

Chichester District Council

THE CABINET

20 September 2016

Approval of the Infrastructure Business Plan 2017-22 for consultation with the City, Town and Parish Councils and key Infrastructure Delivery Commissioners

1. Contacts

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2. Recommendation

- 2.1. That the Cabinet recommends to the Council that it approves the Infrastructure Business Plan 2017-2022 for consultation with the city, town and parish councils, neighbouring local authorities including the South Downs National Park Authority and key infrastructure delivery commissioners for a period of six weeks from 3 October to 14 November 2016.

3. Background

- 3.1 The draft Infrastructure Business Plan (IBP) appended to this report prioritises the strategic and local infrastructure projects from the Infrastructure Delivery Plan (IDP) necessary to deliver the growth identified in the Chichester Local Plan, particularly within the five year period 2017- 2022. It has been put together by the joint CDC/WSCC (Infrastructure and Growth) officers group.
- 3.2 Candidate projects were identified with assistance from officers within CDC and WSCC, key infrastructure delivery commissioners and city, town and parish councils. The IBP sets out the methodology for selecting which infrastructure projects have been prioritised for funding from the Community Infrastructure Levy (CIL), which ones will be funded from S106/S278 and which infrastructure projects are to be, or would need to be, funded from other sources.
- 3.3 Projects that have identified other sources of funding to contribute towards CIL projects, or where Parishes have agreed to pool their CIL to fund a mutually beneficial infrastructure project, or where the County Council, District Council or parishes have identified the same project, are also more likely to be chosen for inclusion for funding through the IBP process.

- 3.4 Projects to be funded from S106 have been identified as 'committed', this is because the required infrastructure is directly related to providing mitigation related to a site specific proposal (up to five separate planning obligations can be pooled). These infrastructure projects do not need to be prioritised as there is more certainty that they will be provided alongside the development.
- 3.5 Projects to be funded from the CIL relate to the cumulative growth of the area, and are not restricted by pooling. These projects need to be prioritised because the amount of anticipated CIL receipts will be insufficient to fund all the projects that have been put forward.
- 3.6 The criteria for prioritising projects are set out in section 4 of the IBP. The projects selected to be funded from the CIL are those that relate to the cumulative impact of development associated with the Local Plan, or help to unlock growth. The IBP provides a strategy to ensure that a balanced approach has been taken in selecting the projects to be funded from CIL. It should be noted that the total cost of projects capable of being funded from the CIL exceeds the amount of CIL expected to be collected. This will mean that other sources of funding will need to be identified to fill the funding gap, or hard choices about prioritisation will have to be made.
- 3.7 The Infrastructure Joint Member Liaison Group (IJMLG) met on 2nd September 2016, and the CIL spending plan (IBP Section 4, table 11 page 54) reflects their views about which projects should be selected for funding within the next five years (projects highlighted in yellow). However, the IJMLG requested that further work is undertaken to justify the amount of CIL requested in respect of Smarter Choices, Education and Health Infrastructure (IBP projects 350, 651, 652, 653, 330, 331, 536, 332, and 398). It should be noted that only the projects identified for funding in 2017/18 can be guaranteed, this is because the amount of money to be collected from the CIL in future years is a best estimate, and will not be certain until the CIL monies have been collected.

4. Outcomes to be Achieved

- 4.1 The approval of this IBP for consultation relies on the collaboration of all three tiers of local government, at county, district and parish level and provides the opportunity for formal comments from stakeholders. The IBP will also provide a framework that may result in closer working relationships with the infrastructure providers, resulting in a move away from reactive planning (once a planning application is received) to a more proactive approach to infrastructure provision to mitigate the cumulative impact of development.
- 4.2 The IBP provides a transparent methodology to show why certain projects have been selected for funding above others. The IBP also identifies other potential sources of funding and sets out where other funding sources may need to be identified, in order to make best use of the CIL.
- 4.3 Once the consultation has ended, officers will report any suggested amendments, including the further information detailed at paragraph 3.7 above back to the CDC/WSCC Joint Member Liaison Group for consideration, before the IBP is further considered by Cabinet in February 2017 and Council for approval in March 2017.

5. Proposal

- 5.1 The main purpose of this report is to recommend approval of this IBP for consultation with those who were invited to identify necessary infrastructure projects and their own infrastructure plans for inclusion within the IBP, and to offer them an opportunity to influence which projects are selected to be funded from the CIL. Those consulted are asked to consider whether the Council has correctly categorised the projects within each phase, according to the methodology within the IBP, and to ensure that the relevant infrastructure provider can deliver the infrastructure within the given timeframe.

6. Alternatives Considered

- 6.1 The alternative is not to have an IBP, or not to have a formal process for selecting projects to be funded from the CIL, or to fund different CIL projects. Many local authorities that have been collecting the CIL, allocate funds to projects on their Regulation 123 list without having a formal process for doing so. The disadvantage of this approach is that it does not provide 'up front' certainty about which infrastructure projects will be funded, and no guarantee that the infrastructure delivery commissioner will be able to provide the infrastructure in time to accompany the growth of the area. It also misses the opportunity to work in partnership with the County Council, neighbouring local planning authorities and parish councils.

7. Resource and Legal Implications

- 7.1 The projects selected for CIL funding must be in accordance with the Council's published regulation 123 list. This is to comply with the CIL Regulations.

8. Consultation

- 8.1 The projects within this IBP were identified through informal consultation with West Sussex County Council; key infrastructure providers, and the City, Town and Parish Councils. In the case of the latter, workshop sessions were held on 26 and 29 April 2016 for those that wanted to attend, and were followed up with reminders via email. This report is to approve the draft IBP for further consultation with those who were invited to contribute (particularly given that parish priorities may have changed or projects progress needs to be updated) to give them a further opportunity to influence and comment on the IBP before it is finalised.

9. Community Impact and Corporate Risks

- 9.1 Once approved, this IBP will provide transparency about which projects will be funded from the CIL within the second five year rolling period, and which infrastructure projects will be funded from other sources. It will enable the Council to have more control to ensure that infrastructure will be provided in time to accompany new development. The risks are as follows:
- That further changes are made to the CIL regulations which will remove types of development from paying the levy, creating a larger funding gap than identified in this IBP;
 - That other sources of funding fail to materialise;

- That consensus is not reached over which projects should be prioritised for CIL funding;
- That infrastructure delivery commissioner(s) funding priorities change;
- That identified sources for part-funding are withdrawn;
- That the Parishes will not spend their CIL within five years of receipt, and thus the District Council may ask for its return;
- That agreement is not reached over the monitoring arrangements with our CIL partners; and
- That the total amount of infrastructure provided is insufficient to mitigate the impact of development.

10. Other Implications

Crime and Disorder	None
Climate Change	None
Human Rights and Equality Impact	None
Safeguarding	None
Other (please specify) eg biodiversity	None

11. Appendices

- 11.1 Draft Infrastructure Business Plan 2017-2022 (pages 71 to 130)

[Note The appendices A to G to the appendix to the report have not been printed with these agenda papers but are available electronically on the relevant committee papers page on Chichester District Council's website or as a hard copy in the Members Room at East Pallant House]