

Details to support recommendations (3) and (4).

3 approve a new programme management fee within the draft Five Year Infrastructure Investment Plan. This will supplement the cost of the Greater Norwich Project Team. The fee for 2024/25 will be in the region of £115,000, and the amount for future years will be confirmed within each subsequent version of this Plan

1 Programme management fee

- 1.1 The Greater Norwich Project Team (GNPT) have provided a dedicated partnership resource, working to deliver all workstreams as directed by the GNGB since their establishment in 2014. During this time, the teams work has become well established and respected on both a local and national scale, with central government and other local authorities seeking to learn from Greater Norwich's partnership working practices.
- 1.2 In more recent years, the scope of the team's work has broadened, developing beyond the management of a programme of projects which have been funded by the Infrastructure Investment Fund (IIF). The team now develop and manage a programme of interdependent financial streams, that need to be monitored with skill and knowledge to mitigate the financial risk to all partners, whilst ensuring all workstreams align with CIL legislation.
- 1.3 To date the team has been funded by annual contributions from the four partner authorities. A contribution of £40,000 was received from each partner for 23/24. This contribution will continue to be required and is adjusted each year in line with inflationary budget increases.
- 1.4 The Greater Norwich Infrastructure Delivery Board (IDB) reviewed the team workplan in March 2023 and agreed that the team is no longer suitably resourced to complete everything requested of it. They instructed a re-review of the workplan and for options for securing additional resource to be explored. Having undertaken this work they proposed a change to the way the GNPT is funded which will enable the team to increase in size and deliver the extended scope of works.
- 1.5 At the meeting on 27th September 2023, the GNGB reviewed a proposal to increase the team resource from 3.2FTEs to 5.4FTEs, and for the annual contribution received from each partner to be supplemented by Community Infrastructure Levy (CIL- a planning charge paid by developers). The additional staff resource will be utilised to bring forward the delivery of the Greater Norwich Growth Programme (IIF funded projects) and will free up the senior officer's time to progress new and emerging workstreams.

Appendix B

- 1.6 Section 59 of the CIL regulations states that CIL can be applied to the 'provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area'.
- 1.7 The GNPT are instrumental in the provision of infrastructure. Together, they drive forward the delivery of the 100+ infrastructure projects that have been allocated funding from the IIF.
- 1.8 A summary of the team's roles include:
 - Preparing and publishing the evidence base which supports all partnership decision making to allocate funding to projects from the IIF
 - Provide dedicated support to all projects funded by the IIF
 - Support all applicants through the process of applying for IIF
 - Processing, monitoring, and reporting all IIF funding draw downs
 - Developing and progressing all project change requests
 - Reporting quarterly programme updates to the IDB
 - Managing the IIF call for projects and application appraisal process
 - Publishing programme delivery updates on an annual basis
- 1.9 It is accepted and common practice for individual projects to claim costs from the IIF to cover the project management related to the delivery. This proposal introduces a new 'programme management' fee, to cover the work that is undertaken to support the overall programme of funded projects.
- 1.10 For clarity, this proposal is not recommending the use of the 5% administration fee that is detailed under Section 61 of the CIL regulations. That income is not managed by the GNPT, instead it is allocated by each district charging authority at the point of initially receipting the CIL income from developers and has been confirmed as being fully committed elsewhere.
- 1.11 Using IIF to partly fund the team marks a change to previous partnership funding arrangements. The Greater Norwich partnership working arrangements requires all new allocations from the IIF to be agreed by the three CIL receipting authorities. The Five-Year Infrastructure Investment Plan (5YIIP – This Plan) provides the evidence against which new funding decisions can be agreed, so the decision to use IIF to partly fund is included within the Plan.
- 1.12 The GNGB are recommending that a new programme management fee be introduced to this Plan, to supplement the cost of the Greater Norwich Project Team who are instrumental in driving forward the provision of infrastructure across the full Greater Norwich area. The fee for 24/25 will be £115,000 and the amount for future years will be confirmed within each subsequent version of this Plan.

4 agree 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.

2 The proposed deed of variation

- 1.1. As part of the Greater Norwich City Deal agreement signed with Government in 2013, the GNGB were afforded the opportunity to access lower-cost loan funding from the Public Works Loan Board (PWLB).
- 1.2. The borrowing is allocated in two specific ways:
 - £60 million for strategic infrastructure projects:
 - £40m for the Broadland Northway
 - £10m for the Long Stratton Bypass
 - £10m for Central Norwich Road network schemes
 - £20m to establish a local infrastructure fund
- 1.3. To date, only the £40m for the Broadland Northway has been drawn down; A further £10m for the Long Stratton Bypass has been agreed by all partners but is yet to be drawn down.
- 1.4. In 2021 the GNGB agreed in principle to repurpose the £20m borrowing capacity allocated to a local infrastructure fund, to a new City Deal Borrowing Loans (CDBL) Fund. This facility will provide the partners upfront loan funding to support the delivery of key infrastructure in the Greater Norwich area. Monies repaid will in turn establish a new cyclical fund called the Strategic Investment Fund (SIF).
- 1.5. Initial work to develop the CDBL progressed during 2022, draft terms of reference were agreed and the GNGB was granted delegated authority from all four partner Cabinets in July 2022 to manage the allocation of the £20m City Deal borrowing to individual projects.
- 1.6. Due to a lack of resource within the Greater Norwich Project Team, work was put on hold for a while until 27 June 2023 when the GNGB committed to accelerating the development of the CDBL Fund.
- 1.7. Work to develop the monitoring and administrative processes of the CDBL fund was progressed and later agreed by the GNGB on 27 September 2023, triggering the opening of the fund. At the same meeting, the first application to the CDBL fund was reviewed and agreed, allocating £4.5m of borrowing to forward fund the developer contribution for Long Stratton Bypass and bring forward the delivery of the road.
- 1.8. In order for this £4.5m and any future agreed borrowing 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. The legal agreement

entitled 'Partner draw-down and borrowing authorisations' currently caps the total amount of City Deal borrowing to be drawn at £60m, because initially only the first £60m (as detailed in 2.2) was intended to be repaid by the Infrastructure Investment Fund (IIF- Pooled CIL). All partners have already agreed for the £20m allocated to establish a local infrastructure fund to be repurposed to be used to establish the CDBL fund and ultimately a new SIF (see 2.4), and in doing so agreed for the total of up to £80m borrowing drawn down from PWLB 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.

- 1.9. The deed of variation requires a minor administrative change to be made to the 2015 agreement, but any change to a legal agreement requires specific agreement from all signatories before it can be actioned.
- 1.10. The full Deed of Variation is provided below.
- 1.11. The GNGB are recommending that each partner agrees to the signing of this deed.