



# Annual Infrastructure Funding Statement Summary 2023/24

## Education and Transport Developer Contributions



Broomhall Way Footbridge Southern Link Road A4440, Worcester

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## 1. Terms of Reference

- 1.1. The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019, require local authorities that receive developer contributions from Section 106 planning obligations and the Community Infrastructure Levy (CIL) to publish an annual infrastructure funding statement. In two tier local authority areas upper tier authorities such as Worcestershire County Council (WCC) can enter into Section 106 planning obligations directly or in conjunction with district councils to receive direct funding from the developer.
- 1.2. In a two-tier authority the Local Planning Authorities<sup>1</sup> (district and borough councils) are responsible for implementing and collecting CIL. As a result, WCC is not a CIL collection authority. Within Worcestershire, three of the six district councils (Malvern Hills, Wychavon and Worcester City also referred to as the South Worcestershire Councils) collect CIL. WCC did not receive any CIL funding from these district councils for the financial year 2023/24. CIL funding is therefore not included in this report and the associated data.
- 1.3. WCC collects Section 106 contributions mainly from residential developments in Worcestershire. Some commercial and employment land developments may also contribute towards highways infrastructure. This statement provides further details on those contributions where applicable.
- 1.4. During the financial year 2023/24 one contribution of £12,021 (Planning reference 17/02331/FUL) was returned to the payee. This was a public transport improvement contribution for a specific bus stop. A deed of variation could not be agreed, and it was no longer possible to comply with the specific wording in the agreement resulting in the contribution being returned.
- 1.5. In 2021, WCC and Worcestershire Children First<sup>2</sup> introduced monitoring fee charges to aid with the cost of monitoring and managing planning obligations payable to WCC. Monitoring fees are also included in the terms of all Section 106 Agreements signed by WCC. The schedule of charges for monitoring fees is published on WCC's website, and the charges are reviewed annually<sup>3</sup>. Monitoring fees were applied to agreements signed during the financial year 2023/24. A total of £41,032 was received in monitoring fees from 23 agreements containing highways infrastructure and £11,780 was received in monitoring fees from 15 agreements containing education infrastructure.
- 1.6. The following definitions are used in this document to reflect the various stages of Section 106 developer contributions:
- Agreed – Contributions that have been agreed within a signed legal document but where the agreed sum has not yet been received. In most of cases this is due to the agreed payment points having not yet been met.
  - Received – Contributions received by WCC.

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<sup>1</sup> The Local Planning Authorities in Worcestershire include Bromsgrove District Council, Malvern Hills District Council, Redditch Borough Council, Worcester City Council, Wychavon District Council and Wyre Forest District Council.

<sup>2</sup> Worcestershire Children First (WCF) is the company responsible for delivering children's services across. This company was dissolved in September 2024 with the company responsibilities returning in full to Worcestershire County Council.

<sup>3</sup> [Section 106 monitoring fees | Section 106 monitoring fees | Worcestershire County Council](#)

- Allocated – Contributions that have been received by WCC and allocated to specific projects.
- Transferred – Contributions transferred to specific projects.
- Spent – Contributions spent on infrastructure.

## 2. Introduction

2.1. This report is the fifth Annual Infrastructure Funding Statement Summary setting out developer contributions secured and agreed by WCC and WCF between 1<sup>st</sup> April 2023 and 31<sup>st</sup> March 2024. This document gives summaries of the full data files (published separately) which list the transactions that have taken place between these dates. The data files comply with the format required by the Government which is designed to obtain a national picture on the performance of local authorities on spending developer contributions<sup>4</sup>. The data is taken from WCC and WCF's records of Section 106 transactions. Further explanation on how data files are composed is available from the Planning Advisory Service.<sup>5</sup>

**Table 1: Comparison Between First Four Years of the Infrastructure Funding Statement**

Funding Stage	2019/20 Financial Year (£)	2020/21 Financial Year (£)	2021/22 Financial Year (£)	2022/23 Financial Year (£)	2023/24 Financial Year (£)
Agreed Contribution	£19,732,714	£30,348,455	£42,244,406	£36,739,329	£13,137,525
Received Contribution	£7,332,920	£6,719,588	£6,526,759	£5,695,979	£12,529,821
Allocated Contribution	£9,311,428	£8,516,268	£5,345,444	£2,818,857	£1,919,300
Transferred/Spent Contribution	£4,673,252	£3,226,548	£2,800,170	£4,373,741	£7,023,162

## 3. Contributions agreed in signed agreements<sup>6</sup>

3.1. WCC and WCF enter into Section 106 agreements on residential development sites for both highways and education infrastructure. WCC also enters into agreements on commercial/employment sites for highways contributions. These sites do not yield developer contributions towards education as it is unlikely the development will generate a demand for school places.

**Table 2: Contributions agreed in Section 106 Agreements signed in 2023/24**

Infrastructure Type	Monies Agreed (£)
Education	£5,704,909
Education Monitoring Fees	£8,190

<sup>4</sup> The government guidelines are available at: <https://www.gov.uk/guidance/publish-your-developer-contributions-data>.

<sup>5</sup> [Welcome to the Planning Advisory Service \(PAS\) | Local Government Association](#)

<sup>6</sup> Contributions listed are subject to indexation and interest where applicable.

Infrastructure Type	Monies Agreed (£)
Highways <sup>7</sup>	£6,062,371
Transport & Travel <sup>8</sup>	£1,648,095
Highways Monitoring Fees	£36,707
<b>Total</b>	<b>£13,137,525</b>

3.2. WCC have successfully negotiated and entered into 15 new agreements in relation to education infrastructure during this reporting period. The value of contributions for 2023/24 is the lowest agreed since publication of the Infrastructure Funding Statement began in 2019/20. This reflects slower market conditions and status of local plans within Worcestershire. The total contributions are shown in [Table 1](#) and [Table 2](#) above. Monies agreed for education include contributions for all phases of education - early years, primary, secondary and Special Education Needs and Disabilities (SEND).

3.3. Transport infrastructure contributions were included in 21 agreements signed and completed in 2023/24. This includes contributions for highways and transport and travel. These 21 agreements will provide contributions towards highway infrastructure projects, such as junction improvements and pedestrian crossings valued at £6,062,371. A further has been secured for £1,325,348 transport infrastructure projects and travel schemes, such as active travel schemes, passenger transport, personal travel plans and school transport. This data is shown in [Table 2](#) above.

## Major Infrastructure in Signed Section 106 Agreements

3.4. The most notable agreement signed in this reporting period is for the strategic development site known Newlands or North East Malvern approved under planning reference 15/01625/OUT. This site will deliver around 800 dwellings and includes Section 106 contributions for the following infrastructure:

- £467,601.80 for active travel improvements
- £322,747.00 for bus services
- £2,213,027.26 for Worcester South Link Road (A4440) phase 4<sup>9</sup>
- £2,816,397.48 for junction improvements
- £120,000.00 for resident travel planning
- £1,188,480.00 for primary school education
- £8,184.00 for section 106 monitoring

3.5. Another notable agreement signed during this reporting period is for the site known as Land to the west of Pearl Lane, Stourport on Severn, submitted under planning reference WF/21/0031/FUL for 329 dwellings. The following planning obligations have been secured:

- £4,500 for highways
- £95,060 for travel planning
- £1,679,766 for primary school education

<sup>7</sup> Highway's funding includes all contributions to physical transport infrastructure on the road network.

<sup>8</sup> Transport and Travel funding includes contributions towards bus services, community transport, school transport, travel plan contributions, together with active travel routes and bridges. Please note this is not public transport physical infrastructure such as a bus shelters/bus stops which is included in highways.

<sup>9</sup> Worcester South Link Road (A4440) 4 is the link between the ketch island and the Powick island over Carrington Bridge. WCC forward funded this infrastructure, and this is repayment towards the forward fund.

- £416,448 for secondary school education
- £4,285 for s106 monitoring

### 3. Received Contributions

#### Section 106 Contributions Received between 1st April 2022 and 31st March 2023

4.1 As a result of trigger points either having been met or due to be met during the reporting period, WCC received section 106 contributions from 18 agreements totalling £7,257,736. The receipts for education infrastructure in 2023/24. The highways contributions received in the reporting period for 2023/24 were £4,727,025. This is also an increase on the previous year with both education and highways being boosted by receipts from development triggers being met at the West Worcester Urban Extension. The split by infrastructure type of the totals received is broken down in [Table 3](#) below.

**Table 3: Contributions received in 2022/23 through Section 106 Agreements**

Infrastructure Type	Monies Received (£)
Education	£7,257,736
Education Monitoring Fees	£11,780
Highways	£4,727,025
Transport & Travel	£492,250
Highways Monitoring Fees	£41,030
<b>Total</b>	<b>£12,529,821</b>

#### Notable Section 106 Contributions Received in 2022/23

4.2 The most notable contribution received in this reporting year was £1,590,750 (education) and £2,703,969 (highways) from the Worcester West Urban Extension (15/01419/OUT). These funds repay WCC Highways for the forward funding of the South Worcester Link Road (SLR4) from Ketch roundabout to Powick roundabout and the first payments towards primary and secondary education required to support the development. WCC also received from a second developer of West Worcester Urban Extension (16/01168/OUT) WCC has received £3,420,896 towards SLR4 and public bus services.

4.3 Another notable contribution received for education infrastructure is from 17/0205/OUT the former Lea Castle Hospital site near Kidderminster in the Wyre Forest District for construction up to 300 dwellings (phase 1). £587,519 will be split towards additional school places at Wolverley Church of England Secondary School. This contribution will also contribute towards a new two forms of entry primary school and nursery proposed under phase 2 of the development. Further contributions are anticipated from phase 1. ~~Phase 2 is subject to planning approval.~~

4.4 Further large-scale contributions came from WF/01264/HYB Land at Parsons Chain, Stourport on Severn totalling £248,236.34 for highways to improve junctions, bus services and personal travel planning.

## 5. Allocated and Spent Contributions

### Section 106 Contributions Allocated and Transferred to Projects between 1st April 2022 and 31st March 2023

5.1 WCC have allocated section 106 contributions for education from 21 agreements totalling £861,194.85 and spent section 106 contributions from six agreements totalling £378,294.94. These are funds that have been allocated either to future education projects or transferred to fund education projects that have recently undergone construction.

5.2 The Economy and Infrastructure Directorate has allocated Section 106 contributions from 26 agreements totalling £1,058,105.34 towards highway infrastructure. Alongside this £6,643,968.66 has been spent from 58 agreements including monitoring fees.

5.3 The splits by infrastructure type from the totals allocated is broken down in [Table 4](#) below.

Table 4: Section 106 Funding Allocated in 2022/23 by Infrastructure Type

Infrastructure Type	Monies Allocated (£)
Education	£861,194
Highways	£568,780
Transport & Travel	£491,157
<b>Total</b>	<b>£1,921,131</b>

### Section 106 Contributions Spent between 1st April 2022 and 31st March 2023

Table 5: Contributions Transferred/Spent in 2022/23 by Infrastructure Type

Infrastructure Type	Monies Spent (£)
Education	£378,295
Highways	£6,635,997
Highways Monitoring Fees	£8,870
<b>Total</b>	<b>£7,023,162</b>

5.4 WCC have spent £7,023,162 section 106 contributions from 63 agreements. The split by infrastructure type of the totals spent is broken down in [Table 5](#) above. The value of the contributions transferred/spent in this reporting period is higher than in previous years as significant sums of forward funding used for the Southern Link Road phase three and four has been repaid.

## Notable projects funded from Section 106 Contributions in 2023/24

### Highways Infrastructure

A440 Southern Link Road Phase 4 (SLR4), Worcester





Figure 1 A4440 Worcester Southern Link Road – Ketch Roundabout to Powick Roundabout

5.5 Two Section 106 contributions have been transferred to the A4440 Southern Link Road Phase 4 Project (SLR4), Worcester. The project was many years in the making and was completed in August 2022. The project dualled the entire length of the A4440 Southern Link Road from the Whittington roundabout to the Powick roundabout link to the A449 and has been split into a number of phases. It is expected that funding will be allocated to this project for a number of years to enable WCC to repay the forward funding it supplied during its construction.

The A4440 Worcester Southern Link Road is one of Worcestershire’s busiest roads. It is an essential part of Worcestershire’s strategic road network and provides an important link between the M5, South and West Worcester, Great Malvern, the wider Malvern Hills District, Ledbury, Upton and Herefordshire. The Southern Link Road is also an important bypass to the city centre and provides one of only two road crossings of the River Sever in Worcester City.

Further contributions have been secured in section 106 agreements to contribute towards the cost of the project and these will be used to offset forward funding for both SLR3 and SLR4, as funds become available.



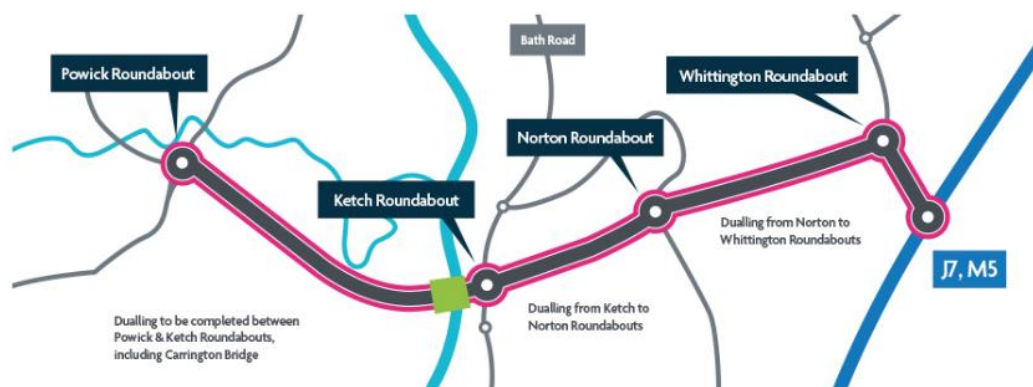


Figure 2 A4440 Dualling from the M5 junction 7 to the Powick roundabout

## 6. Conclusion

- 6.1. The information presented above is designed to highlight the key data regarding WCC's position on Section 106 developer contributions for the financial year 2023/2024. All the information has been calculated and is presented using the Government's templates. These files have been sent to the Ministry of Housing, Communities and Local Government and published on WCC's website in accordance with national statutory requirements and best practice.
- 6.2. Section 106 agreements continued to be utilised extensively as highlighted throughout this document. Overall, the infrastructure funding statement this year shows the number of new section 106 agreements containing education contributions and being signed in 2023/24 in comparison with 2022/23 increased from 13 to 15. The number of agreements containing highway and/or transport, and travel contributions decreased from 25 to 21.
- 6.3. The contributions secured in new agreements fell from £36,739,329 in 2022/23 to £13,137,524.54 because the size of the development sites and corresponding level of infrastructure was less in 2023/24 than in 2022/23. This reflected the size of planning permissions with new agreements which were generally smaller and did not include any Urban Extensions or large development of 1000 plus dwellings.
- 6.4. This year a higher value was allocated reflecting the flow from previous already signed agreements through to spending the contributions appropriately. The allocation of funds to projects by Worcestershire County Council decreased from £2,818,857 in 2022/23 to £1,919,300 in 2023/24. This is in part was due to programming of projects, funding towards schemes already delivered and schemes and waiting for other funding streams.
- 6.5. Infrastructure costs continue to rise and approaches to securing additional funds from grants and other sources, has provided uncertainty in respect of when schemes could feasibly be undertaken, programmed, and implemented. The expenditure of Section 106 receipts in some cases will be reliant on WCC's ability to secure these additional funds. Where additional funding sources are affected, there is likely to be a knock- on effect on projects and a delay in spending Section 106 developer contributions.

- 6.6. WCC expects levels of activity around received, allocated and spent contributions to fluctuate each year as many of the projects are long term and large scale meaning the figures are likely to change from year to year. Figures also reflect national economic trading conditions for build costs and house prices.
- 6.7. Negotiation to secure contributions from large scale sites can be complex and lengthy, in some cases a number of years will elapse from providing a response to the planning application to the signing of a Section 106 agreement. WCC aims to future proof Section 106 contributions from strategic sites by utilising forward funding clauses to enable contributions to be used to refund expenditure on major infrastructure provided ahead of the delivery of the proposed housing.
- 6.8. Contributions from large scale sites can take several years to be received due to the length of time to build out these types of sites. WCC expect strategic site payments to increase over the next few years as building commences on strategic sites and trigger points are met.