

BOLTON COUNCIL INFRASTRUCTURE FUNDING STATEMENT: 2022/23



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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 first infrastructure funding statement for the financial year if 2019/2020 had to be published by 31st December 2020, with subsequent statements published at least annually thereafter.

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 2022/23, the headline figures are as follows:

Section 106 agreements:

£2,298,148.04 was secured through S106 agreements signed in 2022/23

329 units of affordable housing secured through S106 agreements in 2022/23

£2,210,587 of funding was spent principally towards education and highways.

£4,297,590 has been received in S106 receipts - mostly sums towards education, open space and leisure, highways, transport and travel.

There is a remaining balance of £7,566,958 rolling forward into 2023/24.



2. Progress in the collection and spending of S106 contributions over the last financial year 2022/23

2.1 Section 106 agreements signed

Developments with notable S106 agreements signed in the last financial year (2022/23) by Ward area include:

Application No.	Address	Contribution	Amount
Great Lever			
13040/22	Land South of Freshfield Avenue Bolton	Highways	£45,995.00
Heaton and Lostock			
12992/22	Land At Academy Way Lostock Bolton BL6 4GH	Affordable housing	9 UNITS
		Secondary Education	£195,860.00
		Open Space	£83,073.00
Horwich and Blackrod			
89159/12	University of Bolton Stadium, Burnden Way, Horwich, Bolton, BL6 6JW	Highways	£100,000.00
Little Lever and Darcy Lever			
09775/20	Land at Mytham Road, Prestolee Road, Boscow Road, Hall Lane and Newbury Road, Little Lever, Bolton	Affordable Housing	154 UNITS
		Highways	£8760.00
Westhoughton North			
12218/21	Land at and adjacent to Hulton Park, Manchester Road, Over Hulton, Bolton, BL5 1BH	Highways	£575,000.00
Westhoughton South			
11567/21	Land At Bowlands Hey, Westhoughton, Bolton (Phase 5)	Affordable Housing	64 UNITS
		Secondary Education	£594,326.79
		Highways	£143,300.00
11568/21	Land At Bowlands Hey, Westhoughton, Bolton (Phase 3 And 4)	Affordable Housing	42 UNITS
		Secondary Education	£395,093.25
		Highways	£143,300.00

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



2.2 S106 agreements value 2022/23

Total monetary value from all S106 agreements signed 2022/23 - £2,298,148.04

2.3 Non-financial contributions 'in kind' secured through S106 agreements

Total Number of affordable housing units provided in 2022/23 – 329

Application No.	Address	Number of Units
Farnworth		
<u>07067/19</u>	Land At Campbell Street Farnworth Bolton	60 UNITS
Heaton and Lostock		
<u>12992/22</u>	Land At Academy Way Lostock Bolton BL6 4GH	9 UNITS
Little Lever		
<u>09775/20</u>	Land At Mytham Road Prestolee Road Boscow Road Hall Lane And Newbury Road Little Lever Bolton	154 UNITS
Westhoughton South		
<u>11567/21</u>	Land At Bowlands Hey Westhoughton Bolton (Phase 5)	64 UNITS
<u>11568/21</u>	Land At Bowlands Hey Westhoughton Bolton (Phase 3 And 4)	42 UNITS

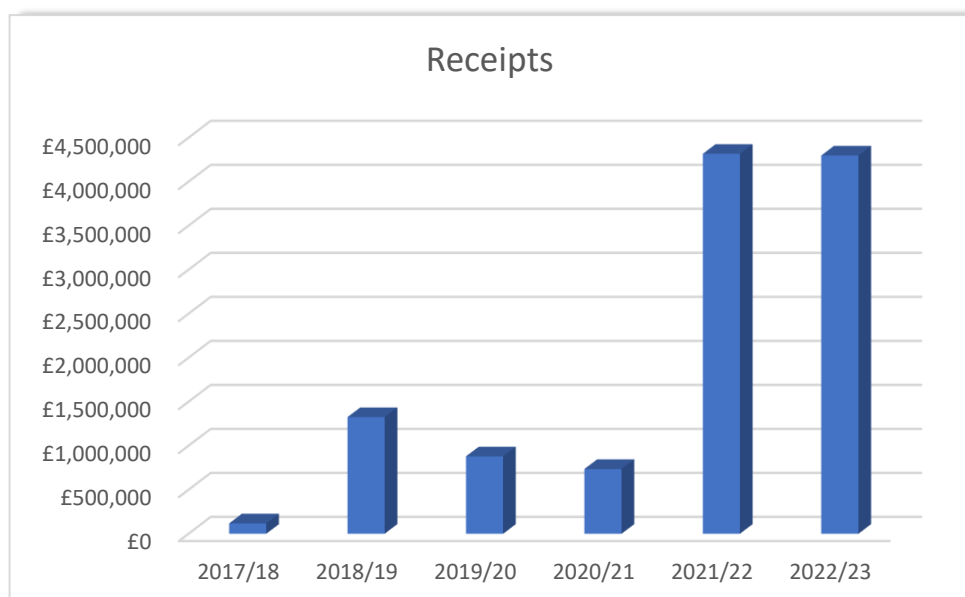


2.4 Section 106 financial contributions received

In 2022/23, a total of £4,297,590 was received in S106 contributions

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

Year	Receipts
2022/23	£4,297,590
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 contributions over the last six years secured from S106 agreements. 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 figures from S106 agreements than another, simply because there may be more or larger S106 contributions triggered and paid to the Council during that period. It is also heavily influenced by the number and scale of planning applications that are received in any one year.

Total receipts in 2022/23 of £4,297,590 came from 17 sites, however most of the contributions came from the following 10 sites:



2.5 Most notable agreements

Application No.	Address	Amount
Great Lever		
09591/20	Lincoln House, Nelson Street	£70,000.00
Heaton and Lostock		
12922/22	Academy Way, Lostock, Bolton	£281,666.87
Horwich		
01373/17	Former Horwich Loco Works	£1,296,890.77
08075/20	Llama Park, Land at Lever Park Avenue, Horwich	£106,675.79
72253/05	Victoria Mill CNR Horwich (Napier Drive)	£73,000.00
Hulton		
90539/13	Cutacre Logistics North	£270,110.61
Rumworth		
09485/20	Garnet Fold Farm, St Helens Road, Bolton	£264,610.08
Westhoughton South		
06485/19	Silkash, Former Roscoes Farm	£1,493,610.86
05937/19	Collingwood Way, Westhoughton	£240,811.30
94696/15	Lee Hall, Land North of Platt Lane,	£114,921.95

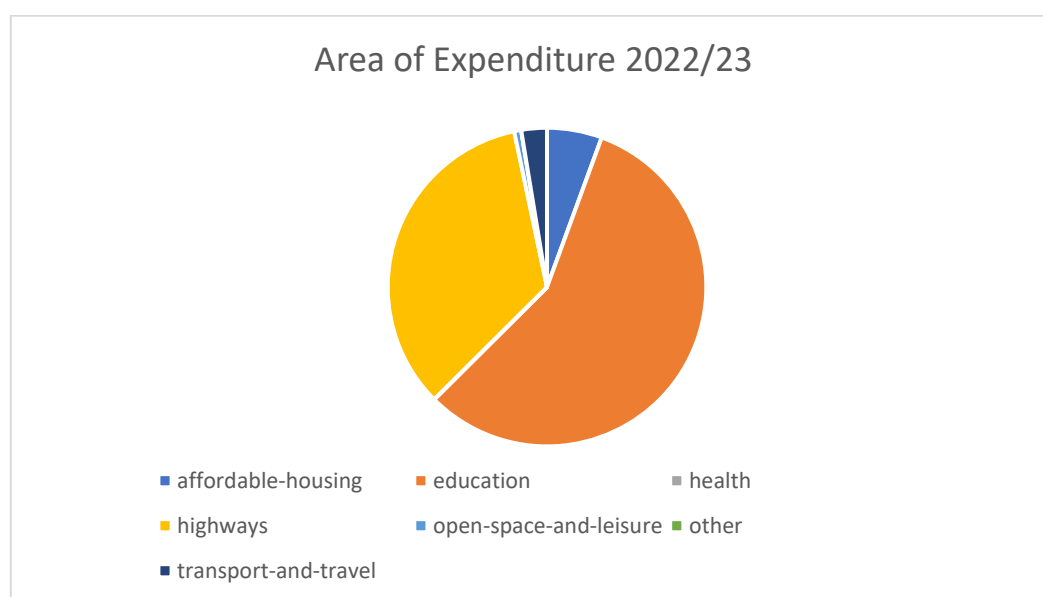
2.6 Section 106 spending

In 2022/23, a total of £2,210,587 was spent from S106 contributions held.

Expenditure of section 106 funds is undertaken by the relevant service departments across the Council. In 2022/23 spend was concentrated in education, highways and affordable housing.



2.7 Areas of spend in 2022/23



2.8 Summary of main spending during 2022/23

Education	£453,909	Additional primary school capacity to meet increased demand in Horwich.
Education	£204,128	Primary & Secondary improvement schemes in Bolton Borough
Education	£176,734	Additional secondary school capacity in Bolton
Education	£168,549	Additional primary school capacity in Bolton Borough
Education	£166,952	Additional secondary school capacity in Westhoughton
Highways	£485,256	Boroughwide highways improvements, traffic management & traffic calming works
Highways	£235,000	Highways works A6 Manchester Rd – Chorley Rd
Affordable Housing	£120,000	Adapted affordable housing in Westhoughton
Transport & Travel	£57,486	Public transport link to Logistics North

Education

The section 106 agreement arising from planning application 01373/17 and 91358/14 former Horwich Loc Works and Rivington Grange, Horwich provided funding for creating additional primary capacity to serve Horwich. Planning agreement 04046/18 for Scholars Place Bolton provide funding for both increased primary and increased secondary capacity within Bolton.

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.



Highways

Section 106 agreements sometimes contribute funds for specific improvement works associated with highway requirements of new developments, but more generally provide funding for improvements to traffic management including traffic lights and traffic calming measures at other offsite locations within the highway network 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 2022/23 a small contribution was used from Planning agreement 91358/14 Rivington Grange to fund works at Old Station Park. The remaining use of open spaces and leisure funds in year was towards maintenance costs.

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

2.9 Current section 106 balances

A balance of £5,479,955 was carried through from 2022/23 to financial year 2023/24.

As a result of the contributions and expenditure set out in sections 2.3 and 2.8 of this statement, current S106 balances for 2022/23 are as follows:

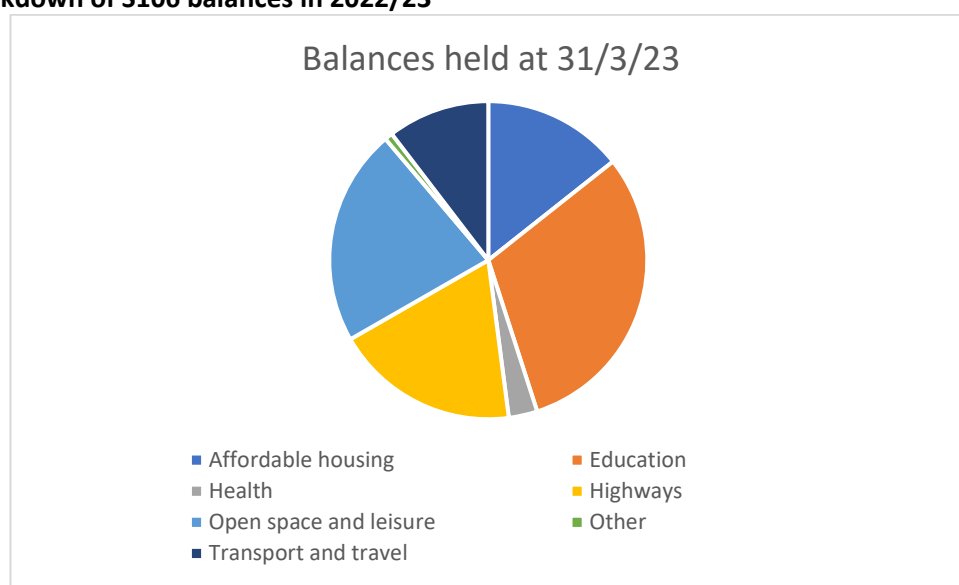
- £7,566,958 (current balance).
- All funds are allocated to the area of intended purpose as set out in the individual S106 agreements and are available to be allocated towards future projects in 2023/24 or beyond, which meet the specified requirements defined within the S106 agreement relating to each site.



Balance breakdown

	Balance held 31/3/23
Affordable housing	£1,085,740
Education	£2,321,034
Health	£220,528
Highways	£1,420,880
Open space and leisure	£1,671,720
Other	£60,963
Transport and travel	£786,093
Total	£7,566,958

2.10 Breakdown of S106 balances in 2022/23



For clarity, the figure of £7,566,958 does not include monies spent subsequent to 31 March 2023 or additional contributions derived from S106 agreement during that period. These figures will be reported in the following Infrastructure Funding Statement for 2023/24 as this is now an annual requirement.



3. Planned expenditure (2023/2024)

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 £7,566,958 (as of 31st March 2023) 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 2023/24 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.

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. The commuted sum held for this provision is £165,456 at 31st March 2023.

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 2023/24 Infrastructure Funding Statement.

3.1 The planning and delivery of our infrastructure

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 total of £4,297,590 of additional contributions secured through S106 agreements.

During this period, the Council spent £2,210,587 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 from 2022/23 of £7,566,958 S106 monies held by the Council as of 31 March 2023, comprising contributions received and rolled forward from previous years and that received during 2022/23.

The balance carried forward into 2023/24 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 2023/24 and beyond are education, open space & leisure, highways and affordable housing provision

All S106 contributions and expenditure between 1 April 2023 and 31 March 2024 will be included within the Bolton Infrastructure Funding Statement 2023/24.

