

## **GREATER NORWICH FIVE YEAR INFRASTRUCTURE INVESTMENT PLAN AND ANNUAL GROWTH PROGRAMME**

**Report Author:** Paul Harris  
Place Shaping Manager  
01603 430444  
[paul.harris@southnorfolkandbroadland.gov.uk](mailto:paul.harris@southnorfolkandbroadland.gov.uk)

**Portfolio:** Policy (Leader) & Planning

**Wards Affected:** All

### **Purpose of the Report:**

To agree the Greater Norwich Five Year Infrastructure Investment Plan and the allocation of funding to projects identified in the Annual Growth Programme. Also, to approve the payment of a project management fee to the Greater Norwich Projects Team and the signing of a deed of variation to the agreement entitled 'Partner Draw down and Borrowing Authorisations'.

### **Recommendations:**

Cabinet to recommend to Council that it:

1. approves the Five Year Infrastructure Investment Plan 2024-29 and the proposed 2024/25 Annual Growth Programme as set out in Appendix A;
2. includes the Aylsham Gym and Fitness Hub (totalling £400,000) and the Nest multi-sport indoor community hub (totaling £650,000) into the council's capital programme commencing in 2024/25;
3. approves a new programme management fee within the draft Five Year Infrastructure Investment Plan and delegates authority to the Director for Place in consultation with the Portfolio Holder for Policy (Leader) to agree the final fee. This fee will supplement the cost of the Greater Norwich Project Team and the fee for 2024/25 will be in the region of £115,000. The amount for future years will be

confirmed within each subsequent version of this Plan. Details related to this recommendation are set out as Appendix B to this report;

and,

4. agrees that the Deed of Variation to the agreement entitled 'Partner Draw down and Borrowing Authorisations', that was originally signed by all partners on 21st October 2015, can be signed. This is required to progress the establishment of the already agreed City Deal Borrowing Loans Fund. Details related to this recommendation, including the Deed of Variation itself, are set out as Appendix B and Appendix C to this report.

## **1. Summary**

1.1 This report seeks approval for:

- The draft Greater Norwich Joint Five Year Infrastructure Investment Plan 2024 to 2029 and Annual Growth Programme 2024/25. The five-year plan includes: progress report on previously approved projects; proposals for new projects to be funded by pooled Community Infrastructure Levy (CIL) in 2024/25, otherwise known as the 2023/24 Annual Growth Programme (AGP); updated forecasts of CIL income; and, information on future project priorities.
- Proposes a project management fee from the Infrastructure Investment Fund (IIF) to be paid to the Greater Norwich Projects Team to help ensure that they are able to continue to effectively support the delivery of infrastructure across Greater Norwich.

and,

- The agreement of a Deed of Variation to the Greater Norwich Partner Drawdown and Borrowing Authorisations agreement to enable the implementation of the agreed city Deal Borrowing Loans Fund.

1.2 In accordance with the CIL pooling arrangements for Greater Norwich's Infrastructure Investment Fund (IIF), each of the three CIL charging authorities: Broadland District Council; Norwich City Council; and, South Norfolk Council need to separately agree to the recommendations within this report for them to take effect.

## **2. Background**

2.1 In 2013 the Greater Norwich authorities (Broadland District Council, Norwich City Council, South Norfolk Council and Norfolk County Council) together with the New Anglia Local Enterprise Partnership, signed a City Deal with Government. The City Deal agreed a strategic infrastructure programme which would be supported by access to reduced cost borrowing, and the local authorities made a commitment to pool a significant proportion of Community Infrastructure Levy (CIL) income to form an Infrastructure Investment Fund (IIF).

- 2.2 The Greater Norwich Growth Board (GNGB) has responsibility for managing the IIF and assembling the Annual Growth Programme from the Joint Five-Year Infrastructure Investment Plan (the Plan).
- 2.3 The development of this plan is informed by the updated Greater Norwich Infrastructure Plan 2023, which [was published in a new digital format on the GNGB website here](#).
- 2.4 The GNGB agreed at its meeting on 24 March 2016 to produce an annual Joint Five Year Infrastructure Investment Plan (5YIIP- referred to herein as “the Plan,” and attached Appendix A. The Plan is prepared to provide a longer term, more strategic context for infrastructure decision making as well as eliminating the need to approve individual projects at Partner Cabinets and Councils more than once a year.
- 2.5 The projects identified within the Plan are those currently considered to be a priority for delivery to assist in achieving the economic growth targets as set out in the Joint Core Strategy and the Greater Norwich City Deal; one of the key strands of the City Deal was the delivery of an infrastructure programme facilitated by a pooled funding arrangement between the Authorities.
- 2.6 Income received from the Community Infrastructure Levy (CIL) is pooled within the Infrastructure Investment Fund (IIF) and allocated to infrastructure projects forming the Greater Norwich Growth Programme, which is administered by the GNGB.
- 2.7 The new projects which have been recommended to receive IIF funding during the forthcoming financial year (the first of the planned five years) are proposed to be adopted as the 2024/25 Annual Growth Programme (AGP).
- 2.8 The Plan provides an update of the financial status of the IIF and therefore is an important evidence base to support decision making for new allocations. It also includes information which each charging authority is legally required to report on CIL spend on an annual basis.
- 2.9 As the IIF has matured, the scope of how the fund supports the delivery of infrastructure within the Plan has broadened. There is now a variety of ways in which funding can be allocated to projects, some of which require pre-approval (recommendations 3 and 4) which are further detailed within Appendix B.

### **3. Current positions/findings**

- 3.1 Taking account of a range of evidence and information from Council Officers and other Stakeholders, the 2024-29 Five Year Infrastructure Investment Plan (5YIIP) and Annual Growth Programme (AGP) for 2024/25 has been prepared. This identifies a number of projects that are currently considered to be a priority for delivery over the next 5 years and those projects which are proposed to receive funding in 2024/25. The 5YIIP for 2024-29 and AGP for 2024/25 is included as Appendix A to this report.

- 3.2 If agreed by each of the three CIL charging authorities within Greater Norwich: Broadland District Council; Norwich City Council; and, South Norfolk Council, funding will be allocated to those projects identified within the 2024/25 AGP. Projects identified within the 5YIIP but not within AGP remain priorities but are not allocated CIL funding as part of this approval process.
- 3.3 This 5YIIP plan also sets out an updated position on infrastructure delivery, includes revised CIL income forecasts, provides updates on projects accepted within previous AGPs and outlines planned preparatory work for infrastructure schemes for future years.
- 3.4 Officers have also proposed that a project management fee in the region of £115,000 is allocated to the Greater Norwich Project Team from pooled CIL and that amendments are agreed to the Partner Draw-down and Borrowing Authorisations to enable the establishment agreed city Deal Borrowing Loans Fund. These matters are dealt with in more detail in Appendices B and C of this report. This proposed management fee will eliminate addition budget pressures on the partners to cover the growing cost of the team.
- 3.5 In addition to the above proposals, £650,000 from the GNGB Match Funding category has been allocated for a further phase of development at The Nest. In accordance with the procedures established as part of the approval of the last 5YIIP and AGP, this funding was agreed by the Infrastructure Delivery Board at its meeting of 29 September 2023 and ratified by the GNGB at its meeting of 30 November 2023. As such no further approval is sought for this allocation in this report.
- 3.6 Finally, a new digital dashboard has been developed presenting the financial information contained in the Plan. It provides an interactive and more accessible platform for readers to be able to explore the financial data related to the AGP more easily. This data dashboard can be accessed using the following link: [Greater Norwich Digital Data Dashboard](#)
- 3.7 The changes/authorisations recommended within this report were considered and agreed by the Greater Norwich Growth Board (GNGB) on 30 November 2023.

#### **4. Proposed action**

##### 2024/25 Annual Growth Programme

- 4.1 Following a successful outcome to their evaluation in accordance with the agreed project appraisal procedure, it is proposed that funding is CIL is allocated to 3 projects totalling £928,000. The 3 projects include 1 project considered to be a key priority in Broadland. This project is identified in table 1 below.

*Table 1 - Proposed 2024/25 Annual Growth Programme*

| <b>Project Name</b>       | <b>Applicant</b> | <b>Amount of CIL requested</b> | <b>Total project size</b> |
|---------------------------|------------------|--------------------------------|---------------------------|
| Aylsham Gym & Fitness Hub | Broadland        | £400,000                       | £1,309,988                |
| Eaton Park                | Norwich          | £333,000                       | £601,000                  |
| Plumstead Road Library    | Norfolk          | £195,000                       | £260,391                  |
| <b>Total Cost</b>         | <b>n/a</b>       | <b>£928,000</b>                | <b>£2,171,379</b>         |

- 4.2 In addition to these three projects, it is proposed that Norfolk County Council receive £2.5million to support the development of their education capital programme within Greater Norwich. It is expected that this funding will help support the final expansion at Wymondham High Academy.

Approval of a new programme management fee

- 4.3 It is proposed that a new programme management fee be introduced to this 5YIIP and AGP. This fee will supplement the cost of the Greater Norwich Project Team who are considered to be instrumental in driving forward the provision of infrastructure across the full Greater Norwich area. Further details related to this proposal are included as appendix B to this report.

Deed of variation to Partner draw-down and Borrowing Authorisations to progress the establishment of the City Deal Borrowing Loans Fund

- 4.4 For the agreed City Deal Borrowing Loans Fund to be progressed, an amendment is required to be made to an existing legal agreement that was originally signed by all Greater Norwich partners in 2015.
- 4.5 The legal agreement entitled 'Partner draw-down and Borrowing Authorisations' currently caps the City Deal borrowing to be repaid by the Infrastructure Investment Fund (IIF) at £60m. All partners have already agreed for an additional £20m to be used to establish the CDBL fund and for this borrowing to be repaid by the IIF. Prior to the first CDBL loan being drawn, the original 2015 legal agreement needs to be amended, increasing the cap on borrowing from £60m to £80m, to accommodate this decision.
- 4.6 More details including the draft Deed of Variation are detailed within Appendix B and Appendix C of this report.

**5. Other options**

- 5.1 The committee may choose to recommend amendments to the 5YIIP prior to its agreement. This may include proposing to agree funding for only some of the 3 projects identified for CIL funding in 2024/25; proposing that funding is not approved to support the Education Capital Programme and/or that any other of the recommended actions are amended and/or not agreed. Due to the need to secure

the agreement of all partners, if amendments are proposed to the aforementioned actions, this is likely to cause a delay to the agreement of the 5YIIP and AGP. The extent of any such delay would depend on the amendments proposed.

- 5.2 In order to ensure: a) the timely delivery of the AGP; and, b) that all projects that receive pooled CIL funding have been properly evaluated in accordance with agreed project appraisal procedure, it would not be reasonable to recommend additional projects for CIL funding within the 2024/25 AGP. The project appraisal process ensures, as far as practicable, that projects are strategically justified and deliverable.
- 5.3 If the committee considers that there are additional priority projects that should be considered for the allocation of pooled CIL funding then a further recommendation should be made. This recommendation should propose that the Director of Place be instructed to progress such projects in accordance with the IIF procedures.

## **6. Issues and risks**

- 6.1 **Resource Implications** – The most significant immediate risks relate to project cost control and delivery. For the projects within Broadland, these risks are being minimised through project management, including support, as appropriate, for partner organisations where they will be responsible for the delivery of these schemes as is the case with the Aylsham High School and the Nest.

Any ongoing maintenance and management costs for the two schemes in Broadland are to be met separately by the partner organisation receiving the funding.

Outside of these immediate project risks, CIL forecasts CIL indicate a significant decline in receipts over the short term. This is a direct result of the predicted impact of Nutrient Neutrality on the delivery of development. Through its ongoing collaboration with Breckland, North Norfolk and South Norfolk, which has resulted in the creation of Norfolk Environmental Credits, and through its positive and pragmatic support for developer-led mitigation schemes on individual developments the Council is at the forefront of efforts to tackle the issue of Nutrient Neutrality and ensure the delays to development are minimised.

In addition, ongoing programme management of the IIF provided by the Greater Norwich Project Team and overseen by the Greater Norwich Growth Board seeks to ensure that CIL receipts are sufficient to cover commitments made within subsequent AGPs. A forecast of income from planned growth is included in Table 1 of the 5YIIP.

Over the longer term, the Levelling Up and Regeneration Act (LURA) includes provision for the existing CIL and S106 to be replaced by a new, consolidated “Infrastructure Levy”. At a national level the new system would aim to increase revenues when compared to the current system. However, the Planning for the Future White Paper that preceded the LURA recognised that in some low value areas development would be likely to fall below the minimum value-based

threshold for making contributions under the new system. This situation will need to be kept under review.

- 6.2 **Legal Implications** – No legal advice has been sought as part of the preparation of this report. The main legal implication arising from the agreement of the 5YIIP and approval of the AGP relates to the agreement of the further Deed of Variation to the Partner Borrowing and Draw-Down Authorisations. Legal advice, as appropriate, has been sought by the Greater Norwich Projects Team as part of the preparation of the further Deed of Variation proposed in this report.

Further project specific legal advice will be taken as necessary in the delivery of the identified AGP projects.

In accordance with the Council's practices, there has been engagement with the Monitoring Officer, and the wider Corporate Management Leadership Team (CMLT) in the preparation of this report.

- 6.3 **Equality Implications** – An EQIA accompanies this report.
- 6.4 **Environmental Impact** – The environmental impacts associated with the identified schemes will be considered, as necessary, as part of the relevant consenting process. The growth and development which the infrastructure within this report was subject to Sustainability Appraisal (SA), incorporating Strategic Environmental Assessment (SEA) and Habitat Regulation Assessment (HRA) as part of the Council's plan making process or was otherwise assessed appropriately as part of the approval of planning applications.
- 6.5 **Crime and Disorder** – It is not considered that any of the proposed schemes are likely to raise significant concerns in terms of crime and disorder.
- 6.6 **Risks** – There are not considered to be any specific risks other than those specifically documented above arising from the recommendations in this report.

## 7. Conclusion

- 7.1 The projects within the 5YIIP have been identified with reference to evidence and the input of officers and stakeholders. The projects are therefore appropriately identified as those currently considered to be a priority for delivery to assist in achieving the growth targets as set out in the Joint Core Strategy and the Greater Norwich City Deal.
- 7.2 The 3 new projects proposed for CIL funding in 2024/25 have been agreed by the Greater Norwich Growth Board (GNGB), following an assessment of their suitability by the Greater Norwich Project's Team, in accordance with the adopted processes for the Infrastructure Investment Fund (IIF). It is therefore appropriate to allocate pooled CIL funding to these projects.
- 7.3 With available CIL funding in place, the allocation of £2.5M to support the Education Capital Programme remains an important part of the ongoing support provided to address the education impacts of growth.

- 7.4 The agreement of the project management fee will help to ensure that the Greater Norwich Project Team are able to continue to effectively support the delivery of infrastructure across Greater Norwich.
- 7.5 Finally, the further amendment to the Partner Drawdown and Borrowing Authorisations is considered necessary to establish the agreed city Deal Borrowing Loans Fund.

## 8. Recommendations

Cabinet to recommend to Council that it:

1. approves the Five Year Infrastructure Investment Plan 2024-29 and the proposed 2024/25 Annual Growth Programme as set out in Appendix A;
2. includes the Aylsham Gym and Fitness Hub (totalling £400,000) and the Nest multi-sport indoor community hub (totalling £650,000) into the council's capital programme commencing in 2024/25;
3. approves a new programme management fee within the draft Five Year Infrastructure Investment Plan and delegates authority to the Director for Place in consultation with the Portfolio Holder for Policy (Leader) to agree the final fee. This fee will supplement the cost of the Greater Norwich Project Team and the fee for 2024/25 will be in the region of £115,000. The amount for future years will be confirmed within each subsequent version of this Plan. Details related to this recommendation are set out as Appendix B to this report;

and,

4. agrees that the Deed of Variation to the agreement entitled 'Partner Draw down and Borrowing Authorisations', that was originally signed by all partners on 21st October 2015, can be signed. This is required to progress the establishment of the already agreed City Deal Borrowing Loans Fund. Details related to this recommendation, including the Deed of Variation itself, are set out as Appendix B and Appendix C to this report.

### Background papers

Greater Norwich Infrastructure Plan, which can be found in PDF and as a Digital Version using the following link: [Greater Norwich Infrastructure Plan \(GNIP\) » Greater Norwich Growth Board](#)