

# Chichester District Council

CABINET

9 February 2016

## Consideration of Representations, Proposed Responses to Representations and Associated Modifications to the Council's First Infrastructure Business Plan

### 1. Contacts

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### 2. Executive Summary

The purpose of this report is to seek approval of the Infrastructure Business Plan (IBP). The IBP identifies the funding sources for the provision of infrastructure to accompany the level of development identified in the Local Plan, and prioritises the Council's spending of the Community Infrastructure Levy as part of a five year rolling programme.

### 3. Recommendation

**That the Council be recommended that:**

- (i) **The proposed responses to the representations received and subsequent modifications to the Infrastructure Business Plan be approved as set out in Appendix 1;**
- (ii) **The amended IBP including CIL Spending Plan attached as Appendix 2 be approved.**

### 4. Background

- 4.1. The Infrastructure Business Plan (IBP) was subject to consultation with the City, Town and Parish Councils; Neighbouring Planning Authorities including the South Downs National Park Authority; and key infrastructure Delivery Commissioners. The consultation ran for six weeks from 1 October to 12 November 2015. Three late consultation responses were received from Tangmere Parish Council; the Chichester City Centre Partnership; and Chidham and Hambrook Parish Council.
- 4.2. The Infrastructure Joint Member Liaison Group met on 2 December and considered the proposed responses to the representations received as a result of the consultation, and agreed with the recommended modifications to the IBP, including the modifications to the CIL Spending Plan.

- 4.3. The consultation resulted in representations being received from a number of Local Authorities:

**WSCC**; the following City, Town and Parish Councils: **Boxgrove; Chichester City; Chidham and Hambrook; Donnington; East Wittering and Bracklesham; Lavant; Selsey; Tangmere**; and **Wisborough Green**; and the following key Infrastructure Commissioners: **Highways England; RSPB; Portsmouth Water; Southern Water; Thames Water; Southern Electric Power Distribution PLC; South East NHS Foundation Ambulance Trust**; and the **City Centre Partnership**. The representations made and the Council's response to these are summarised in Appendix 1. The consequent modifications have been incorporated into a revised IBP (see Appendix 2).

- 4.4. Most of the representations related to:

- Minor changes to the text or layout of the IBP;
- Projects to be deleted as they have already been delivered;
- Updated details for the projects; and
- New projects to be added.

- 3.7. The South East Coast Ambulance Service NHS Foundation Trust has now delivered Project IBP/532: Chichester North Ambulance Community Response Post, which was selected for CIL funding in 2016/17 for £58,000. This project will therefore need to be deleted from the CIL Spending Plan 2016-2021, freeing up this money to be spent on other projects.

- 3.8. Chichester District Council's Cabinet Members asked West Sussex County Council (WSCC) to re-examine and provide robust justification to its request for CIL monies to pay for school places, and to put forward hard engineering projects for cycle and pedestrian infrastructure to encourage modal switch to either substitute or complement some of the Smarter Choices and Real Time Passenger Information (RTPI) projects. WSCC has not been able to provide this information in the time available and since this project is not included in year 1 this will be picked up when the IBP is reviewed and rolled forward.

- 3.9. As part of this consultation, WSCC has confirmed the amount of CIL requested for school places, but with a smaller sum for Primary School expansion in the Billingshurst locality. Because of this, WSCC is now requesting £200,000, rather than the original £500,000. It is suggested that £100,000 is reserved from CIL for this project (as the remaining £100,000 could be funded from the Basic Needs Grant) rather than the £250,000 shown in the consultation draft CIL spending plan.

- 3.10. WSCC has also put forward two new projects which would require funding:

- New nursery provision to be delivered as part of the new primary school at the West of Chichester SDL for 40 new nursery places; and
- New nursery provision to be delivered as part of the new primary school at the Tangmere SDL for 32 new places.

This has been justified by proposed changes to national requirements introduced through the Childcare Bill. These places could not be

accommodated in existing premises, therefore both of these strategic development sites would require new nursery classrooms to be delivered as part of the new primary school provision. WSCC has asked that the CIL Regulation 123 List be amended at a later date, to allow for early years provision to be delivered as part of a new primary school from S106. However, in the short term it is suggested that these projects could be delivered through the CIL 'Payment In Kind' policy. In any event WSCC will need to provide more information about these projects, their costs and phasing.

- 3.11 WSCC has also requested that the expansion of services provided by Southbourne Library is brought forward for consideration for CIL funding in the first five year IBP period. WSCC would need to provide more information about this project, its costing and phasing in order for this project to be considered for the allocation of CIL funding in this IBP.
- 3.12 WSCC has not yet put forward substitute hard engineering cycle and pedestrian projects to encourage modal switch, rather than Smarter Choices or RTP1 currently proposed. This is because it is currently undertaking a review of its capital programme and processes to manage the programme to ensure that the delivery of infrastructure is aligned with its priorities. WSCC is therefore unable to provide commitment to the delivery of specific projects until the review has been completed.
- 3.13 For the reason in paragraph 3.12 above, the County Council has requested that any projects where they are identified to lead on delivery for 2016/17 be moved to future years in the relevant section of the IBP as it has insufficient time to develop new projects for delivery in 2016/17. WSCC has requested that CIL revenue be accrued to be spent on projects that have been identified as 'essential infrastructure' to reduce the likely funding shortfall on these projects in future years.
- 3.14 The effect of these changes to the IBP CIL Spending Plan is shown in the table below:

| Year 2016/17   | Year 2017/18                                      | Year 2018/19                                 | Year 2019/20                           | Year 2020/21                                    |
|--|---|--|--|---|
| Expected CIL income 126,000  | Expected CIL income 617,400                       | Expected CIL income 2,338,560                | Expected CIL income 2,683,800          | Expected CIL income 2,240,280                   |
| Less 25% = 94,500  | Less 25% = 463,050                                | Less 25% = 1,753,920                         | Less 25% = 2,012,850                   | Less 25% = 1,680,210                            |
| Less 5% = 88,200   | Less 5% = <b>432,180</b>                          | Less 5% = <b>1,636,992</b>                   | Less 5% = <b>1,878,600</b>             | Less 5% = <b>1,568,196</b>                      |
| <b>Amount available to CDC for CIL spend once 25% Neighbourhood proportion and 5% admin costs are deducted</b> |   |  |  |   |
| <b>£88,200</b>   | <b>£432,180+*£43,200=£475,380</b>                 | <b>£1,636,992+*£355,380=£1,992,372</b>       | <b>£1,878,600+*£872,372=£2,750,972</b> | <b>£1,568,196+*£1,530,972=£3,099,168</b>        |
| <b>Projects selected for funding</b>   |   |  |  |   |
| Ambulance project 533 £45,000  | Smarter choices E-W corridor project 350 £120,000 | School places E-W project 330 Chichester £1m | School places Bournes project 331 £1m  | School places Manhood Peninsula project 332 £1m |

|   |   |   |   |   |
|---|---|---|---|---|
| Ambulance project 532<br>£58,000                                    |   | Smarter choices E-W corridor project 350<br>£120,000                  | School places north of district project 536<br>£250,000-£100,000      | Medical Centre W of Chichester<br>Project 398 £1.3m                 |
| Smarter choices E-W corridor project 350<br>£120,000                |   |   | Smarter choices E-W corridor project 350<br>£120,000                  | RTPI screens project 355 £150,000 project                           |
|   |   |   |   | Smarter choices E-W corridor project 350<br>£120,000                |
|   |   |   |   | Local land drainage East Beach Sea Outfall project 293 £100,000     |
|   |   |   |   | Brandy Hole Copse project 196 £10,000                               |
| Balance to be banked and carried forward into year 2017/18 £ 43,200 | Balance to be banked and carried forward into year 2018/19 £355,380 | Balance to be banked and carried forward into year 2019/2020 £872,372 | Balance to be banked and carried forward into year 2020/21 £1,530,972 | Balance to be banked and carried forward into year 2021/22 £419,168 |

\*Financial balance carried forward

## 5. Outcomes to be achieved

- 5.1. This IBP will be a living document, which will be kept under constant review and will be rolled forward annually. It will include all the key infrastructure projects within the Local Plan area, monitor their progress and will identify which infrastructure projects have been selected to be funded from the District Council's CIL in the first five years, together with the City, Town and Parish Councils CIL spending plans.
- 5.2. The projects within the IBP will be monitored through the Community Facilities Audit and the new Exacom software, and reported each year in the annual Authority's Monitoring Report. The City, Town and Parish Councils will also have to publish annually on their CIL spend.

## 6. Proposal

- 6.1. The main purpose of this report is to consider the responses received as a result of the consultation and suggested modifications to be made to the IBP as highlighted in this report and Appendix 1, as followed through into the amended IBP attached as Appendix 2.

## **7. Alternatives that have been considered**

- 7.1. The alternative is not to have an IBP, or not to have a formal process for selecting projects to be funded from the CIL. Many local authorities that have been collecting the CIL allocate the CIL 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 ignores the need to work in partnership with the County Council and parish councils.

## **8. Resource and legal implications**

- 8.1. The projects selected for CIL funding must be in accordance with the Council's published draft regulation 123 list. This is to accord with the CIL Regulations.
- 8.2. The projects selected will be incorporated into the Capital Programme for annual approval by Cabinet and Council as part of the budget.

## **9. Consultation**

- 9.1. 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 8 and 9 April 2015 and were followed up with a letter on 10 April 2015, and reminders at subsequent Parish Forum meetings. The IBP was also subject to six weeks consultation from 1 October to 12 November 2015 with the neighbouring planning authorities (including SDNPA); City, Town and Parish Councils, and key infrastructure providers to give them a chance to influence and comment on the IBP before it is finalised.
- 9.2. The appendices have been considered by DPIIP and are supported by them, and minor changes have been incorporated.

## **10. Community impact and corporate risks**

- 10.1. Once approved, this IBP will provide transparency about which projects will be funded from the CIL within the first 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 as Charging Authority may ask for its return;
- That a parish or infrastructure delivery commissioner misappropriates their share of the CIL;
- That agreement is not reached over the monitoring arrangements with our CIL partners;
- That the total amount of infrastructure provided is insufficient to mitigate the impact of development.

## 11. Other Implications

|  |      |
|--|------|
| <b>Crime &amp; Disorder:</b>             | None |
| <b>Climate Change:</b>                   | None |
| <b>Human Rights and Equality Impact:</b> | None |
| <b>Safeguarding:</b>                     | None |

## 12. Appendices

12.1. Appendix 1 – Summary of Representations and Proposed response and Modifications to the IBP

12.2. Appendix 2 – Modified IBP (Note the Appendices to the IBP are not printed but are available on the Council's website)

## 13. Background Papers

None