BOLTON COUNCIL

INFRASTRUCTURE FUNDING STATEMENT: 2023/24



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1. Introduction

1.1 About this statement

Welcome to the Bolton Council Infrastructure Funding Statement**.**

The Community Infrastructure Levy (amendment) (England) (no.2) Regulations 2019 place a duty on Local Authorities to provide a summary of all financial and non-financial developer contributions that they have been involved with over the course of a given financial year. The Infrastructure Funding Statement (IFS) is the platform in which to do this and must include a report on Planning Obligations Section 106 (S106), Section 278 (S278) and where applicable the Community Infrastructure Levy (CIL), in relation to the previous financial year.

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.

1.2 Section 106 (of the Town and Country Planning Act)

Section 106 Agreements are a legal mechanism used to fund additional infrastructure needed as a result of increased demand caused by development within a local area.
Section 106 monies are secured for a range of infrastructure. They can only be sought where they meet the three legal tests, set out in paragraph 122 of the Community Infrastructure Levy Regulations 2010:

- they are directly related to the development,
- fairly and reasonably related in scale and kind to the development, and;
- necessary to make the development acceptable in planning terms.

S106 (collectively known as 'planning obligations' or 'developer contributions') more often than not will be financial obligations which are payments made to the Council for the Council to spend towards the provision of off-site infrastructure works or alternate facilities elsewhere within the Borough, usually on or near the site.

Developer contributions can also be non-financial also known as 'in kind', whereby instead of paying the money to the Council the developer provides services or carries out the works directly such as direct delivery of infrastructure, providing a specific number of affordable homes on site or management and maintenance obligations.

1.3 Section 278 Highway Agreements

Additional legal agreements that can fund infrastructure are Section 278 Agreements (S278). These are legally binding agreements made under the Highways Act 1990 between Local Highway Authorities and Developers. S278 agreements are required to secure alterations or improvements to the highway.

1.4 Community Infrastructure Levy

Bolton Council does not operate a Community Infrastructure Levy and, as such, this statement will only set out this year's contributions and expenditure relating to Section 106 (S106) agreements.



1.5 Boltons Planning Policy requirements

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 or off -site affordable housing; and
- Non-financial obligations, including requirements such as employment and skills strategies, 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

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:

Developer contributions – Bolton Council

1.6 Key headlines from the statement

In 2023/24, the headline figures are as follows:

Section 106 agreements:

Opening Balance for 2023/24 is £7,566,957

£1,072,840 was received in 2023/24

£1,233,653 of funding was spent principally towards Education and Highways.

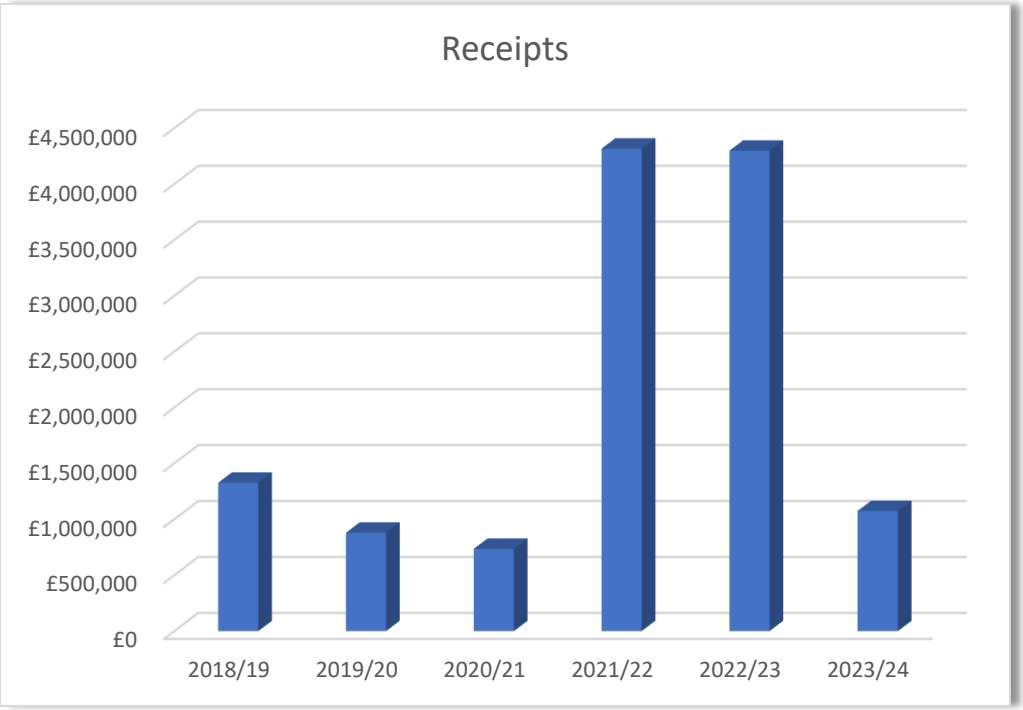
There is a remaining balance of £7,406,144 rolling forward into 2024/25.

2. Progress in the collection and spending of S106 contributions over the last financial year 2023/24

2.1 Section 106 financial contributions received per annum

The table and bar chart show S106 contributions over the last six financial years.

Year	Receipts
2023/24	£1,072,840
2022/23	£4,297,590
2021/22	£4,316,646
2020/21	£735,546
2019/20	£879,565
2018/19	£1,325,612



The graph shows significant differences in contributions over the last six years derived from S106 agreement. However, it is important to qualify that this is not a performance related issue as the contributions is derived from major planning applications that have been granted planning permission by the Council. Contributions relate directly to the planning applications and developments that have been received and determined during that financial year. 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 contributions 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 contributions from S106 agreements than another, simply because there may be more or larger S106 contributions triggered and paid to the Council during that period.

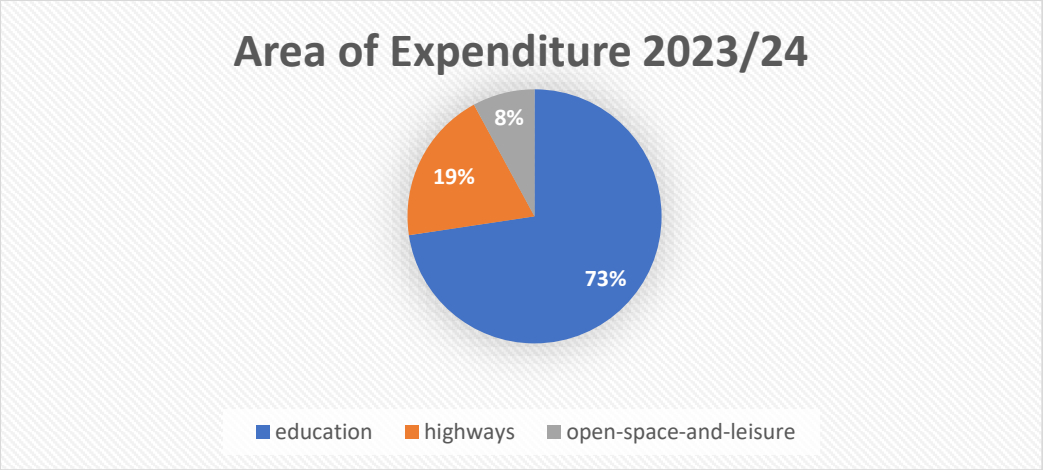
2.2 Analysis of 2023/24 Receipts

Scheme	Ward	Planning Ref	Builder	Amount
Phases 3 & 4 Bowlands Hey, Westhoughton	Westhoughton South	11568/21	Bellways	£563,698
Garnet Fold Farm, St Helens Road, Bolton	Hulton	09485/20	Northstone	£277,903
Land North of Platt Lane, East of Park Road & South of Chequerbent Roundabout, Westhoughton Bolton	Westhoughton North	94696/15	Persimmon	£231,239
				£1,072,840

2.3 Analysis of 2023/24 Expenditure

In 2023/24, a total of £1,233,654 was spent from the S106 contributions held. Expenditure of section 106 funds in 2023/24 was concentrated in education, highways and affordable housing.

Areas of spend in 2023/24



2.4 Summary of expenditure during 2023/24:

Education	£290,531	Contribution towards the improvement of Westhoughton High School
Education	£580,983	For the purpose of providing primary school places which will serve the development
Education	£24,493	Primary & Secondary improvement schemes in Bolton borough
Highways	£240,044	Boroughwide highways improvements, traffic management & traffic calming works
Open space and Leisure	£97,600	Contribution to improvements in Old Station Park

2.5 Current total Section 106 balances

A balance of £7,566,957 was carried through from 2022/23 to financial year 2023/24.

As a result of the contributions and expenditure set out in sections 2.1 to 2.4 of this statement in this year, current S106 balances are now:

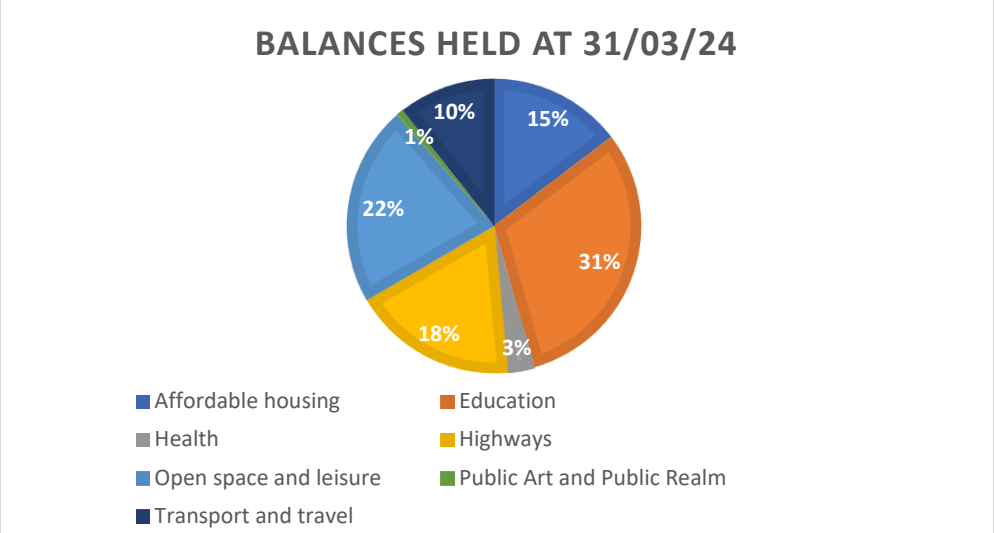
- £7,406,144 as at 31.03.2024
- All funds are allocated to the area of intended purpose as set out in the individual S106 agreements and are available to be allocated towards future projects in 2024/25 or beyond, which meet the specified requirements defined within the S106 agreement relating to each site. This is shown on the table below

2.6 S106 Balances Held Area Analysis

	Balances held as at 31/03/24
Affordable housing	£1,085,740
Education	£2,288,062
Health	£220,528
Highways	£1,340,431

Open space and leisure	£1,624,327
Other (Public Art and Public Realm)	£60,963
Transport and travel	£786,093
Grand Total	**£7,406,144**

2.7 Breakdown of S106 balances by percentage in 2023/24



For clarity, the figure of £7,406,144 does not include monies spent after 31 March 2024 or additional contributions derived from S106 agreement during that period. These figures will be reported in the following Infrastructure Funding Statement for 2024/25 as this is now an annual requirement.

3. Planned expenditure (2024/2025)

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 £7,406,144 (as of 31st March 2024) will be spent against specific projects/works identified in the S106 agreements. Whether this takes place in 2024/25 or later is determined by the terms of the S106 Agreement itself. Sometimes there is need to combine or pool contributions and/or supplement with other funding. This is particularly the case with Education for example. This impacts on the timescales for realistic delivery of some mitigations.

4: Conclusions

The Infrastructure Delivery Statement is intended to be a live 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.

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 the Council received a total of £1,072,840 additional contributions secured through S106 agreements in 2023/24.

During that period, the Council spent £1,233,654 on the provision of infrastructure to support the local economy and community, primarily on Education, Highways and Affordable Housing.

This has resulted in a balance of £7,406,144 S106 monies held by the Council as of 31 March 2024, comprising contributions received and rolled forward from previous years and that received during 2023/24.

