

Infrastructure Funding Statement 2022/23

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Abbreviations

Some common abbreviations that will be found within this document are defined below.

BDBC	Basingstoke & Deane Borough Council
BEST	Basingstoke Environmental Strategy for Transport
CIL	Community Infrastructure Levy
EBC	Eastleigh Borough Council
EHDC	East Hampshire District Council
FBC	Fareham Borough Council
GBC	Gosport Borough Council
HBC	Havant Borough Council
HCC	Hampshire County Council
HDC	Hart District Council
LPA	Local Planning Authority
NFDC	New Forest District Council
NFNPA	New Forest National Park Authority
RBC	Rushmoor Borough Council
ROW	Rights of Way
SDNPA	South Downs National Park Authority
TVBC	Test Valley Borough Council
WCC	Winchester City Council

Introduction

This document has been prepared in accordance with the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 which came into force on 1 September 2019. This requires any local authority receiving developer contributions to publish an annual Infrastructure Funding Statement (IFS) by 31 December each year, starting in 2020. The County Council publishes an IFS annually online at www.hants.gov.uk/landplanningandenvironment/strategic-planning/infrastructure-planning.

The Infrastructure Funding Statement provides a comprehensive summary of the developer contributions secured, received, allocated and spent by Hampshire County Council. The publication of this information is intended to increase

transparency for developers and other stakeholders on how this income is utilised to deliver essential infrastructure across Hampshire.

This document is the fourth annual Infrastructure Funding Statement and covers the period between 1 April 2022 and 31 March 2023 (financial year 2022/23).
Section 106 Agreements

When determining planning applications, one of the issues that needs to be considered by the Local Planning Authority (LPA) is whether the development proposal will have a detrimental impact on the infrastructure within the vicinity of the site. Infrastructure in this context could be the local highway network, transport infrastructure (including routes for walking and cycling), schools, as well as waste management facilities such as household waste recycling centres.

To help mitigate the impacts of a development, the applicant may enter into a legal agreement with the LPA to make the necessary financial contributions, so that the Council (or other party) may carry out these improvements on their behalf. In some instances, development proposals may include infrastructure provision/ improvements within the design (where it is practical to do so), and these may be considered as 'non-financial' contributions.

These legal agreements are made as formal planning obligations, utilising the mechanisms provided by section 106 of the Town and Country Planning Act, and as such are often referred to as 's106 agreements'.

Two Tier Local Government

In areas where local government operates as a two-tier structure, such as the administrative county of Hampshire, the upper tier authority (the county council) covers the whole administrative area. At the lower tier, there are district and borough councils, covering individual administrative areas within the whole. Hampshire also has two national parks that are local planning authorities and may cover one (or more) district/boroughs. For the purposes of this IFS, the reporting is focussed on district/boroughs although this position will be reviewed for future versions of the document.

The statutory responsibilities for public services in two tier areas are assigned to one or other of these levels – for instance, county councils are responsible for matters such as:

- highways;
- transport;
- education;
- waste management (e.g. household waste recycling centres);
- libraries;
- social care; and
- minerals and waste planning functions (outside of national parks) plus 'Regulation 3' planning applications (i.e. schools, libraries & care homes owned/controlled by the County Council).

Whereas the following are typically dealt with at the lower tier level by the relevant district or borough council:

- all other planning applications (unless within national parks which are the 'local planning authority' for determining all applications);
- housing (e.g. ensuring provision of affordable housing and devising housing strategies);
- waste collection (kerbside);
- environmental health; and
- leisure and recreation.

This two-tier system differs from areas where a unitary authority exists – whereby all responsibilities are dealt with by one council.

Whilst the cities of Southampton and Portsmouth City Councils are administratively separate and are unitary authorities. This document does not therefore cover these areas.

Given the separation of responsibilities in the majority of the county, the County Council and the relevant lower-tier local planning authority may both need to be party to a section 106 agreement which secures contributions for infrastructure and services that either authority is responsible for respectively.

Information regarding any contributions for lower-tier matters can be found in the relevant authority's own Infrastructure Funding Statement. See the 'Useful Information' section at the end of this document for links to the authorities' planning webpages.

Community Infrastructure Levy

In addition to planning obligations, another source of infrastructure funding for local authorities is the Community Infrastructure Levy (CIL); a tariff-based planning charge that can be levied on qualifying developments by a Charging Authority. In the case of two-tier areas the Charging Authority is the lower tier authority. A Charging Authority can pool this funding and utilise it to deliver a number of infrastructure projects in its area.

As Hampshire County Council is not a Charging Authority, it does not receive any CIL directly. However, lower-tier authorities that have implemented the levy may choose to transfer a portion of their annual levy receipts to the County Council to fund infrastructure projects. Details on any CIL funding received from the lower-tier authorities is provided in Section 3 of this document.

Collectively, sums secured through planning obligations and through the CIL are referred to as 'developer contributions'.

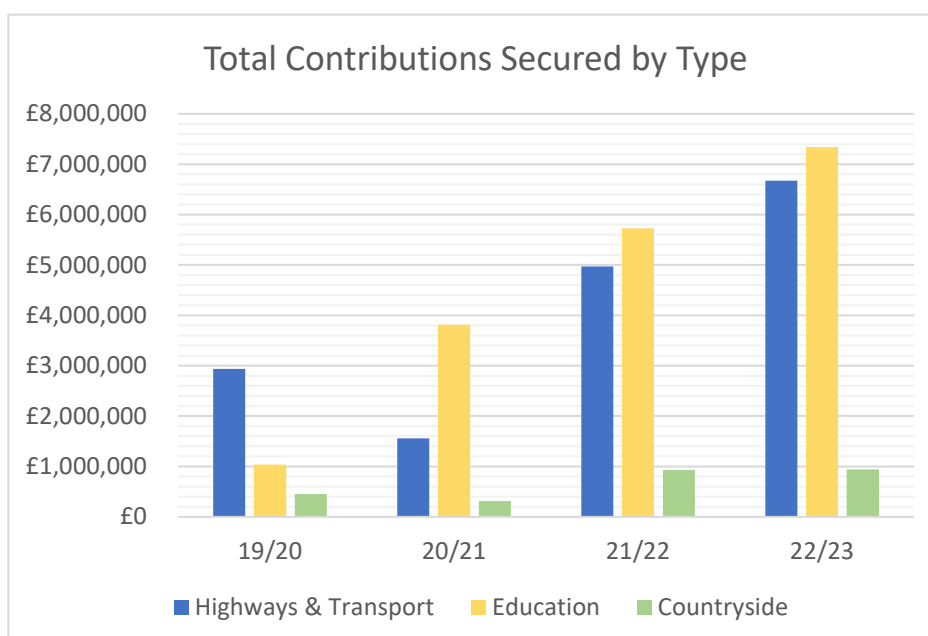
Section 106 Report – Headline Figures

Contributions Agreed

The total amount of contributions and fees to be provided through planning obligations entered into during 2022/23 is **£14,954,786**. This total is made up of the following contribution types and amounts:

Type of Contribution (for which funding was agreed in 22/23)	Total
Countryside obligations	£938,933
Education obligations	£7,342,115
Highways & Transport obligations	£6,673,737
Total funding secured by obligations:	£14,954,786

The chart below illustrates the variation in contributions secured on an annual basis and shows that 2022/23 has seen the highest level of contributions secured in legal agreements since 2019/20. The annual amount secured is likely to fluctuate as larger strategic scale developments resolved in any one year will be reflected in the overall level of funding secured, depending on when the legal agreements are signed following periods of negotiation. As shown in Appendix 1a, a number of legal



agreements for large developments schemes have been signed in 2022/23 such as Land west of Burnetts Lane Eastleigh (F/20/89500).

In addition to contributions towards provision of infrastructure, the following fees were also secured in legal agreements:

Fees Secured (2022/23)	Total
S106 Agreement Monitoring Fees	£75,500
Travel Plan Approval Fees	£36,000
Travel Plan Monitoring Fees	£316,500
Total fees:	£428,000

Travel Plan Bonds & Cash Deposits

The total value of Travel Plan bonds and cash deposits secured in legal agreements for 2022/23 is **£707,976**. Unlike contributions and fees, these sums act as security; allowing the County Council to fund delivery of the relevant travel plan should the developer be unable to fulfil this obligation themselves.

Any unspent security sums paid upfront are held in an interest-bearing account for the duration of the travel plan period and are paid back to the developer upon successful delivery of their travel plan(s) per the terms of their respective agreements.

Full details of the individual agreements and the contributions secured therein can be found in Appendix 1a & 1b.

Non-Monetary Contributions

In addition to the funding provided through planning obligations which is used by the County Council to deliver infrastructure projects, there may also be instances where a developer provides a contribution in-kind.

The list below provides a summary of the non-monetary contributions agreed under planning obligations entered into during the reporting period:

- 29 covenants to enter into a section 278 Highways Works Agreement, and to deliver those works to 'completion certificate standard';
- Six covenants to dedicate land as public highway (if deemed necessary by the County Council);
- 27 covenants to create, secure approval for, and subsequent deliver a travel plan for the respective development;
- Three covenants to provide bus, cycle or pedestrian infrastructure (separate from the s278 works);

- One covenant to provide a new bus service (One Horton Heath major development in Eastleigh).

Full details of the individual agreements and the contributions secured therein can be found in Appendix 1c.

Contributions Received by the County Council

The financial contributions secured under all types of planning obligation received during 2022/23 totalled **£33,653,237** and consisted of the following types:

Type of Contribution (for which funding was paid in 2022/23)	Total
Arboriculture	£9,636
Bus Services	£373,224
Countryside Access	£120,650
Education	£18,501,878
Highways & Transport	£13,715,247
School Travel Plans	£81,115
Traffic Management	£18,152
Waste Management	£38,008
Travel Plan - Approval Fees	£18,609
Travel Plan - Monitoring Fees	£221,500
Travel Plan - Cash Deposits	£477,819
S106 Monitoring Fees	£77,400
Total Received	£33,653,237

The detailed breakdown of the individual receipts can be found in Appendix 2.

Contributions Allocated

The total amount of money allocated to infrastructure projects, but not spent by year end 2022/23, and therefore carried over to financial year 23/24, was **£132,691,747**. To clarify, at year end 2022/23, the County Council had allocated (committed) this total funding to various capital projects, and expenditure will occur as schemes are designed and delivered over time, depending on project timescales.

A breakdown of how the total allocated developer contributions funding has been allocated (but not spent) is:

Contribution Type (for which funds were allocated to projects (2022/23))	Total
Highways & Transport	£80,228,594
Bus Services	£1,539,213
Countryside	£1,584,532
Waste Management	£116,757
Education	£49,222,651
Total	£132,691,747

Further to allocating funds for capital projects, the County Council allocates fee income to recover costs, depending on the fee type. As above, not all expenditure of received funding occurs within the same financial year in which it was received, but has been allocated as a resource for future spend (i.e. travel plan monitoring activity covers a five year period).

Fee Type	Total
Travel Plan Monitoring Fees	£1,304,373

Summary details of the individual contribution allocations that have been made to projects, alongside the unspent balance of those contributions, can be found in Appendix 3.

Contributions Spent

The total funding received through planning obligations which was spent in 2022/23 (including transferring to another authority to spend) was **£20,445,200**. It is worth noting that this developer contributions funding has been supplemented by other funding sources in some cases (e.g. grant funding).

Contribution Type	Total
Countryside	£286,616
Education	£9,586,106
Highways/Transport	£10,033,536
Bus Services	£201,822
Section 106 Monitoring Fees	£75,500
Travel Plan Approval Fees	£23,108
Travel Plan Monitoring Fees	£238,512
Total	£20,445,200

Details of the individual items of infrastructure on which contributions have been spent (including those transferred) can be found in Appendix 4.

Useful Information

Developer Contributions Team

For general enquiries relating to developer contributions at Hampshire County Council, please contact:

developer.contributions@hants.gov.uk

Hampshire's District and Borough Councils

Basingstoke & Deane Borough Council	https://www.basingstoke.gov.uk/planning
East Hampshire District Council	https://www.easthants.gov.uk/planning-services
Eastleigh Borough Council	https://www.eastleigh.gov.uk/planning-and-building
Fareham Borough Council	https://www.fareham.gov.uk/planning
Gosport Borough Council	https://www.gosport.gov.uk/planning
Hart District Council	https://www.hart.gov.uk/planning-residents
Havant Borough Council	https://www.havant.gov.uk/cil-s106
New Forest District Council	https://www.newforest.gov.uk/planning
New Forest National Park Authority	https://www.newforestnpa.gov.uk/planning/
Rushmoor Borough Council	https://www.rushmoor.gov.uk/planning
South Downs National Park Authority	https://www.southdowns.gov.uk/community-infrastructure-levy/
Test Valley Borough Council	https://www.testvalley.gov.uk/planning-and-building
Winchester City Council	https://www.winchester.gov.uk/planning