

Fareham Borough Council Annual Infrastructure Funding Statement

**Community Infrastructure Levy and Section
106**

**Reported Period:
From 1 April 2023 to 31 March 2024**

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Introduction

1. This report provides information on the monetary and non-monetary contributions sought and received from developers for the provision of infrastructure to support development in Fareham, and the subsequent use of those contributions by Fareham Borough Council, in line with the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 (shown in Annex A). The report covers the financial year 1 April 2023 – 31 March 2024.
2. Fareham seeks developer contributions through the Community Infrastructure Levy (CIL) and Section 106 agreements (also known as “planning obligations”).

Community Infrastructure Levy

3. CIL was introduced in 2010 and has been charged in Fareham since May 2013. CIL is a set charge, based on the gross internal area floorspace of buildings, on most new development to help fund the infrastructure needed to address the cumulative impact of development across our area. Our CIL charging schedule, setting out our CIL charging rates, is available on our website¹.
4. Local planning authorities must use CIL to fund ‘the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of the area’.

Section 106 Planning Obligations

5. Section 106 of the Town and Country Planning Act 1990 enables a local planning authority to enter into a negotiated agreement – a planning obligation - to mitigate the impact of a specific development and make it acceptable in planning terms. The planning obligation might, for example, require the provision or contribution to a new or improved road, school, health facility or local green infrastructure. Local planning authorities can also seek planning obligations to secure a proportion of affordable housing from residential developments.

¹ http://www.fareham.gov.uk/planning/local_plan/cil.aspx

Community Infrastructure Levy Matters

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 1

Income

6. Once a commencement notice (signifying the start of development) has been received, the Council will issue a demand notice and invoice. The demand notice sets out the date that CIL must be paid by. The total value of demand notices issued in the reported period was **£2,306,466.13**. Of this amount £12,042.33 is from surcharges imposed due to breaches of the CIL Regulations.
7. The total amount of CIL receipts collected in accordance with our installment policy within the reported period totals **£1,225,251.49**.
8. The total amount of CIL demand notices issued up to the end of the reported period (i.e. from May 2013-March 2024) is **£20,329,281.47**.

Expenditure

9. The total CIL expenditure recorded for the reported period is **£9,199,690.84**.
10. The items of infrastructure on which CIL has been spent within the reported year, and the amount of CIL spent on each item is as follows:

Table 1: CIL expenditure on projects 2023/24

Infrastructure	Amount	Description
Fareham Live	£8,529,175.88	Capital expenditure to deliver the new arts and entertainment facility in Fareham
Car Park	£664,774.96	Osborn Road Multi Storey Car Park
Bus Shelters	£5,740	Bus shelter improvement

11. The total amount of CIL spent up to the end of the reported period (i.e. from May 2013-March 2024) is **£17,228,876.41**.
12. Regarding future CIL expenditure, the Council's Executive agreed in July 2018 to commit future CIL receipts to the future development of Ferneham Hall. The Council's Executive further agreed on 30 September 2021 to continue to allocate future CIL receipts to the same project, now known as Fareham Live.
13. The Council's CIL reserve balance earmarked for Fareham Live currently stands at £3.11m, meaning the remaining £4.52m project cost will require the Council to commit future CIL receipts of £1.41m to the project (considering the amount of £12.17m already spent). Based on development projections within the Borough, it will take one year to receive sufficient CIL receipts to repay the borrowing.
14. The total amount of CIL passed to a neighbourhood zone under Regulation 59A, cash collected and allocated towards a Neighbourhood CIL, and 59B, cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have

received on a payment in kind is £0. There are no Parish Councils within Fareham Borough Council and no Neighbourhood Development Plans.

15. The amount of CIL passed to any local council under regulation 59A or 59B is £0.

16. The amount of CIL passed to any person under regulation 59(4) is £0.

17. The total amount of CIL funding retained at the end of the reported period is **£3,110,405.06**. This figure is based on demand notices and so includes unpaid invoices as of 31st March 2024 in relation to CIL.

Section 106 Matters

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 3

Income

18. During the reported year 1 April 2023 to 31 March 2024 there were 24 Section 106 agreements signed. The total amount of money secured under the planning obligations entered during the reported year (excluding Highways and Education) is **£218,854.00**. This figure does not include Highways and Education contributions which are secured on behalf of Hampshire County Council as Highway Authority and Education Authority respectively and reported within Hampshire County Council's Infrastructure Funding Statement. The figure does not consider indexation (inflation/deflation) that may be applied when the money becomes due.

Table 2: Section 106 financial obligations in agreements signed in 2023/24.

Decision Date	Application No	Address	Type	Financial Obligation
11/04/2023	P/22/1121/FP	213 Swanwick Lane Swanwick Southampton SO31 7GY	Solent Recreation Mitigation (Bird Aware)	£834.00
05/05/2023	P/22/1865/D3	Solent Airport Daedalus Drive Lee- on-the-Solent PO13 9FZ	Solent Recreation Mitigation (Bird Aware)	£600.00
02/06/2023	P/23/0389/VC	Land to the rear of 82 The Avenue Fareham PO14 1PB	Solent Recreation Mitigation (Bird Aware)	£99.00
02/06/2023	P/23/0644/VC	246 Botley Road BurrIDGE SO31 1BL	Solent Recreation Mitigation (Bird Aware)	£116.00
27/07/2023	P/22/1842/OA	Land to rear of 33 and 35 Warsash Road Warsash Southampton SO31 9HW	Solent Recreation Mitigation (Bird Aware)	£2,940.00
27/07/2023	P/23/0346/FP	The White Hart Castle Street Portchester Fareham PO16 9QQ	Solent Recreation Mitigation (Bird Aware)	£1,278.00
25/08/2023	P/22/1121/FP	213 Swanwick Lane Swanwick Southampton SO31 7GY	New Forest Contribution	£1,000.00
22/09/2023	P/23/0809/FP	50 Brook Lane Warsash Southampton SO31 9FG	Solent Recreation Mitigation (Bird Aware)	£2,940.00
02/10/2023	P/22/0078/FP	Locks Heath Memorial Hall 122 Locks Heath Park Road Locks	Solent Recreation Mitigation (Bird Aware)	£1,599.00

		Heath Southampton SO31 6LZ		
10/10/2023	P/23/0767/FP	15 Warsash Road Warsash Southampton SO31 9HW	Solent Recreation Mitigation (Bird Aware)	£3,336.00
16/10/2023	P/22/0841/RM	Land East of Newgate Lane East Fareham	Solent Recreation Mitigation (Bird Aware)	£66,515.00
20/10/2023	P/22/0078/FP	Locks Heath Memorial Hall 122 Locks Heath Park Road Locks Heath Southampton SO31 6LZ	New Forest Contribution	£507.00
23/10/2023	P/23/0250/OA	Abshot Country Club Little Abshot Road Fareham PO14 4LN	Solent Recreation Mitigation (Bird Aware)	£2,360.00
20/11/2023	P/21/1334/OA	Land West of Lockwood Road Warsash Southampton	Reptile Translocation	£3,000.00
20/11/2023	P/21/1335/OA	Land West of Lockwood Road Warsash Southampton	Reptile Translocation	£3,000.00
05/12/2023	P/22/1772/FP	Coldeast Veterinary Centre Coldeast Way Sarisbury Green Southampton SO31 7AT	Solent Recreation Mitigation (Bird Aware)	£1,668.00
05/12/2023	P/23/1063/FP	36 Holly Hill Lane Sarisbury Green Southampton SO31 7AD	Solent Recreation Mitigation (Bird Aware)	£834.00
05/01/2024	P/22/0679/FP	22 Osborne Road Warsash SO31 9GG	New Forest Contribution	£1,334.00
05/01/2024	P/22/0679/FP	22 Osborne Road Warsash SO31 9GG	Solent Recreation Mitigation (Bird Aware)	£2,256.00
11/01/2024	P/23/0541/FP	Vero Ltd 61a Brook Lane Great Brook Farm Southampton SO31 9FF	Solent Recreation Mitigation (Bird Aware)	£443.00
02/02/2024	P/23/0178/FP	97-99 West Street Fareham PO16 0AS	Solent Recreation Mitigation (Bird Aware)	£443.00
07/02/2024	P/19/0870/FP	Land off Rookery Avenue Whiteley Fareham	Affordable Housing Contribution	£43,560.00
07/02/2024	P/19/0870/FP	Land off Rookery Avenue Whiteley Fareham	Solent Recreation Mitigation (Bird Aware)	£26,778.00
07/02/2024	P/19/0870/FP	Land off Rookery Avenue Whiteley Fareham	Reptile Translocation	£34,625.00

07/02/2024	P/19/0870/FP	Land off Rookery Avenue Whiteley Fareham	Monitoring Charge	£8,000.00
20/02/2024	P/23/0790/FP	178 Ranvilles Lane Fareham PO14 3EZ	Solent Recreation Mitigation (Bird Aware)	£443.00
20/02/2024	P/23/1341/OA	Land West of Fareham Park Road Fareham	Solent Recreation Mitigation (Bird Aware)	£5,399.00
13/03/2024	P/23/1411/FP	Red House 43 Brook Lane Warsash Southampton SO31 9FF	Solent Recreation Mitigation (Bird Aware)	£1,960.00
19/03/2024	P/23/0195/FP	65 Old Street Fareham PO14 3HQ	Solent Recreation Mitigation (Bird Aware)	£639.00
20/03/2024	P/23/1632/VC	Sweethill Farm 260 Botley Road Burridge SO31 1BL	Solent Recreation Mitigation (Bird Aware)	£348.00

19. During the reported year, the following non-monetary contributions have been agreed under planning obligations:

- i. The total number of affordable housing units to be delivered, agreed in the reporting year is 86.
- ii. The total number of new education places agreed to be provided is 0. Details of financial contributions secured towards education provision which is paid directly to Hampshire County Council as Local Education Authority, is reported through their own Infrastructure Funding Statement available on their [website](#).

20. The Council is responsible for collecting contributions due to both the Solent Recreation Mitigation Partnership (Bird Aware) and the New Forest Mitigation Strategy. The breakdown in what has been collected and spent on these projects can be found in Appendix B and C. The contributions collected for these are from both Section 106 agreements and Section 111 agreements (used where there are no other mitigation requirements to warrant a Section 106). The following amounts have been agreed during the reporting year:

- i. Solent Recreation Mitigation Strategy 2023/24: **£308,678.62**
- ii. New Forest Recreation Mitigation Strategy 2023/24: **£57,670.56**

21. The total amount of money received (paid to the Council) from planning obligations during the reported year excluding Solent Recreation & New Forest Recreation Mitigation Strategy payments was **£529,457.49**.

Table 3: Section 106 obligations agreements received in 2023/24 excluding Solent Recreation Mitigation and New Forest Contributions

Application No	Address	Type	Financial Obligation
P/18/0107/OA	Land to the East & West of 79 Greenaway Lane Warsash	Affordable Housing	£40,920.00
P/18/0107/OA	Land to the East & West of 79 Greenaway Lane Warsash	Affordable Housing	£122,760.00
P/18/0484/FP	Land to Southwest of Sovereign Crescent Locks Heath	Affordable Housing	£12,420.00
P/18/0484/FP	Land to Southwest of Sovereign Crescent Locks Heath	Maintenance Open Space	£6,000.00
P/18/1261/OA	Former Magistrates Court Trinity Street	Affordable Housing	£104,467.62
P/18/1413/OA	Land to the East of 246 Botley Road	Affordable Housing	£30,000.00
P/18/1413/OA	Land to the East of 246 Botley Road	Affordable Housing	£30,000.00
P/18/1413/OA	Land to the East of 246 Botley Road	Affordable Housing	£30,000.00
P/18/1413/OA	Land to the East of 246 Botley Road	Affordable Housing	£16,000.00
P/18/1413/OA	Land to the East of 246 Botley Road	Affordable Housing	£537.00
P/18/1413/OA	Land to the East of 246 Botley Road	Maintenance Open Space	£12,224.87
P/19/0643/FP	69 Botley Road	Affordable Housing	£52,551.00
P/21/1301/FP	Former Egmont Nursery Brook Avenue	Affordable Housing	£35,788.50
P/21/1301/FP	Former Egmont Nursery Brook Avenue	Affordable Housing	£35,788.50

Expenditure

22. The following section reports on money from Section 106 agreements spent or allocated to a project during the reported year. This relates to any money from any agreements, irrespective of what year the agreement was signed. Within any reported period, projects either have money spent on them or allocated to them (if they are larger projects that require contributions from several developments).

23. In relation to the money that has been spent during the reported year, the following projects have been funded:

Table 5: Section 106 money spent in 2023-24.

Infrastructure	Spent in year	Spend Description
Play Area Improvement Programme	£92,061.00	Maintenance of open space
Public Spaces Technicians (x2)	£61,528.44	Temporary posts
Portchester Town Centre	£38,865.00	Car Park Improvements
Holly Hill – New Forest S106	£73,301.00	Consultancy Fees
Abbey Meadows Open Space Contribution	£42,927.14	Maintenance of open space
Affordable Housing	£695,297.50	Delivery of affordable housing
Solent Enterprise Zone development	£123,209.10	Site development
Daedalus service charges draw down from National Grid	£51,273.56	Contribution to annual service charge
Daedalus Common Open Space Contribution	£20,700.00	Maintenance of Open Spaces
Daedalus QEII Jubilee Park Open Space Contribution	£7,534.24	Maintenance of Open Spaces
Total Spend 23/24	£1,206,696.98	

24. There was no planning obligation money spent on repaying money borrowed in the reported year.
25. There was no planning obligation money spent in respect of administration of planning obligations and monitoring in relation to the delivery of planning obligations.
26. The total amount of S106 money retained at the end of the reported year is **£6,441,746**.

Annex A: The Regulatory Requirements for Infrastructure Funding Statements

The Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019

Regulation 121A states:

(1) Subject to paragraph (2), no later than 31st December in each calendar year a contribution receiving authority must publish a document (“the annual infrastructure funding statement”) which comprises the following—

- a) a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL (other than CIL to which regulation 59E or 59F applies) (“the infrastructure list”);
- b) a report about CIL, in relation to the previous financial year (“the reported year”), which includes the matters specified in paragraph 1 of Schedule 2 (“CIL report”);
- c) a report about planning obligations, in relation to the reported year, which includes the matters specified in paragraph 3 of Schedule 2 and may include the matters specified in paragraph 4 of that Schedule (“section 106 report”).

(2) The first annual infrastructure funding statement must be published by 31st December 2020.

(3) A contribution receiving authority must publish each annual infrastructure funding statement on its website.

Annex B: Solent Recreational Mitigation Partnership (SRMP) Contributions

Background

The Solent is internationally important for its wildlife and three Special Protection Areas (SPAs) have been designated by the Government to protect over-wintering birds. The Solent's species are protected under national and international law.

Research undertaken during 2009 - 2013 assessed the impact of recreational activity on wintering birds on the Solent. The research highlighted that planned new housing in South Hampshire would result in a large increase in coastal visits, with a likely impact on the birds unless mitigation measures were put in place. The research showed that mitigation would be required from all new dwellings built within 5.6 kilometres of the boundaries of the SPAs (this is the zone from which 75% of coastal visits originate within). Planning authorities must therefore ensure that necessary mitigation measures are in place before they grant permission for new development.

The Solent Recreation Mitigation Partnership was established to co-ordinate the use of developer contributions from planning authorities to fund strategic mitigation measures. Now known as 'Bird Aware Solent', the partnership comprises the fourteen Solent local planning authorities, Hampshire County Council, Natural England, the RSPB, Hampshire & Isle of Wight Wildlife Trust and Chichester Harbour Conservancy. Governance is provided by the Joint Committee of the Partnership for South Hampshire (PfSH) with the involvement of the representatives of the non-PfSH authorities. Further information is available at [Home - Bird Aware Solent](#) and a useful Frequently Asked Questions document can be viewed [here](#).

Solent Recreation Mitigation Strategy (December 2017)

Based on the research undertaken, the [Solent Recreation Mitigation Strategy](#) sets out a package of agreed mitigation measures to ensure that new residential development does not impact on the integrity of the Solent's protected sites. The Strategy enables developments within the 5.6km catchment area to opt into the scheme and make a financial contribution towards the strategic mitigation of recreational pressures. Developer contributions are pooled from across the planning authorities to fund a range of strategic habitat mitigation measures. Developers also have the option of providing their own mitigation if they have the ability to do so, but it is usually simpler, quicker and less costly to make a contribution towards the joint Strategy.

The use of developer contributions towards the Solent mitigation strategy

[Developer contributions](#) are paid to the local planning authorities from new residential and visitor accommodation development and it is a decision for each authority which legal mechanism is used to secure the contributions. The contributions are transferred quarterly to the partnership, where they are pooled to implement mitigation measures.

The partnership sets a budget for each year. The value of the developer contributions received by the partnership each year, and details of all expenditure, are set out in an

annual report. These [annual reports](#) are produced each summer, describing progress during the preceding year; how the developer contributions were spent; and setting out the plans and budget for the following year. The Solent Recreation Mitigation Strategy Annual Report 2024 can be found [here](#).

Annex C: New Forest Recreation Mitigation Strategy Contributions

Background

Parts of the New Forest are designated as a Special Area of Conservation (SAC), an SPA, and a Ramsar site. Evidence has identified that recreational activity has the potential to impact on these areas and to address this the Council developed an interim mitigation framework².

The interim mitigation solution covers the borough of Fareham as per Natural England's advice. It deals specifically with recreational impact on the New Forest protected sites (SAC/SPA and Ramsar). The Local Plan 2037 estimates that, by the end of March 2025, 1,530 net new homes will be built in the 13.8km zone of influence, creating a total additional 23,455 visits to the New Forest protected sites. This is the level of additional recreational pressure that needs to be mitigated.

Where suitable on-site recreation mitigation is not provided, a financial contribution will be sought towards the provision of new green spaces or the enhancement of existing green spaces including provision for their long-term maintenance and management costs. These enhancements are designed to deter people from visiting the New Forest and any adverse effect on integrity of the protected sites in that location. To ensure that the programme of projects is responsive to changing circumstances and opportunities, the programme of specific projects will be maintained separately and reviewed on a regular basis to ensure that they are deliverable in the agreed timeframe.

The use of developer contributions towards the Solent mitigation strategy

The Council has produced a costed list of projects totaling £300,000 over three years and including new features at flagship country parks, such as Holly Hill Woodland Park, Abbey Meadows, Park Lane recreation ground and measures such as tree planting, wildflower meadow creation and interpretation panels at sites throughout the Borough. With the addition of £20,000 a year for monitoring, and £6,000 for access management/wardening in the New Forest, the total annual cost of the mitigation scheme is £126,000.

The balance at the end of 23-24 was £125,520.35.

No money was spent during the financial year 2023-24.

² [Report to the Executive for Decision - \(Director of Planning and Development\) - 7 December 2021 \(fareham.gov.uk\)](#)