666.62	£1,730,159.43	£0
Management Fee	£291,139.61	£260,795.27	£551,934.88	£260,795.27
Sutton Coldfield Town Council	£17,925.95	£18,712.71	£36,638.66	£0
Total	£5,822,792.72	£5,326,899.67	£11,149,692.39	£0

#### **Anticipated CIL Income for 2020/21**

12. In May 2020, in response to the spread of coronavirus (COVID-19), the Ministry of Communities, Housing and Local Government (MHCLG) published guidance for local authorities on CIL matters. This guidance explains the measures available to local authorities to defer CIL and S106 payments, and is likely to have a direct impact on anticipated CIL income in 2020/21.

13. It is difficult to anticipate the level of CIL income for 2020/21 given the impact of updated guidance, but it is hoped income in the range of £2,000,000 to £3,000,000 may be expected.

#### **Future Infrastructure List Allocations 2020/21**

14. It is anticipated that strategic CIL funds will be allocated to projects which support the legacy of the Commonwealth Games 2020. These may include associated highway infrastructure, and improvements to sporting venues such as Wyndley Leisure Centre and Holford Community Sports Hub.

#### **Contact details**

For further information about this report or any queries relating to CIL, please contact Hayley Claybrook on 0121 303 4820 or [section106@birmingham.gov.uk](mailto:section106@birmingham.gov.uk)

## Background

1. Section 106 of the Town and Country Planning Act (as amended) allows local planning authorities to require developers to enter into legal agreements (called Section 106 agreements) to mitigate or compensate for the impact of their development.
2. These Section 106 (S106) agreements (also referred to as planning obligations) will either provide a financial contribution to enable the authority to provide appropriate mitigation (such as public transport infrastructure improvements), or will require the developer to provide on site mitigation directly (such as the provision of affordable housing).
3. Birmingham City Council adopted their Community Infrastructure Levy (CIL) Charging Schedule on 4<sup>th</sup> January 2016, but in line with legislation, continue to use S106 agreements to secure planning obligations.
4. Regulation 121A of the Community Infrastructure Levy Regulations 2010 (as amended) requires CIL charging authorities to produce an Infrastructure Funding Statement (IFS) detailing planning obligation income and expenditure. This is the first S106 annual report and covers the period from 1 April 2019 to 31 March 2020 (financial year 2019/20).

### S106 agreements entered into in 2019/20

5. 22 separate S106 agreements were entered into in 2019/20.
6. Of these 22 agreements, 6 relate to Section 73 applications (minor material amendments), non-material amendments or variation of condition applications. The original S106 would have been signed and linked to the original planning consent, however these new S106 agreements are signed in order to amend the original legal document to update the new planning application reference. Going forward, these will be recorded against the year the S106 was originally signed and will not be counted in 2019/20 to avoid double counting.
7. A summary of the remaining 16 S106 agreements entered into in 2019/20 is included in Appendix A.

### S106 funds received in 2019/20

8. A total of £7,911,085 was received in 2019/20.

### S106 summary statement 2019/20

Value of S106 contributions held 1 April 2019	£30,949,333
Value of S106 contributions received 2019/20	£7,911,085
Value of S106 contributions spent 2019/20	£9,551,797
Value of S106 contributions held 31 March 2020	£26,040,342

9. S106 contributions, when received, are allocated to individual named accounts, and can only be spent in line with the restrictions outlined within the individual S106 agreements.
10. Depending on the nature of works outlined within the S106 agreement, an Implementing Service will be identified, and it is their responsibility to spend the S106 funds.
11. Generally, green infrastructure, such as parks, open spaces and sports facilities are spent by the same service. In 2019/20, £2,530,489 was spent on green space improvements (e.g. play equipment, creation of footpaths, benches etc.) and of this, £270,129 was spent on maintenance as commuted sums; only those assets created using S106 funds are maintained using the S106 commuted sums fund. A balance of £11,676,956 was carried forward at the end of 2019/20.
12. If it is not possible to provide affordable housing on site as part of the development, a commuted sum will be sought to provide off site affordable housing through the Birmingham Municipal Housing Trust (BMHT). In 2019/20, £3,546,463 was spent by the BMHT programme. A balance of £1,252,541 was carried forward at the end of 2019/20.
13. The majority of remaining S106 funds will be secured to provide improvements to the public highway and public realm. This could include junction improvements, pedestrian crossings or improvements to a local high street. In 2019/20, £3,474,845 was spent on such improvements, and a balance of £12,365,845 was carried forward at the end of 2019/20.

#### **Contact details**

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Appendix 1

Planning Reference	Legal Agreement Reference	Location	Development	Clauses within agreement					
				On-site Affordable Housing (units)	Off-site Affordable Housing	Local Employment	Public Open Space	Public Realm	Monitoring and Administration Fee
2018/08132/PA	2019/00031/LA	47-55 Alcester Street & 93 Cheapside (including The Fountain public house), Digbeth, Birmingham, B12 0PY	Demolition of existing industrial buildings and erection of buildings and conversion of the existing public house to form 42 no. apartments	4	N/A	In kind	N/A	N/A	£1,500
2018/10092/PA	2019/00037/LA	Derwent House, 1 Mary Ann Street, Birmingham, B3 1RL	Conversion of existing industrial building to 40 one and two bed apartments	N/A	£160,000	N/A	N/A	N/A	£5,600
2017/04040/PA	2019/00038/LA	Land at Conybere Street, Highgate, Birmingham	Erection of a 4 storey educational institute (Use Class D1)	N/A	N/A	N/A	£50,000	N/A	£1,750
2018/03556/PA	2019/00041/LA	Equipoint, 1508 Coventry Road, South	Extension and alterations to	N/A	£47,000	N/A	£25,000	N/A	£3,101

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2018/08132/PA	2019/00031/LA	47-55 Alcester Street & 93 Cheapside (including The Fountain public house), Digbeth, Birmingham, B12 0PY	Demolition of existing industrial buildings and erection of buildings and conversion of the existing public house to form 42 no. apartments	4	N/A	In kind	N/A	N/A	£1,500
		Yardley, Birmingham, B25 8AD	create 28 new residential units						
2018/00808/PA	2019/00042/LA	Former Manor Public House, Station Road, Stechford, Birmingham, B33 9AX	Erection of 24 dwellings (phase two)	10	N/A	N/A	N/A	N/A	£1,500
2018/00423/PA	2019/00044/LA	623 Kingstanding Road, Kingstanding, Birmingham, B44 9TA	Erection of apartment block containing 30 flats	N/A	£67,000	N/A	N/A	N/A	£1,500



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2018/08132/PA	2019/00031/LA	47-55 Alcester Street & 93 Cheapside (including The Fountain public house), Digbeth, Birmingham, B12 0PY	Demolition of existing industrial buildings and erection of buildings and conversion of the existing public house to form 42 no. apartments	4	N/A	In kind	N/A	N/A	£1,500
2019/02161/PA	2019/00068/LA	Plots D, E & F, Eastside Locks, Land adjoining Jennens Road, Lawley Middleway, Pitt Street, Belmont Row and Glassworks Lane, Birmingham	Redevelopment of site to provide 753 no. homes, flexible commercial floorspace and gym	37	N/A	In kind	N/A	N/A	£10,000
2018/06374/PA	2019/00067/LA	48-52 Princip Street, Birmingham, B4 6LN	Demolition of existing building and erection building for 26 apartments	N/A	£214,000	N/A	N/A	N/A	£7,490

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2018/08132/PA	2019/00031/LA	47-55 Alcester Street & 93 Cheapside (including The Fountain public house), Digbeth, Birmingham, B12 0PY	Demolition of existing industrial buildings and erection of buildings and conversion of the existing public house to form 42 no. apartments	4	N/A	In kind	N/A	N/A	£1,500
2019/04480/PA	2020/00012/LA	Lyndon Place, 2096 Coventry Road, Sheldon, Birmingham, B26 3YU	Erection of buildings comprising 85 apartments	9	N/A	N/A	N/A	N/A	£1,500
2019/03336/PA	2020/00025/LA	Exchange Square - Phase 2, Land at Priors Queensway and Moor Street Queensway, Birmingham, B4 7NJ	Erection of a mixed-use development including a hotel, 375 dwellings plus retail/commercial space	N/A	£858,000	N/A	N/A	In kind	£10,000

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2018/08132/PA	2019/00031/LA	47-55 Alcester Street & 93 Cheapside (including The Fountain public house), Digbeth, Birmingham, B12 0PY	Demolition of existing industrial buildings and erection of buildings and conversion of the existing public house to form 42 no. apartments	4	N/A	In kind	N/A	N/A	£1,500
2019/05420/PA	2020/00027/LA	37-55 Camden Street, Jewellery Quarter, Birmingham, B1 3BP	Demolition of existing buildings and erection of a 4-storey building comprising 48 apartments	7	N/A	N/A	N/A	N/A	£10,000
2019/06253/PA	2020/00029/LA	50A Warwick Street, Digbeth, Birmingham, B12 0NH	Demolition of existing buildings and construction of building comprising 80 apartments	10	N/A	N/A	N/A	N/A	£5,000
2019/05158/PA	2020/00037/LA	100 Broad Street, City Centre, Birmingham, B15 1AU	Demolition of existing buildings and erection of 61 storey tower to	25	N/A	N/A	N/A	N/A	£10,000

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2018/08132/PA	2019/00031/LA	47-55 Alcester Street & 93 Cheapside (including The Fountain public house), Digbeth, Birmingham, B12 0PY	Demolition of existing industrial buildings and erection of buildings and conversion of the existing public house to form 42 no. apartments	4	N/A	In kind	N/A	N/A	£1,500
			include 503 apartments						
2019/00964/PA	2020/00038/LA	34-44 Northwood Street, Jewellery Quarter, Birmingham, B3 1TU	Part demolition of existing buildings and erection of new part three and part four storey buildings to provide 48 apartments	7	N/A	N/A	N/A	N/A	£1,500
2019/07191/PA	2020/00039/LA	395-398 Ladywood Middleway, Birmingham, B1 2TJ	Demolition of existing building to allow for the erection of residential block comprising 62 no. apartments	62	N/A	In kind	N/A	N/A	£1,500

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2018/08132/PA	2019/00031/LA	47-55 Alcester Street & 93 Cheapside (including The Fountain public house), Digbeth, Birmingham, B12 0PY	Demolition of existing industrial buildings and erection of buildings and conversion of the existing public house to form 42 no. apartments	4	N/A	In kind	N/A	N/A	£1,500
2019/04424/PA	2020/00048/LA	Land at 65, 66 & 68 Caroline Street, 60 - 70 (evens) Regent Place & 18 Regent Parade, Jewellery Quarter, B1 3NJ	Change of use, alterations and extensions to existing buildings to provide 37 apartments	3	N/A	N/A	N/A	N/A	£5,250