

BOLTON COUNCIL
INFRASTRUCTURE FUNDING
STATEMENT: 2021/22

1. Introduction

1.1 About this statement

Welcome to the Bolton Council Infrastructure Funding Statement.

Local Authorities, such as Bolton Council, are now required to produce an Infrastructure Funding Statement on an annual basis as a result of changes to government legislation as required by Community Infrastructure Levy (Amendment) (England) (No. 2) 2019.

All Local Planning Authorities who agree or receive contributions through Section 106 planning obligations in any given year are required to produce an Infrastructure Funding Statement to be published on its website along with the supporting datasets. For this year it must be published by 31 December 2022 covering the previous financial year. Those datasets are also required to be submitted by that date to the Department of Levelling Up, Housing and Communities (DLUHC) as part of a new National Register of Developer Contribution.

The purpose of the Infrastructure Funding Statement is to provide an overview which will give policy makers and communities better insight into how developer contributions are supporting new development and local infrastructure.

Bolton Council does not operate a Community Infrastructure Levy and, as such, this statement will only set out this year's income and expenditure relating to Section 106 (S106) agreements. By way of reference, S106 (collectively known as 'planning obligations' or 'developer contributions') income is used to offset harm caused by development and help fund the provision of supporting infrastructure in association with development and maximise the benefits and opportunities from growth, such as employment opportunities and affordable homes.

The changes in the Regulations, referred to above, require datasets to be compiled detailing new S106 agreements signed in 2021/2022 along with all monies received and spent within that period with respect of existing signed S106 Agreements and provide a balance of accounts as of 31 March 2022. The Infrastructure Funding statement is an overview of the information collected in those datasets for the financial year 2021/22.

This document represents the Council's Infrastructure Funding Statement.

Section 2 of this Statement sets out progress in the collection and spending of S106 income over the last financial year (2021/22).

Section 3 sets out S106 planned expenditure over the next reporting period (2022/23).

Key headlines from the statement

In 2021/22, the headline figures are as follows:

Section 106 agreements:

£2,870,494.31 was secured through S106 agreements signed in 2021/22

239 units of affordable housing secured through S106 agreements in 2021/22

£1,754,793 of funding was drawn down principally towards education and transport and travel.

£4,316,646 has been received in S106 receipts - mostly sums towards education, open space and leisure, highways, transport and travel.

There is a remaining balance of £5,479,955 rolling forward into 2022/23.

2. Section 106 collection and expenditure: 2021/22

S106 agreements are used to mitigate the impacts of development and ensure that Bolton's planning policy requirements (as set out in the Core Strategy, the Infrastructure and Planning Contributions Supplementary Planning Document (SPD) and the Affordable Housing SPD) are fully met. S106 obligations include:

- Site-specific financial contributions - these are secured and must be used for defined purposes; for instance, the provision of education facilities, traffic and transport/highways related works, open space provision and affordable housing contributions (where accepted in lieu of on-site provision);
- Provision of on-site affordable housing; and
- Non-financial obligations, including requirements such as employment and skills strategies, construction management plans and travel plans.

The Core Strategy Policy IPC1 sets out our requirements for planning obligations in the context of negotiations on planning applications where it states:

"The council will seek to ensure that developers make reasonable provision or contribution towards the cost of appropriate physical, social and green infrastructure required by the proposed development and/or to mitigate the impact of that development. In doing so, the council will ensure that a scheme is made acceptable in planning terms and achieves the objectives of sustainable development."

The Infrastructure and Planning Contributions SPD identifies areas where contributions will be sought. This document outlines the range and nature of planning obligations to be sought depending on the type of development in the authority.

The areas identified are as follows:

- Affordable housing
- Open space and children's play space
- Health and well-being

- Education
- Community and cultural facilities
- Public art and public realm improvements
- Sustainable Drainage Systems
- Other contributions (Highway Contributions etc.)

Further detail on the implementation of this approach is set out in the Infrastructure and Planning Contributions Supplementary Planning Document. More specific requirements for securing affordable housing are set out in the Affordable Housing SPD.

These documents can be viewed from our web site at:

<https://www.bolton.gov.uk/downloads/file/864/infrastructure-and-planning-contributions>
<https://www.bolton.gov.uk/downloads/file/857/affordable-housing>

2.1 Section 106 agreements signed

2.2 Developments with notable S106 agreements signed in the last financial year (2021/22) include:

[09616/20](#) Former Tarmac Building Materials Lts, Stopes Road, Little Lever – Affordable Housing 20 units, Highways £10,028.80, Education £438,242.76.

[09591/20](#) Lincoln House, Nelson Street, Bolton, BL3 2JW – Education £70,000.00.

[09485/20](#) Garnet Fold Farm, St Helens Road, Bolton – Affordable Housing 6 units, Education £700,985.94, Open Space £192,064.00.

[08075/20](#) Land at Lever Park Avenue, Horwich – Affordable Housing 26 Units, Open Space £100,350.00, Primary Education £217,304.42, Secondary Education £227,716.23.

[07245/19](#) Land at Victoria Road, Horwich – Affordable Housing 71 units, Open Space £260,416.00, Secondary Education £641,472.75, Highways £7,751.41.

These S106 agreements and other relevant documentations can be viewed online following Planning Application Reference Number links above.

S106 agreements value 2021/22

Total monetary value from all S106 agreements signed 2021/22 - £2,870,494.31

Non-financial contributions secured through S106 agreements

Total Number of affordable housing units secured in 2021/22 - 239

[09616/20](#) Former Tarmac Building Materials Ltd, Stopes Road, Little Lever – Up to 20 no units

[09862/20](#) Horwich Loco Industrial Estate, Chorley New Road, Horwich – 116 no units

[09485/20](#) Garnet Fold Farm, St Helens Road, Bolton – 6 no units

[08075/20](#) Land at Lever Park Avenue, Horwich – 26 no units

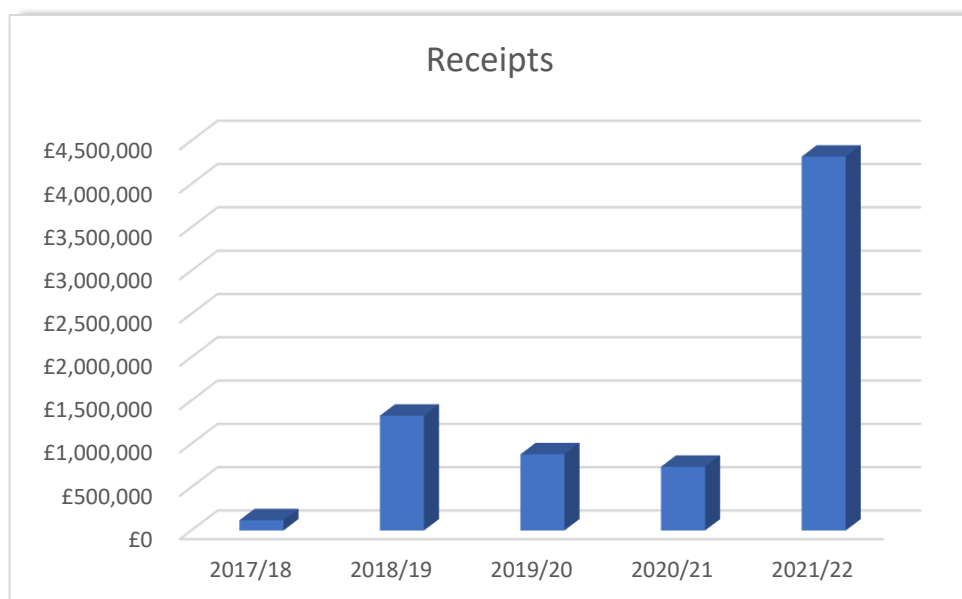
[07245/19](#) Land off Victoria Road, Horwich – 71 no units

2.3 Section 106 financial contributions received

In 2021/22, a total of £4,316,646 was received in S106 contributions.

The table and bar chart show S106 income over the last five financial years.

Year	Receipts
2021/22	£4,316,646
2020/21	£735,546
2019/20	£879,565
2018/19	£1,325,612
2017/18	£117,959



The graph shows significant differences in income over the last five years derived from S106 agreement. However, it is important to qualify that this is not a performance issue as the income is derived from Major planning applications granted planning permission by the Council. In all cases, the Council seeks to maximise S106 contributions in accordance with its S106 Supplementary Planning Document and the provisions of Community Infrastructure Levy Regulations 2010.

The variation in income between years is determined by the actual S106 agreements themselves and the trigger points for when payments need to be made to the Council. Accordingly, one year may see a higher income from S106 agreements than another, simply because there may be more or larger S106 contributions triggered and paid to the Council during that period.

Total receipts in 2021/22 came from 12 sites, however most of the contributions came from the following 10 sites:

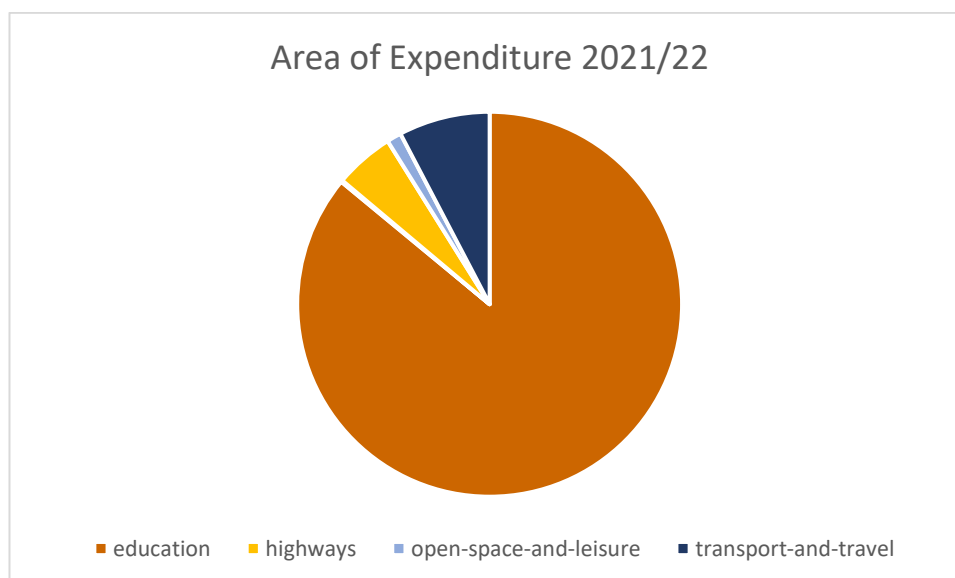
Most notable agreements

91358/14	Rivington Grange, Former Bolton Comm College, Horwich	£676,281.02
97377/16	Bowlands Hey, Collingwood Way, Westhoughton	£649,519.91
06410/19	Bowlands Hey, Westhoughton	£554,241.20
01595/17	The Sanctuary, Land at the Last Drop Village, Bromley Cross, Bolton	£466,608.37
06657/19	Hartleys Farm, Wingates Lane, Westhoughton	£459,577.93
01373/17	Former Horwich Loco Works, Horwich, Bolton	£444,733.43
04046/18	Scholars Place, Hollins Hall of Residence, Radcliffe Road, Bolton	£351,800.57
90539/13	Logistics North Transportation	£238,144.95
07284/19	Hercules Business Park, Lostock Lane, Horwich	£205,684.93
04527/18	Eldercot Road, Bolton	£199,321.95
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97377/16	Bowlands Hey, Collingwood Way, Westhoughton	649,519.91
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06657/19	Hartleys Farm, Wingates Lane, Westhoughton	459,577.93
01373/17	Former Horwich Loco Works, Horwich, Bolton	444,733.43
04046/18	Scholars Place, Hollins Hall of Residence, Radcliffe Road, Bolton	351,800.57
90539/13	Logistics North Transportation	238,144.95
07284/19	Hercules Business Park, Lostock Lane, Horwich	205,684.93
04527/18	Eldercot Road, Bolton	199,321.95

2.4 Section 106 spending

Expenditure of section 106 funds was concentrated in affordable housing, transport and travel, education and open spaces and leisure.

Areas of spend in 2021/22



Summary of main spending during 2021/22:

Education	£816,777	Expansion of Westhoughton High School
Education	£264,828	Additional secondary school capacity to meet increased demand in Horwich
Education	£206,213	Expansion of Turton High School
Transport & travel	£134,630	Public transport link to Logistics North
Highways & Transport	£78,528	Highways works at Rivington Chase Development
Education	£73,587	Additional secondary school capacity in south Bolton
Education	£70,434	Additional primary school capacity in south Bolton
Education	£37,000	Expansion of Walmsley Primary School

Travel & Transport

The section 106 agreement arising from planning application 90539/15 provides funding over a number of years to support transport links to the Logistic North site. Approval was given in a report to the Executive Cabinet Member Deputy Leader on 27th February 2019 for use of s106 funds to provide a transport local link service.

Education

The section 106 agreement arising from planning applications 06410/19 and 97377/18 Bowlands Hey, Westhoughton and 03484/18 Wigan Road, Westhoughton all provided funding for education expansion at Westhoughton High School. Planning agreement 01595/17 The Sanctuary, Bromley Cross provided funding for expansion of Turton High School and Walmsley Primary School. Planning agreement 04527/18 Eldercot Road, provided funding for additional capacity in both secondary and primary schools in the south of the borough.

Open Spaces and Leisure

When land is transferred by a developer to the Council as an open space, provision is sometimes made within the s106 agreement for a contribution towards future maintenance costs. This takes the form of a commuted sum which is a lump sum that is drawn down usually over ten years as a contribution to the greenspace maintenance budget.

Capital sums are used to fund the provision of new or refreshed play areas and equipment across the borough. In 2021/22 4 sites across the borough were refreshed with the use of funding from a collection of agreements. Details of how s106 is used for equipped play areas was set out in a report to the Executive Cabinet Member Leaders Portfolio of 3rd March 2013 setting out the strategy and a ten-year Action Plan Framework.

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) is £0.

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 is £0.

2.5 Current section 106 balances

A balance of £2,918,102 was carried through from 2020/21 to financial year 2021/22.

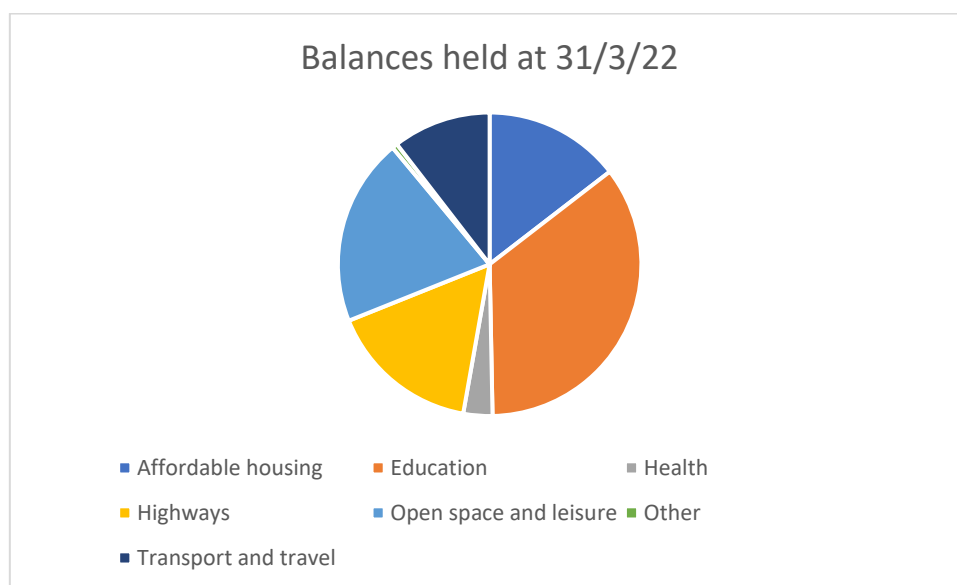
As a result of the income and expenditure set out in sections 2.3 and 2.4 of this statement, current S106 balances for 2021/22 are as follows:

- £5,479,955 (current balance).
- All funds are allocated to the area of intended purpose as set out in the individual S106 agreements and are available to be allocated towards future projects in 2022/23 or beyond, which meet the specified requirements defined within the S106 agreement relating to each site.

Balance breakdown

	Balance held 31/3/22
Affordable housing	£797,358
Education	£1,925,869
Health	£169,887
Highways	£884,443
Open space and leisure	£1,096,969
Other	£31,961
Transport and travel	£573,469
Grand Total	£5,479,956

Breakdown of S106 balances in 2021/22



For clarity, the figure of £2,918,102 does not include monies spent subsequent to 31 March 2022 or additional income derived from S106 agreement during that period. These figures will be reported in the following Infrastructure Funding Statement for 2022/23 as this is now an annual requirement.

3. Planned expenditure (2021/2022)

Unlike the Community Infrastructure levy which requires a planned expenditure of monies received, S106 monies 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; accordingly, expenditure is pre-determined by the S106 both in terms of what it can be spent on and by when.

The Council's balance of £5,479,956 (as of 31st March 2022) which represents monies received, but yet to be drawn down, will be spent against specific projects/works identified in the S106 agreements to which the payment pertains as identified in 2.4 above. Whether this takes place in 2022/23 or later is determined by the terms of the S106 Agreement itself.

The main exceptions to this relate to some monies received in respect of Public Open Space and affordable housing provision.

Public Open Space

As stated above in 2.4, there are developments where monies received in respect of Public Open Space are not specifically tied to a particular development and can be spent across the wider authority. Where this takes place, planned expenditure will be in accordance with the report to the Executive Cabinet Member Leaders Portfolio of 3rd March 2013 setting out the strategy and a ten-year Action Plan Framework. The commuted sum held for this provision is £166,690 at 31st March 2022.

Affordable Housing

The Council always endeavours to provide affordable housing on-site with respect to any proposed development. However, there are times when this cannot take place and, in those circumstances the Council will secure a sum for off-site provision elsewhere within the authority. With respect to these sums, the Council will work with Registered Providers to identify schemes in consultation with the ECM and will be reported within the subsequent 2022/23 Infrastructure Funding Statement.

3.1 The planning and delivery of our infrastructure

S106 receipts were expected to increase over the coming years in response to rising levels of development. However, the uncertainty associated with Covid-19 and the impact this has and will have on the market moving forwards is clearly not known.

The Infrastructure Delivery Statement is intended to be a living document that will be reviewed and updated on an annual basis to effectively coordinate the delivery of infrastructure alongside the planned increase in new homes and jobs and the authority's projected population growth over the next 15 years and beyond.

4. Conclusions

Bolton Council is committed to working with the local community and other stakeholders to ensure that planning contributions are used in a fair and transparent way to maximise the benefits and opportunities arising from development, such as new affordable homes, community infrastructure and environmental improvements.

The Infrastructure funding report shows that, along with signing six new significant S106 agreements in 2021/22, the Council received a grand total of £4,316,646 of additional income secured through S106 agreements.

During that period, the Council spent £1,754,793 on the provision of infrastructure to support the local economy and community, primarily on Affordable Housing, Transport/Travel, Education and Public Open Space/Leisure.

This has resulted in a balance from 2021/22 of £5,479,955 S106 monies held by the Council as of 31 March 2021, comprising income received and rolled forward from previous years and that received during 2021/22.

The balance is carried forwards into 2022/23 and beyond is for the provision of infrastructure and affordable housing, dependent upon the delivery timeframes specified within the S106. The main areas of identified spend in 2022/23 and beyond are affordable housing provision, contributions towards highways improvements, contributions towards transport and travel, education contribution towards local schools and finally, public open space/leisure contributions.

All S106 incomes and expenditure between 1 April 2022 and 31 March 2023 will be included within the Bolton Infrastructure Funding Statement 2022/23.

However, the Government through the Levelling-up and Regeneration Bill, which completed the first committee stage in October 2022, has proposed that the current CIL/S106 regime is changed and replaced primarily with a single Infrastructure Levy for all Councils. It is currently unclear whether, and in exactly what form, this will be taken forward, but it is possible that how Bolton secures its infrastructure/affordable housing contributions in the future may change dramatically. There is still likely to be a requirement for an Infrastructure Funding Statement of some form moving forwards.

Lastly, what impact the current uncertainties arising from covid-19 and the wider economic context including high inflation and the rapid rise in interest and mortgage rates will have on the development industry and therefore potential S106 income is uncertain at this moment in time.