



**Norfolk** County Council

# **Infrastructure Funding Statement Report 2022/23**

# Contents

1.0 Introduction .....	3
2.0 S106 Planning Obligations.....	4
3.0 Community Infrastructure Levy .....	5
4.0 S106 Contributions .....	7
5.0 S106 Projects Delivered .....	8
6.0 Section 278 and Section 38 Agreements.....	9
7.0 Future Funding Priorities.....	10

# 1.0 Introduction

## 1.1. Policy Context

Amendments to the Community Infrastructure Levy Regulations (2010), came into force in September 2019. Schedule 2, of the amendments, requires local authorities to publish an annual Infrastructure Funding Statement (IFS).

## 1.2. Infrastructure Funding Statement

This IFS Report sets out the income and expenditure relating to Section 106 (S106), Section 278 (S278), and Section 38 (S38) agreements over the last financial year (1 April 2022 to 31 March 2023).

## 1.3. Definitions

**Secured** - The trigger clause(s) associated with the contribution, as set out in the developer agreement, have been met meaning the developer is required to pay all or part of the contribution.

**Received** - Contributions received in the form of non-monetary or monetary contributions that have been transferred from the developer to the County Council.

**Allocated** – Contributions received that have been allocated to specific projects. Any payment received is automatically allocated as the developer agreement sets out what the money will be spent on.

**Spent** – Monetary contributions that have been spent, or non-monetary contributions which have been delivered.

**2022/23** - Refers to the financial year 01/04/2022 – 31/03/2023.

## 2.0 S106 Planning Obligations

### 2.1. What are S106 Planning Obligations?

S106 agreements are legal agreements that secure S106 contributions, signed between planning authorities and developers to mitigate the impact of new developments in the local authority locality. The County Council's [Planning Obligation Standards](#) sets out what obligations are likely to be sought for housing developments.

Across Norfolk S106 agreements and the Community Infrastructure Levy (CIL) are implemented by local planning authorities (LPAs). The following LPAs use S106 agreements to secure developer funding:

- Breckland District Council
- Great Yarmouth Borough Council
- North Norfolk District Council.

These LPAs are displayed in figure 1 (page 6).

### 2.2. The County Council is responsible for ensuring infrastructure provision across Norfolk for its services. The County Council seeks contributions from new developments that would have an impact on the following services:

- Adult care services
- Education (including Early Years education)
- Green infrastructure
- Libraries
- Highways
- Waste disposal
- Youth services
- Travel plans
- Monitoring fees are also sought to cover the cost of monitoring the S106 agreements.

S106 contributions, for any of the above, can be in the form of financial contributions, works, on-site provision or land required for County Council infrastructure.

### 2.3. Non-financial contributions

The County Council may also secure non-financial contributions, in the form of land transfers to deliver required infrastructure, for example, land for a new school.

## 3.0 Community Infrastructure Levy

### 3.1. What is the Community Infrastructure Levy?

The Community Infrastructure Levy (CIL) is a mechanism to secure financial contributions from developments. CIL is spent on infrastructure to support planned growth. Figure 1 (page 6) displays the LPAs that have adopted CIL, which are Greater Norwich and the Borough Council of King's Lynn and West Norfolk (BCKLWN).

The County Council responds to CIL planning applications and receives CIL funding, but the County Council is not required to report on CIL expenditure as it is not a CIL charging authority.

### 3.2. Greater Norwich

The three planning authorities of Norwich City, Broadland and South Norfolk District Councils have a unique partnership arrangement to manage the re-allocation of their CIL income. Once the amount for neighborhood CIL and an administration fee is deducted, the remaining balance is transferred to a 'shared pool' called the Infrastructure Investment Fund (IIF). Together with Norfolk County Council and the New Anglia LEP, the five partners oversee the delivery of a joint Greater Norwich growth programme of projects under the direction of the Greater Norwich Growth Board (GNGB).

Since the establishment of the GNGB in 2014, the partnership has allocated over £39m of IIF funding and £54.5m of CIL supported borrowing which has levered in at least an additional £294m to deliver infrastructure projects within the Greater Norwich area.

The GNGB's partnership working practices, and particularly the pooling arrangements of CIL contributions within the IIF, are considered an 'exemplar model of working' by the Planning Advisory Service (PAS). They have also cited the GNGB as a partnership who are pursuing ambitious growth agendas under strong strategic leadership and cross boundary collaboration.

The GNGB have published their project-specific IIF allocations through their joint Five Year Infrastructure Investment Plan on an annual basis since 2016, which is before it became a legislative requirement to publish this information within an IFS. Unfortunately, Greater Norwich's unique CIL pooling arrangements does not concur with a requirement to report CIL allocations on a District specific basis, because their partnership approach delivers infrastructure cross boundaries. Therefore [all CIL re-allocation information required within an IFS continues to be publicly reported within the GNGB's Five Year Infrastructure Investment Plan which can be found here. Plus a new interactive digital version of the data can be found here.](#)

The Greater Norwich authorities also report their CIL income and allocations within each [Annual Monitoring Report which can be found here.](#)

Allocations from the IIF are currently restricted to the four thematic groups as agreed within the Greater Norwich adopted CIL charging policy. These are Transport, Education, Green Infrastructure and Community (which includes sports). When CIL was

initially adopted, local authorities were required to report a Regulation 123 list confirming the infrastructure thematic groups which were considered within their CIL charging calculations and therefore the groups to which CIL can be reallocated to. The need for this list was withdrawn by legislation from September 2019, but this does not automatically allow other groups to apply to the IIF because the Greater Norwich authorities are still adhering to their locally adopted CIL charging policy. The GNGB understand the funding pressures that other infrastructure thematic groups are experiencing and were planning to undertake a review of CIL alongside the development of the Greater Norwich Local Plan. Unfortunately this was put on hold following the publication of the Planning For The Future white paper in August 2020, which proposed the cessation of CIL in favour of a new Infrastructure Levy. This change was re-confirmed in the Levelling Up the United Kingdom white paper in February 2022 and more recently in the [Levelling up and Regeneration Act](#), which includes the introduction of a new Infrastructure Levy to replace CIL.

A technical consultation on the Infrastructure Levy closed in June 2023 and was quickly followed by an All-Party Parliamentary Group inquiry into developer contributions in September. Responses to these will be used to inform the design of the new Levy but the government has confirmed that this represents a significant change to the system, one that will be brought forward gradually over time using a ‘test and learn’ rollout. Until the timetable for any changes to CIL are known and the supporting regulations are agreed, the GNGB are required to proceed with their existing adopted CIL charging policy.

### 3.3. The Borough Council of King’s Lynn and West Norfolk

The BCKLWN adopted CIL in 2017. The CIL funds received contribute towards funding improvement to infrastructure (facilities and services) in BCKLWN.

It should be noted that S106 agreements can be entered into in the CIL Charging Authorities at the discretion of the LPA.

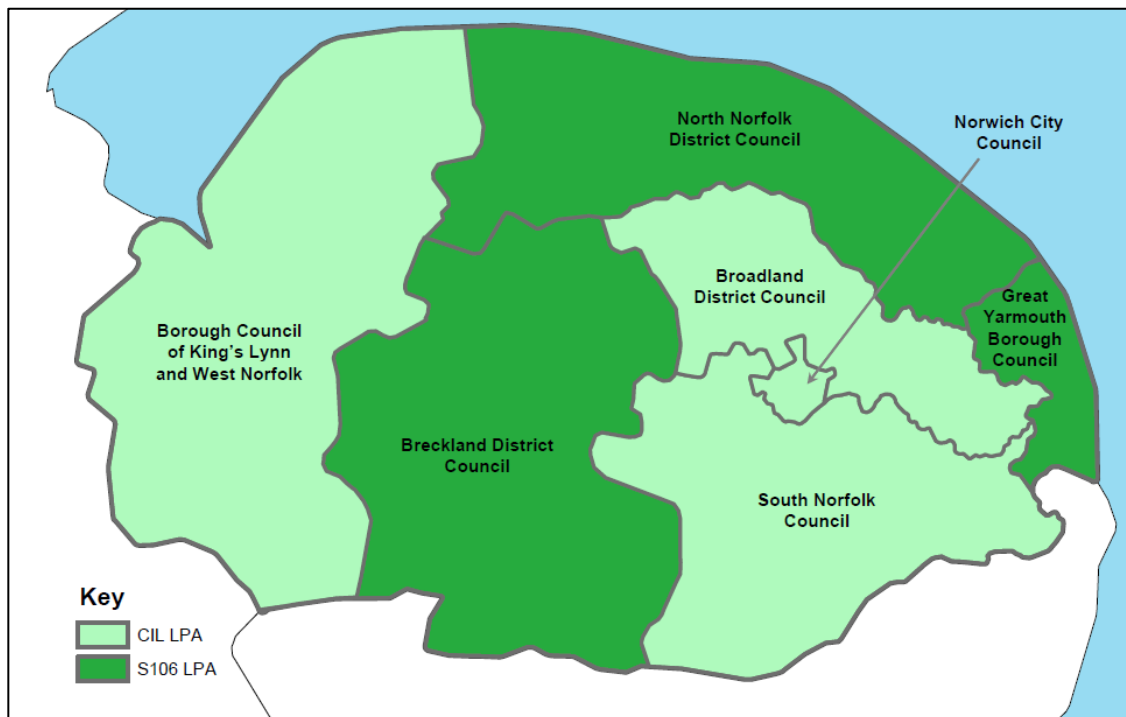


Figure 1: Map of the CIL and S106 Local Planning Authorities in Norfolk  
Image Source: Author

## 4.0 S106 Contributions

### 4.1. Signed S106 Agreements

In 2022/23 8 S106 agreements were signed, a decrease from the previous year (2021/22) when 17 S106 agreements were signed. These 8 signed S106 agreements are worth over £656,903 in S106 contributions. The number of S106 agreements have decreased as a result of Nutrient Neutrality which has impact the number of planning permissions granted.

### 4.2. S106 Contributions Secured

In 2022/23 £2.6m was secured from Education, Library, Green Infrastructure, Monitoring Fee, Highways, and Travel Plan S106 contributions.

### 4.3. S106 Contributions Received

In 2022/23 £3.8m was received from Education, Library, Green Infrastructure, Monitoring Fee, Highways, and Travel Plan S106 contributions.

### 4.4. S106 Contributions Allocated

In 2022/23 £3.6m was allocated from Education, Library, Monitoring Fee, Highways, and Travel Plan S106 contributions.

### 4.5. S106 Contributions Spent

Table 1 displays the amount of S106 monies spent by each County Council service in 2022/23 and the number of projects which were funded. In 2022/23 over £3.4 million in S106 contributions were spent which funded 62 projects.

Table 1: Contributions Spent 2022/23

Service	Number of Projects Delivered	Total Spend
Early Education	0	£0
Education Primary	22	£1,600,970.00
Education Secondary	5	£1,594,430.00
Libraries	26	£169,579.04
Monitoring Fees	n/a	£3,050.00
Green Infrastructure	0	£0
Highways	9	£60,802
Public Transport	0	£0
<b>Total</b>	<b>62</b>	<b>£3,428,831.04</b>

Table 2: Deed of Variation S106 Agreement Signed 2022/23

Site (Planning Ref)	Description	Education	Library	Monitoring Fee
Essex Farm, The Street, Sporle (3PL/2019/0920/O, 3PL/2022/1048/VAR)	Increasing number of dwellings from 35 to 79 dwellings	£14,022.00	£3,300	£500

## 5.0 S106 Projects Delivered

The following project is an example of a project completed in the last financial year by the County Council with partial funding from S106 agreements, collated over previous years.

### 5.1. Education Project



**Local authority area:** Broadland

**Location:** Sprowston

**Project Description:** 250 place 2 storey class base building comprising 14 classrooms, 2 new multi-purpose games areas and refurbishment of 2 existing hard-court areas.

**Date Opened:** September 2022

**S106 Contribution:** £4,217,678

**Basic Needs Funding:** £4,000,000

Figure 2 Sprowston Academy



# 6.0 Section 278 and Section 38 Agreements

## 6.1. Section 278 and Section 38 Agreements

The County Council enters into Section 278 (S278) and Section 38 (S38) agreements, under the Highways Act 1980 with developers. S278 agreements allow developers to enter into legal agreements to make alterations or improvements to the public highway. S38 agreements are used when a developer proposes to construct a new road that may be offered to the County Council (as the Highway Authority) for adoption as a public highway.

## 6.2. S278

- 22 S278 agreements were agreed in 2022/23.

## 6.3. S38 agreements

- 17 S38 agreements were signed in 2022/23.

# 7.0 Future Funding Priorities

## 7.1. Education

In response to the increased housing around the County and the subsequent growth in pupil numbers, [Norfolk County Council publishes an annual Schools' Local Growth and Investment Plan](#). This sets out the strategic direction of pupil place supply for those areas of the County where pupil numbers are expected to increase in the next 5-10 years. The Plan links to the schools' capital programme and will look to expand existing schools and commission new schools on major housing sites across the County in order to accommodate the children generated by the increased housing.

## 7.2. Norfolk Strategic Infrastructure Delivery Plan

[The Norfolk Strategic Infrastructure Delivery Plan \(NSIDP\)](#) is a shared plan that contains Norfolk's high level strategic infrastructure priorities for the next 10 years, pulling together information on key projects needed to support planned development and deliver economic growth in Norfolk. It is a living document that provides a clear message of Norfolk's strategic infrastructure needs to Government and its agencies. The NSIDP is focussed on strategic transport, utility, regeneration, and sustainability projects.

Norfolk County Council exists to represent and serve the people of Norfolk; to contribute to the County's growth and prosperity and make Norfolk a great place to live and work.

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