

**Infrastructure Funding Statement
2020/21**

**Community Infrastructure Levy
and Section 106**

Community Infrastructure Levy

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 2020 to 31 March 2021 (financial year 2020/21).

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 2020/21 was £3,036,070.24

CIL Expenditure

7. Total CIL expenditure in 2020/21 was £0.

Parish and Town Councils

8. £5,190.46 was paid directly to Sutton Coldfield Town Council in 2020/21.

9. No funds were paid to Frankley Parish Council.

CIL Administrative Expenses

10. £151,803.47 was claimed for the administration of CIL in 2020/21

CIL Financial Summary

11. The CIL financial summary for 2020/21 is set out in the following table:

	CIL Balance 31/03/2020	CIL Income 2020/21	CIL Balance 31/03/2021	CIL Expenditure 2020/21
Strategic CIL	£8,830,959.62	£2,309,805.31	£11,140,764.93	£0.00
Local CIL	£1,730,159.43	£569,271.00	£2,299,430.43	£0.00
Management Fee	£0.00	£151,803.47	£0.00	£151,803.47
Sutton Coldfield Town Council	£36,638.66	£5,190.46	£41,829.12	£0.00
Total	£10,597,757.71	£3,036,070.24	£13,482,024.48	£151,803.47

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 2021/22.

13. It is difficult to anticipate the level of CIL income for 2021/22 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 2021/22

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 07912 451258 or 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 4th 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 2020 to 31 March 2021 (financial year 2020/21).

S106 agreements entered into in 2020/21

5. 15 separate S106 agreements were entered into in 2020/21.
6. A summary of the 15 S106 agreements entered into in 2020/21 is included in Appendix A.

S106 funds received in 2020/21

7. A total of £2,678,267 was received in 2020/21.

S106 summary statement 2019/20

Value of S106 contributions held 1 April 2020	£28,858,308
Value of S106 contributions received 2020/21	£2,678,267
Value of S106 contributions spent 2020/21	£3,001,927
Value of S106 contributions held 31 March 2021	£28,392,005

8. 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.
9. 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.
10. Generally, green infrastructure, such as parks, open spaces and sports facilities are spent by the same service. In 2020/21, £1,799,387 was spent on green space improvements (e.g. play

equipment, creation of footpaths, benches etc.). A balance of £11,173,464 was carried forward at the end of 2020/21.

11. 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 2020/21, £0 was spent by the BMHT programme. A balance of £3,095,748 was carried forward at the end of 2020/21.

12. Larger residential developments likely to house families with children will require contributions which support new school places, where local schools are generally over subscribed and have a shortage of places. In 2020/21, £413,426 was spent on improvements to schools to provide additional pupil places and a balance of £3,149,541 was carried forward into 2021/22.

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 2020/21, £1,392,593 was spent on such improvements, and a balance of £10,973,252 was carried forward at the end of 2020/21.

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
2019/02889/PA	2020/00116/LA	Weston House, 6 Norfolk Road, B15 3QD	Conversion and part demolition of existing buildings into 6 apartments and 2 dwellings, erection of 9 dwellings and 4 storey building consisting of 26 apartments.	0	£627,000	N/A	£158,575	N/A	£1,500
2018/07490/PA	2020/00063/LA	Land at junction of Stratford Road/Highgate Road, Sparkbrook, B11	Erection of 5 storey mixed use building comprising commercial use at ground floor, office use at first floor and 29no. flats on second, third and fourth floor	0	103,5512	N/A	N/A	N/A	£3,623

Planning Reference	Legal Agreement Reference	Location	Development	Clauses within agreement					
2018/01177/PA	2020/00104/LA	122 Moseley Street, Digbeth, B12 0RY	Demolition of existing building and erection of a 5 storey building to provide 29 apartments	0	£58,000	N/A	N/A	N/A	£2,030
2020/04784/PA	2020/00137/LA	Priory House, Gooch Street North/Kent Street, B5 6QU	Conversion and refurbishment of Priory House, including change of use from class B1(b) to include 79 residential apartments (use class C3).	0	N/A	N/A	N/A	£202,029	£7,000
2020/05247/PA	2021/00026/LA	Irish Club – Minstrel Music, 14-20 High St, Digbeth, B12 0LN	Demolition of the Irish Centre and erection of 48 storey building to provide 454 new residential apartments	0	N/A	N/A	N/A	£5,000	£1,500
2017/10465/PA	2020/00099/LA	50 Severn Street, B1 1QG	Demolition of existing building and redevelopment of site with part 10 and part 7 storey building	0	£58,509	N/A	N/A	£60,314	£3,938

Planning Reference	Legal Agreement Reference	Location	Development	Clauses within agreement					
			to provide 30 residential apartments and ground floor commercial unit.						
2019/05900/PA	2020/00072/LA	Martineau Galleries, B4 7LJ	Outline planning application for demolition of all buildings on the site and mixed use redevelopment of up to 255,000 sqm comprising offices, retail and leisure units, 1,300 residential units, and hotel accommodation for up to 400 bedrooms.	0	N/A	N/A	N/A	£12,000	£5,000
2018/10135/PA	2020/00102/LA	46-58 Barr St & 27-33 Gt Hampton St, B18 6AA	Partial demolition of existing buildings and erection of new 4/5 storey buildings to provide 129 apartments and	0	N/A	N/A	N/A	£50,000	£1,750

Planning Reference	Legal Agreement Reference	Location	Development	Clauses within agreement					
			ground floor commercial unit						
2019/03186/PA	2020/00053/LA	51-61 Price St, Gun Quarter B4 6JZ	Outline planning application for demolition of existing building (apart from Gunsmith House), conversion of retained building and erection of new 3/5 storey buildings to provide up to 69 apartments.	0	N/A	N/A	N/A	£78,400	£2,744
2020/03829/PA	2021/00019/LA	Lancaster Wharf, 5 Princip Street, B4 6LE	Demolition of existing building and erection of development of 266 apartments in linked blocks of 6,7 and 23 storeys	0	N/A	N/A	£5,000	N/A	£7,350
2018/10294/PA	2020/00111/LA	Land bounded by Dudley Rd, railway line, Birmingham	Demolition of existing buildings and redevelopment	0	N/A	N/A	£15,000	N/A	£1,500

Planning Reference	Legal Agreement Reference	Location	Development	Clauses within agreement					
		Old Line canal, Olde Windmill Public House and St Patrick's Church and School	of a residential led mixed use scheme containing 650 apartments, 102 townhouses, retail units and associated works						
2020/04449/PA	2021/00006/LA	Longbridge Place, Cooper Way, Rednal, B31 2GG	Erection of 25 apartments, replacing 10 houses	0	£220,152	N/A	N/A	N/A	£1,500
2019/02972/PA	2020/00118/LA	127 Aldridge Road, Perry Barr, B42 2EU	Extension to existing warehouse and alterations to existing warehouse and demolition of existing building between 125 and 131 Aldridge Road to allow for formation of new access	0	N/A	N/A	£26,762	N/A	£1,500
2020/05394/PA	2021/00023/LA	Land at Kingston Road and Rectory Road, B75 7NY	Demolition of existing building and outline planning permission for	0	N/A	N/A	£60,000	N/A	£2,100

Planning Reference	Legal Agreement Reference	Location	Development	Clauses within agreement					
			residential development						
2019/03504/PA	2020/00113/LA	Land at junction of Warwick Road and Knights Road, Tyseley, B11	Demolition and clearance of site to create 140 residential units	0	£338,145	N/A	£90,000	N/A	£0.00