

**Consideration of Consultation Responses and Modifications to  
Chichester District Council's Infrastructure Business Plan 2017-2022**

**1. Contacts**

**Report Author:**

Karen Dower – Principal Planning Officer (Infrastructure Planning)  
Telephone: 01243 521049 E-mail: [kdower@chichester.gov.uk](mailto:kdower@chichester.gov.uk)

**Cabinet Member:**

Susan Taylor - Cabinet Member for Planning Services  
Telephone: 01243 514034 E-mail: [staylor@chichester.gov.uk](mailto:staylor@chichester.gov.uk)

**2. Recommendation**

**That the Cabinet recommends to the Council that it:**

- (i) Approves the proposed responses to the representations received and subsequent modifications to the Infrastructure Business Plan as set out in appendix 1 to this report;**
- (ii) Approves the amended Infrastructure Business Plan including the Community Infrastructure Levy Spending Plan in appendix 2.**

**3. Background**

- 3.1 The Infrastructure Business Plan (IBP) was subject to consultation (3 October to 14 November 2016) with the City, Town and Parish Councils, WSCC, Neighbouring Planning Authorities including the South Downs National Park Authority and key infrastructure delivery commissioners.
- 3.2. On 8 December, the Infrastructure Joint Member Liaison Group (IJMLG) considered the representations from the consultation and agreed modifications to the IBP. The Group agreed further modifications to the CIL Spending Plan whereby the primary school places projects: 330, 331, 536, and 332 CIL were reduced from 50% to 40% of the estimated costs subject to further evaluation once the actual costs are known.
- 3.3. The consultation resulted in responses being received from two Local Authorities: **WSCC and Arun District Council**; the following City, Town and Parish Councils: **Bosham; Chichester City; Earnley; Fishbourne; Oving; Selsey; Westhampnett; and Wisborough Green**; and the following key Infrastructure Commissioners: **Highways England; Southern Water; and Thames Water**. The consultation responses are summarised in Appendix 1 of this report. The majority related to minor textual changes; projects to be deleted (already delivered or are no longer required); updated details for the projects; and new projects to be added.

- 3.4. Since the implementation of the CIL on 1 February 2016, £547,250 has been collected to date. This includes £27,362.50 (5%) for monitoring, and £398,616 for District Council CIL spend. At the end of October £8,806.50 was passed to Chichester City Council, £5,760 to West Wittering Parish Council and £7,500 to East Wittering and Bracklesham Parish Council to spend on their CIL projects.
- 3.5. Project IBP/533 – the Chichester South Ambulance Community Response Post has been delivered. £45,000 was allocated to it in the 2016 – 2021 IBP. However, it actually cost £18,368.90. The balance (£26,631.10) has been rolled forward into year 2017/18.
- 3.6. A number of other projects have been delivered, via funding from other sources (these projects were either not selected for CIL funding, or were never intended to be funded from CIL). These projects are identified in the IBP (pages 49 and 50).
- 3.7. The Council defended a CIL appeal by Mildren Homes Ltd. The Inspector found in favour of the Council. Despite the appeal being dismissed the developer failed to pay the CIL on time. Early enforcement action was taken which resulted in full payment of the £398,220 debt on 23 November 2016.
- 3.8. The September 2016 IJMLG asked West Sussex County Council (WSSCC) to provide robust justification to its CIL request for 50% of the cost of providing school places. It was also asked to justify its funding request for Smarter Choices, to define the projects and explain how they would encourage modal switch. Members also asked that the West Sussex Coastal Commissioning Group justify their CIL request for the Medical Facility at the West of Chichester Strategic Development Location.
- 3.9. WSSCC presented a paper to the 8 December 2016 IJMLG (Background paper 1) regarding the cost of providing school places. Chichester District Council (CDC) Members felt that the request for 50% of these costs was too high, and that 40% may be a more reasonable estimate. Furthermore WSSCC was asked to provide CDC with a schedule of all unspent education related Section 106 payments and to examine which could be used to support the proposed school expansions. (To date this has not been received) The CIL spending plan has been amended to reflect 40% of the costs of providing school places from the CIL, to be reviewed once more information and more accurate costs are known for each school project.
- 3.10. WSSCC also put forward a paper to justify its requests for Smarter Choices (Background paper 2). These projects were accepted by the IJMLG as the paper evidenced that the measures could work with lasting results and support the delivery of new or improved infrastructure. WSSCC linked the Smarter Choices Bike It projects to the delivery of new strategic development locations which include improvements to sustainable transport infrastructure. However, DPIIP has asked for these projects to be deleted from the CIL spending plan on the following grounds: (a) they do not make the best use of CIL money; (b) they are revenue rather than capital projects; and (c) the money should be reallocated to capital projects to deliver new bicycle infrastructure. WSSCC has advised that the removal of these projects could mean that the modal switch anticipated by the Local Plan might not materialise resulting in a worsening of conditions on the highway network and potentially objections to future development allocations on highway capacity grounds; or require more expensive 'hard' measures that would reduce the amount of developer funding available for other types of infrastructure.

- 3.11 The West Sussex Coastal Commissioning Group (CCG) has not yet justified the amount of money it is seeking from the CIL. Officers from the District Council and WSCC will continue to engage with the CCG in an attempt to understand their needs and funding sources. At present the amount of CIL allocated to the Medical Centre West of Chichester Project 398 will remain at £1.3m for years 2020/21. This may need to be re-evaluated when further information on funding is provided.
- 3.12 WSCC has put forward 18 new projects for proposed funding from the CIL:
- 5 New Smarter Choices Bike It projects;
  - New project to be added, derived from the Chichester Road Space Audit, to reflect a city wide approach to parking management; and
  - 12 new Rights of Way projects across the Local Plan area.
- 3.13 WSCC has also asked for the following library projects: IBP/337 to the east of Chichester City and IBP/338 expansion of the services provided by Southbourne Library to be deleted. WSCC has also asked that IBP/582 – railway crossing improvements at Basin Road be deleted.
- 3.14 The effect of these changes to the IBP CIL Spending Plan and adjustments relating to the amount of CIL expected to be collected in relation to the updated housing trajectory are shown in the table 11 (IBP pages 50 and 51). It should be noted that although the table shows a shortfall in funds, there is potentially sufficient CIL in the pipeline (£834,244) in existing CIL liability notices to bridge this gap. Further liability notices will be issued as planning permissions are granted. This information is not shown as it is not known when, or if all of these developments will commence.

#### **4. Outcomes to be Achieved**

- 4.1 This IBP is a living document, which will be reviewed and rolled forward annually. It includes the key infrastructure projects within the Local Plan area, monitors their progress and identifies which infrastructure projects have been selected to be funded from the District Council's CIL, together with the City, Town and Parish Councils CIL spending plans. The IBP enables the Council to prioritise the infrastructure that will be delivered utilising CIL funds to meet community needs.

#### **5. Proposal**

- 5.1 The purpose of this report is to consider the responses received to the consultation and modifications to the IBP (Appendix 1) and to approve the IBP spending plan within appendix 2.

#### **6. Alternatives Considered**

- 6.1 The alternative is not to have an IBP, nor a formal process for CIL spend. Many local authorities allocate the CIL their Regulation 123 list projects without a formal process. The disadvantage is that it does not provide 'up front' certainty about which projects will be funded or if they will be provided in time. It also ignores the need to work in partnership with WSCC 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 draft regulation 123 list. This is to accord with the CIL Regulations.

## 8. Consultation

- 8.1 The projects in the IBP were identified in liaison 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 in April 2016. The IBP was also subject to consultation with WSCC and the neighbouring planning authorities (including SDNPA), City, Town and Parish Councils and key infrastructure providers, to give them a chance to update, influence and comment on the IBP before it is finalised.

## 9. Community Impact and Corporate Risks

- 9.1 The IBP will identify which projects have been and will be funded from the CIL within the five year rolling plan period and which ones will be funded from other sources. It will enable the Council to have more control over the timing of infrastructure to accompany new development. The risks are as follows:
- That the rate of housebuilding changes from that projected;
  - 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 parish councils do not spend their CIL within five years of receipt and thus the District Council as Charging Authority may ask for its return;
  - That the total amount of infrastructure provided is insufficient to mitigate the impact of development.

## 10. Other Implications

<b>Crime and Disorder</b>	None
<b>Climate Change</b>	None
<b>Human Rights and Equality Impact</b>	None
<b>Safeguarding</b>	None

## 11. Background Papers

Background Paper 1: Meeting the Financial Demand for School Expansions in Chichester

Background Paper 2: Chichester Infrastructure Joint Member Liaison Group: Bike It Project

## 12. Appendices

Appendix 1: Summary of Representations and Proposed Modifications to the Infrastructure Business Plan

Appendix 2: Chichester District Council's Infrastructure Business Plan 2017-2022 as modified\*

\*[**Note** In view of its length, appendix 2 is not being circulated with this agenda report in hard copy format (although a copy will be placed in the Members Room) but may be viewed electronically on the committee papers page for this meeting via Chichester District Council's web-site or (in the case of members and officers) in the relevant final reports folder for this meeting]