



Infrastructure Funding Statement 2021/22

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Summary

New homes are needed across Leicestershire and providing the roads, schools, libraries, waste and other community facilities required will cost many hundreds of millions of pounds over the next 15 years.

Leicestershire County Council works closely with housing developers and our seven district and borough councils to secure contributions, known as section 106 agreements, which help to pay for this infrastructure.

Given that housing developments are often built in phases over many years, it's normal for much of this funding to be paid to the County Council in phases – and then spent on different projects over a period of time.

Frequently Asked Questions / Key Points

Q) Why is Leicestershire County Council publishing this information?

A) The Government now requires all councils in England to publish an infrastructure funding statement (IFS) each year detailing payments made through section 106 and the Community Infrastructure Levy (CIL). This is the third year that the publication of the IFS has been required by Government. Due to legislation, the County Council can't collect CIL money (it is a district council function) so this is not included in our report.

Q) What does the report show?

A) It provides details of the S106 contributions used during the 2021/22 financial year. It also provides information on the contributions sought and received from developers to support the funding of this infrastructure as and when it is required in the future.

Q) What has been the impact of the Covid 19 Pandemic on infrastructure funding?

A) The 2021/22 period has been different to other years as a result of the recovery from the Covid 19 pandemic, the biggest impact of which has been the significant increase in both demand and costs of building materials.

The cost-of-living crisis and rising inflation, linked to many factors, including Covid 19 and the conflict in Ukraine, has meant that construction materials are more expensive to purchase, and contractors are more expensive to employ than previously. We have seen an increase in these factors by almost a third in 2021/22.

Q) Why is there £93m which appears to be unspent?

A) When S106 agreements are signed, the projects and the locations that the funding is to be spent on is specified. S106 monies are often collected at specific trigger points as stated in the agreed S106 agreements and the Council has between 5 – 10 years to spend these funds once they have been collected.

This means that monies for a specific project can be collected over several years and through different triggers as the consented scheme progresses through its construction cycle, and as such it is not always possible to spend the monies collected within an IFS period in the same 12-month period. Balances therefore develop and carry forward between each year.

The County Council is keen to spend this money on infrastructure, but we must ensure that we are getting best value for money for every £1 that is spent, and this means that we must plan carefully. Our service areas have plans to spend this money in line with the s106 agreements.

The County Council's Planning Obligations Service was restructured towards the end of the 2019/20 financial year, and the first full year effect of that restructure was realised during the 2021/22 financial year, as is reflected in the figure reported on income collected in the period. Whilst this figure is significantly higher than previous years because of a focussed effort on collecting missed income. The amount collected will be greatly reduced and will stabilise over the coming years.

As stated earlier, the impact of the Covid 19 pandemic has impacted on the ability of the County Council to deliver new infrastructure on the ground and as such less money has been spent during the 2021/22 financial year than for the previous year and the end of year balance of unspent money (table 3) is higher.

Introduction

This Infrastructure Funding Statement provides information on the monetary (and non-monetary) contributions sought and received from developers for the provision of infrastructure to support development in the County of Leicestershire and the subsequent use of those contributions by Leicestershire Council. The report covers the financial year 1 April 2021 – 31 March 2022.

CIL

The Community Infrastructure Levy (CIL) is a planning charge introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. Local authorities can choose to introduce a CIL which is calculated on a £ per square metre (m²) basis on new development.

County Councils are not permitted to be a CIL charging authority and currently there are no CIL charging district councils in Leicestershire.

Planning Obligations

Planning obligations represent an important funding stream for the provision of county wide services needed to deliver sustainable growth. They are also commonly referred to as 'section 106' and/or 'developer contributions'. A planning obligation is a legal obligation under Section 106 (s106) of the Town and Country Planning Act 1990 and is entered into to mitigate the unacceptable impacts of a development proposal on the infrastructure of the surrounding area.

S106 agreements are most commonly agreed between a local authority and a developer and are typically related to a planning permission. In a two-tiered local government environment, it is usual that the county and the district councils would be a party to the legal agreement to secure the necessary infrastructure funding for county and district infrastructure.

Planning obligations assist in mitigating the impact of development to make it acceptable in planning terms. Planning obligations may only constitute a reason for granting planning permission if they meet the 3 statutory tests as set out in the Community Infrastructure Levy (CIL) Regulations 2010 (as amended) and in paragraph 57 of the NPPF. These tests require that obligations are:

- necessary to make the development acceptable in planning terms,
- directly related to the development, and
- fairly and reasonably related in scale and kind.

Leicestershire County Council is responsible for the delivery and operation of much of the large-scale infrastructure required to support development such as highways, schools, libraries and waste. The County Council's requirements for S106 contributions are set out in its Planning Obligations Policy document which was agreed in July 2019.

The County Council works closely with the seven district/borough Local Planning Authorities in the county to identify the impact of proposed development and ensure the infrastructure requirements needed to support development are identified through the Local Plan process.

The Section 106 (Planning Obligations) report

The detail set out in each section of this Section 106 report is based on the requirements set out in Schedule 2 of the CIL Regulations 2010 (as amended) and records only those obligations applicable to the County Council.

Please note that the County Council is not the responsible authority for affordable housing nor public open space and neither do we collect monies for the Health Trusts or the Fire Service. Details in relation to these (where they are applicable) are found within the Infrastructure Funding Statements that will be prepared by all seven of the Leicestershire borough/district councils.

Monetary Contributions

Table 1

(1) Total money to be provided through planning obligations

The following table shows the amount of money which has been agreed through S106 agreements completed between 1st April 2021 and 31st March 2022 by service area which is available to spend in future years as developments are constructed.

Purpose	£
Ecology	£160,000
Civic Amenities	£102,889
County Council Monitoring Fees	£112,014
Education	£11,735,033
Highways	£6,983,913
Libraries	£95,052
Sustainable Travel	1,717,683
Total	£20,906,584

Table 2

(2) Total money received

This table shows the amount of money received by the Council between 1st April 2021 and 31st March 2022 from S106 agreements which were agreed at any period in the past. This money is available to fund the infrastructure that was identified within the individual S106 agreements for each scheme.

The table* below also identifies the monitoring fees which the Council is permitted to collect to administer the S106 process.

Purpose	£
Ecology	£0
Civic Amenities	£255,391
County Council Monitoring Fees	£307,790
Education	£32,993,342
Highways	£12,709,471
Libraries	£205,287
Sustainable Travel	1,098,008
Total	£47,569,289

**Please note that this table includes income from invoices raised, but not yet paid (receipts in advance)*

Table 3*(3) Total money spent*

This table shows the amount of money spent per service area within the 2021/22 financial year period on infrastructure improvements throughout the county. Details of the individual schemes and the amounts they deliver appear later in the report.

Purpose	£
Ecology	£0
Civic Amenities	£0
County Council Monitoring Fees	£210,167
Education	£8,642,378
Highways	£809,315
Libraries	£93,002
Sustainable Travel	996,900
Total	£10,757,333

Table 4*(4) Balance at the start of the financial year*

This is the opening balance of money at the start of the 2021/22 financial year. This money is allocated to the specific schemes as detailed in the individual S106 agreements but was not spent prior to the start of the 2021/22 period.

Purpose	£
Ecology	£0
Civic Amenities	£553,410
County Council Monitoring Fees	£397,891
Education	£37,857,385
Highways	£9,752,480
Libraries	£98,573
Sustainable Travel	7,910,364
Total	£57,000,204

Table 5*(5) Closing balance at end of financial year*

This table shows the closing balance as of the 31st March 2022 and is money that was unspent on projects during the 2021/22 financial year. This money is allocated to projects as specified in the individual S106 agreements and will be spent when the Council develops the schemes.

Purpose	£
Ecology	£0
Civic Amenities	£808,801
County Council Monitoring Fees	£495,514
Education	£62,208,349
Highways	£21,652,636
Libraries	£640,959
Sustainable Travel	8,011,472
Total	£93,817,731

**Please note that this table includes income from invoices raised, but not yet paid (receipts in advance)*

Table 5a*(5a) Money received for long term maintenance*

Commuted sums are agreed in S106 agreements to provide money so that infrastructure can be maintained for a period to ensure that it successfully establishes. The County Council does not ask for any commuted sums in relation to any of the service areas that it is responsible for through S106 agreements and as such no money was collected in the 2021/22 period for this purpose.

Non-Monetary Contributions

Table 6*(6) Non-monetary contributions*

Purpose	Number
Total number of affordable housing units to be provided through planning obligations agreed in 2021/22	0*
Total number of affordable housing units which were provided through planning obligations (whenever agreed) in 2021/22	0*
Total number of school places for pupils to be provided through planning obligations agreed in 2021/22	1,186
Total number of school places for pupils which were provided through planning obligations (whenever agreed) in 2021/22	1,284

**Please note that it isn't the function of the County Council to provide affordable housing. That is the role of the seven Leicestershire district councils, and this information will appear in their own individual IFS documents.*

Section 106 other expenditure

Table 7

(7) Money spent on repaying forward funded projects

This is where the Council would borrow money to forward fund infrastructure in the absence of the receipt of the S106 funding for that project so that it can progress in a timely manner to address a need in a locality caused by an approved scheme.

It is not Council policy to borrow money externally to forward fund projects; the preference is to wait for all S106 monies to be received before a scheme progresses. Therefore, no schemes were forward funded from external funds during the 2021/22 financial year.

Section 106 schemes

Table 8

(8) Summary of money spent

This is a summary of all S106 monies spent in the 2021/22 financial year, department by department. The actual total amount of funding spent against these projects may also include revenue, capital, basic needs or grant funding, but only S106 monies applied to the projects are listed in the table below.

Education		
Location	Project	Spend (£)
Ashby School	New English Block	£712,802
Beauchamp College	5-classroom block	£373,538
Castle Donington College	Feasibility costs for expansion/modular build project	£22,073
Fleckney C of E Primary School	Expansion of site to extend pupil capacity	£1,346,000
Gartree High School	4-classroom block	£500,000*
Gilmorton Chandler C of E Primary School	Provision of one classroom	£11,003
Higham-on-the-Hill C of E Primary School	Provision of one classroom, a small group room/library, additional toilets, circulation space and other internal alterations	£72,877
Holywell Primary School	Towards creation of new school	£2,000,000
Humphrey Perkins School	Sports Hall	£205,785
Kirby Muxloe Primary School	Increase number of toilets for pupils, increase the size of an existing classroom, and resurface existing play space	£90,000

Education		
Location	Project	Spend (£)
Manor High School	Provision of a new standalone block to include sports hall, changing facilities and 4 classrooms	£153,110
Parkland Primary School	The creation of an additional 5 pupil places, and the addition of a large group room	£237,494
Rothley Primary School	Increase school capacity to 630 pupil places	£183,187
South Wigston High School	Refurbishment of a storage room to create an intervention room, addition of a disabled toilet, and repurposing of the Art and Design area to meet current pupil needs	£384,919
The Cedars Academy	Standalone social, emotional and mental health (SEMH) resource base	£169,334
The Newbridge School	Alterations to IT & Science classrooms, the creation of a 6 classroom modular building, and various external works	£1,362,154
Thringstone Primary School	Provision of SEN base	£33,499
Waltham on the Wolds C of E Primary School	Extension to school hall	£784,603
Total - £8,642,378		

* The project at Gartree High School was completed at a total cost of £898,124.90. The remaining £389,124.90 was spent in 2022-23 so will appear in 2022-23's IFS

Highways		
Location	Project	Spend (£)
Various locations	Highways infrastructure work, including creation of new and refurbishment of existing bus stops, and various traffic management and highways infrastructure and improvement work	£809,315
Total - £809,315		

Libraries		
Location	Project	Spend
Anstey Library	Books Furniture and Equipment	£682 £709
Ashby-de-la-Zouch Library	Books Furniture and Equipment	£1,807 £6,760
Barrow upon Soar Library	Books Furniture and Equipment	£1,350 £6,510
Blaby Library	Furniture and Equipment	£8,738
Burbage Library	Furniture and Equipment	£5,572
Castle Donington Library	Furniture and Equipment	£5,072
Coalville Library	Books Furniture and Equipment	£4,286 £1,428
Earl Shilton Library	Furniture and Equipment	£2,562
Hathern Library	Books	£542
Hinckley Library	Books Furniture and Equipment	£1,570 £2,508
Kirby Muxloe Library	Furniture and Equipment	£1,318
Leicester Forest East Library	Furniture and Equipment	£2,361
Loughborough Library	Books Furniture and Equipment	£1,688 £7,078
Lutterworth Library	Books	£3,457 £4,244
Market Harborough Library	Books Furniture and Equipment	£1431 £1,031
Measham Library	Furniture and Equipment	£3,145
Mountsorrel Library	Books Furniture and Equipment	£1,061 £6,092
Narborough Library	Furniture and Equipment	£1,905
Oadby Library	Books	£23
Rothley Library	Books	£124
Sapcote Library	Furniture and Equipment	£198
Shepshed Library	Books Furniture and Equipment	£962 £1,470
South Wigston Library	Furniture and Equipment	£354
Syston Library	Furniture and Equipment	£4,500
Wigston Library	Books Furniture and Equipment	£372 £90
Total (Books) - £19,355		
Total (Furniture and Equipment) - £73,646		
Grand Total - £93,002		

Table 8a*(8a) Money received for projects due to start but delayed*

All schemes that are agreed to mitigate the impact of development on the infrastructure of the surrounding area are specified in each agreed S106 agreement. This table shows where money was received for individual projects, but they weren't carried out in the 2020/21 financial year with the start dates being deferred to a later year.

Civic Amenities		
Location	Project	Allocated (£)
Barwell RHWS	Various improvements to increase site capacity, including construction of new waste bays, and purchase of associated equipment	£27,493
Coalville RHWS	Various improvements to increase site capacity, including upgrading of existing infrastructure, expansion of floorspace and creation of new canopy for storing items suitable for reuse	£91,014
Market Harborough RHWS	Various improvements to increase site capacity, including purchase of additional machinery, and expansion of recycling area	£232,136
Melton RHWS	Various improvements to increase site capacity, including purchase of additional machinery, upgrading of waste containers and expansion of recycling area	£108,665
Mountsorrel RHWS	Various improvements to increase site capacity, including construction of new waste bays, and purchase of associated equipment	£23,910
Shepshed RHWS	Various improvements to increase site capacity, including construction of new waste bays, and purchase of associated equipment	£52,459
Total - £535,677		

Highways (Infrastructure)		
Location	Project	Allocated (£)
Humberstone Lane, Thurmaston	Traffic calming	£72,931
Hinckley Road, Sapcote	Footpath improvement	£40,000
Hawley Road, Hinckley	Traffic signal revalidation	£4,426
Ashby Road West, Shepshed	Bus stop works - raised kerbs, timetable case, footpath resurfacing	£12,629
Hawley Road, Hinckley	Bus stop works – shelter, real time information display	£10,247
Winchester Road, Blaby	Bus stop works – raised kerbs, timetable case, 'Bus Stop' road markings	£7,431
Nottingham Road, Ashby de la Zouch	Bus stop works – 'Bus Stop' road markings	£1,056
Main Street & Swannington Road, Broughton Astley	Bus Stop works - raised kerbs, timetable case, 'Bus Stop' road markings	£9,357
Total - £158,077		