



EXECUTIVE BOARD DECISION

REPORT OF:	Executive Member for Growth and Development
LEAD OFFICERS:	Strategic Director of Growth & Development
DATE:	Thursday, 7 December 2023

PORTFOLIO/S AFFECTED:	Growth and Development
WARD/S AFFECTED:	(All Wards);
KEY DECISION:	N

SUBJECT: Infrastructure Funding Statement 2022/23

1. EXECUTIVE SUMMARY

The Infrastructure Funding Statement (IFS) is produced annually and provides a summary of financial contributions the Council has secured within the year (1st April – 31st March) via Section 106 agreements from new developments for off-site infrastructure works and affordable housing, in addition to highway works completed as part of new developments through Section 278 agreements. It also identifies the projects that have been delivered as a result of the contributions across the borough.

This report presents the 2022-23 IFS.

2. RECOMMENDATIONS

That the Executive Board:

- Approves the publication of the Infrastructure Funding Statement (IFS) for the 2022/23 monitoring period.

3. BACKGROUND

Under section 106 (s106) of the Town and Country Planning Act 1990, a Local Planning Authority (LPA) can seek obligations, both physically on-site and contributions for off-site, when it is considered that a development will have negative impacts that cannot be dealt with through conditions in the planning permission.

The obligations may be provided by the developers “in kind” – that is, where the developer builds or provides directly the matters necessary to fulfil the obligation. This might be to build a certain number of affordable homes on-site, for example. Alternatively, planning obligations can be met in the form of financial payments to the Council to provide off-site infrastructure works or

contributions towards providing affordable housing elsewhere in the borough. In some cases, it can be a combination of both on-site provision and off-site financial contributions.

The types of infrastructure the Council funds wholly or in part by developer contributions include, but are not limited to:

- Affordable housing;
- Education provision, which can be school extensions or new schools;
- Transport and travel improvements;
- Highways infrastructure;
- Health infrastructure;
- Community facilities;
- Open space, public realm and leisure;
- Flood defence and water management;
- Biodiversity net gain and environmental improvements;
- Carbon reductions, including decentralised energy;
- Digital infrastructure.

Regulations state that a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is:

- Necessary to make the development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

Unless specific circumstances apply, the Council will only request s106 planning obligations for major planning applications, as defined by the Town and Country Planning (Development Management Procedure) (England) Order 2015.

The Community Infrastructure Levy (Amendment)(England)(No.2) Regulations 2019 requires authorities to prepare an Infrastructure Funding Statement (IFS) each year to set out their annual income and expenditure relating to Section 106 agreements. Blackburn with Darwen's 2022-23 IFS provides a summary of financial contributions the Council has secured through Section 106 agreements from new developments for off-site infrastructure works and affordable housing, in addition to highway works completed as part of new developments through Section 278 agreements within the 2022-23 monitoring period. It also includes information on the infrastructure works funded through s106 contributions.

In summary, the report provides:

- An overview of s106 and s278 agreements;
- The Council's internal process relating to s106 contributions;
- The s106 contributions paid to the Council in the 2022/23 monitoring period;
- S106 contributions and s278 works estimated for future years;
- Projects delivered in the borough via s106 and s278 agreements in the 2022/23 monitoring period; and
- Information on monitoring fees and inflation applied to s106 agreements.

Some of the key details from the 2022/23 are summarised below:

- As at March 2023, a net total of £6,053,479 was available to fund public open space, education, highways and affordable housing projects in the borough;
- A total of £3,883,516 in s106 monies were received in the 2022/23 period;

- A total of £2,326,216 s106 monies were spent in the 2022/23 period - £501,113 funding highway works in the borough, £421,610 spent on improving existing or creating new open spaces and £1,394,867 spent on providing additional school places; and
- A total of £8,626 was collected in monitoring fees in 2022/23. Monitoring fees are added to s106 agreements to cover the cost of the monitoring and reporting on delivery of the agreements.

The information included in the report is updated annually and published on the Council's website at [Annual infrastructure funding statements | Blackburn with Darwen Borough Council](#). This will ensure the most up to date information on the amount of developer contributions received from new developments, in addition to information on where these monies have been spent, is readily available to members of the public and other interested parties.

The report does not include information on the infrastructure delivered on site as part of new developments in the borough. It is also important to note that data on developer contributions is imperfect because it represents estimates at a given point in time, and can be subject to change. The data reported within the IFS is, however, the most robust available at the time of publication.

4. KEY ISSUES & RISKS

There are no identified risks with the production of the Infrastructure Funding Statement. It presents a useful summary of the contributions the Council has received in the 2022-23 monitoring period and the infrastructure projects delivered as a result of s106 contributions across the borough.

Its production on an annual basis meets the legal requirements set out in the Community Infrastructure Levy Regulations introduced in 2019.

5. POLICY IMPLICATIONS

Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms. The National Planning Policy Framework (NPPF) states that planning obligations may only constitute a reason for granting planning permission if they meet the following tests:

- Necessary to make the development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

Planning obligations are only to be used where it is not possible to address unacceptable impacts through the imposition of planning conditions that can be attached to planning permissions.

The Blackburn with Darwen statutory development plan – currently comprising the Blackburn with Darwen Core Strategy and Local Plan Part 2, in addition to the emerging new Local Plan (2021-2037) (scheduled for adoption in January 2024) set out planning policies against which planning obligations may be secured. Publication of the IFS meets all the requirements of national and local policy.

6. FINANCIAL IMPLICATIONS

There are no specific financial implications contained within this report. The Infrastructure Funding Report sets out factual information regarding Section 106 and Section 278 receipts and

expenditure.

7. LEGAL IMPLICATIONS

The preparation of an annual Infrastructure Funding Statement is a requirement of the Community Infrastructure Levy Regulations, as amended in 2019. The publication of the 2022/23 IFS therefore meets these requirements.

8. RESOURCE IMPLICATIONS

Publication of the Infrastructure Funding Statement 2022/23 does not have any direct resource implications. It does, however, report on the sources and utilisation of resources. The s106 monies received are recorded and reconciled within our financial control systems.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

The Infrastructure Funding Statement 2022-23 will be available on the Council's website [Annual infrastructure funding statements | Blackburn with Darwen Borough Council](#) for members of the public and other interested parties to view and comment on if necessary.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION: 1

CONTACT OFFICER:	Laura Ainscow-Gorst
DATE:	7/11/2023
BACKGROUND PAPER:	Infrastructure Funding Statement 2022-23