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|  Finance and Audit Scrutiny Committee: 1st June 2016 | | Agenda Item No. |
| Title | Warwick District Infrastructure Delivery Plan | |
| For further information about this report please contact | Tony Ward | |
| Wards of the District directly affected | All Wards | |
| Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006? | No | |
| Date and meeting when issue was last considered and relevant minute number | 29 th September 2015 Finance and Audit Scrutiny Committee | |
| Background Papers | | |

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| Contrary to the policy framework: | No |
| Contrary to the budgetary framework: | No |
| Key Decision? | No |
| Included within the Forward Plan? (If yes include reference number) | In F and A work programme |
| Equality Impact Assessment Undertaken | N/A |
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| Officer/Councillor Approval | | |
| Officer Approval | Date | Name |
| Chief Executive/Deputy Chief Executive | 20.05.16 | Chris Elliott and Bill Hunt |
| Head of Service | 20.05.16 | Tracy Darke |
| CMT | | |
| Section 151 Officer | | |
| Monitoring Officer | 20.05.16 | Andrew Jones |
| Finance | 20.05.16 | Mike Snow |
| Portfolio Holder(s) | 20.05.16 | Councillor Cross |
| Consultation & Community Engagement | | |
| N/A | | |
| | | |
| Final Decision? | No | |
| Suggested next steps (if not final decision please set out below) | | |
| It is proposed that further progress reports will be prepared for Finance and Scrutiny Committee on a 6 monthly basis. | | |

1. **Summary**

1.1 The purpose of this report is to update Members on progress made regarding the Infrastructure Delivery Plan (IDP) associated with the Local Plan and the District's future growth requirements to 2029. The IDP has been updated to reflect the latest information arising from ongoing discussions with infrastructure providers and to reflect emerging infrastructure requirements to support the proposed modifications to the Local Plan.

1.2 Appendix 1 provides a revised version of the IDP text and table.

2. **Recommendation**

2.1 That the Committee note the contents of the report

2.2 That Officers report back to Committee in 6 months' time with a further update

3. **Reasons for the Recommendation**

3.1 As Members are aware, in order to progress the Local Plan and assimilate the associated growth during the plan period successfully, it is necessary to prepare an Infrastructure Delivery Plan (IDP).

3.2 The IDP has been refreshed to reflect the additional infrastructure requirements associated with the modifications that have been made to the Local Plan (additional development). The IDP document has also been re-configured in order to provide a more concise and manageable set of tables that focus on infrastructure needs and the funding sources for this. This more 'streamlined' approach will be easier to interpret and enable its readers to be able to gauge the financial position more easily.

3.3 Key benefits of the most recent development of this IDP are:

- Assisting the successful conclusion (adoption) of the Local Plan
- Providing transparency and order in the identification of infrastructure needs
- Informing the planning and delivery of specific infrastructure projects
- Giving clarity in the identification of infrastructure needs which is important to ensure that new and existing communities receive future physical, social and green infrastructure in a timely manner
- Assisting the Council's Service Areas and other partners/ agencies to plan their budgets particularly linked to capital projects arising from or related to specific developments.
- Enabling members of the public to understand particular infrastructure proposals in relation to developments in their localities.

3.4 The compilation and monitoring of the IDP and the updating of the spread sheet very much continues on a collaborative basis involving officers within Development Services; other officers across the Council; colleagues at Warwickshire County Council; as well as other external agencies (for example Highways England, SEP partnership, Sport England).

3.5 In particular, since the last update provided to this committee in September 2015, significant progress has been made regarding the following:-

General

- Revised/additional infrastructure data has been received across all IDP requirements (physical, social and green) associated with the additional development requirements/allocations necessary as a consequence of the Local Plan modifications. Whilst there are still some areas requiring further work, officers will continue to add information to ensure the IDP continues to grow in clarity and will report at regular intervals throughout the duration of the Local Plan on progress with the IDP.

Highways/Transport, Health and Education

- Information on highways requirements has been expanded and it is becoming clearer that a significant contribution to assist Warwick District has already been assembled through developer contributions. It also appears likely that significant input from other sources (SEP bids) will do much to augment the funding and delivery of highway/ transport related infrastructure.
- Education matters have been revisited and a clearer strategy regarding the delivery of schools is progressing. It should also be noted that a combination of developer funding for early requirements will be further supplemented as new school facilities will, where possible, be provided as 'free schools' and be assisted by significant central funding from the Department for Education.
- Enhancements to acute healthcare infrastructure (hospitals) continue to be delivered. Regarding primary healthcare forthcoming negotiations are programmed with the CCG and will provide the necessary clarity regarding their preferred strategy for expanded and more efficient patient care in relation to GP services. It will be essential to ensure that this area of work is sufficiently advanced prior to the Local Plan Examination that is intended in the autumn of 2016.

3.7 Officers will continue to review and develop the IDP throughout the Local Plan's lifetime. It will be essential for it to be subject to an ongoing, collaborative monitoring and review process, involving further liaising with partners, external agencies and councillors in doing so.

4. **Policy Framework**

4.1 **Sustainable Community Strategy** - The Infrastructure Delivery Plan is a part of the evidence that underpins the Local Plan. It has been developed in parallel with the Draft Local Plan and will continue to evolve to ensure ongoing alignment with any further Local Plan modifications and with any changes to infrastructure provider's requirements. In this context the IDP plays an important role in supporting corporate priorities.

4.2 The compilation and continuous review/ monitoring of the IDP regarding infrastructure necessary to support major development schemes across the District will ensure that the identified infrastructure comes forward in the right manner and at the right time to support that development and will therefore contribute to the vision of making Warwick District a great place to live, work and visit as set out in the Sustainable Community Strategy.

4.3 **Fit for the Future** - The IDP will assist the Service strand and the Money strand of the Fit for the Future Programme be enabling capital investment to be made in a range of public infrastructure facilities which will help ensure that the Council can continue to deliver services that a growing community needs. The People strand will be implicated as the development envisaged in the Local Plan and the supporting infrastructure in the IDP will have impacts on council staff in all services one way or another.

5. Budgetary Framework

- 5.1 Infrastructure funding will be derived from a range of sources, as set out in the IDP. To justify this funding, a strong evidence base needs to be provided by infrastructure providers. The comprehensive infrastructure planning set out in the IDP will support this by providing a strategic tool regarding requirements and costs. Once a Community Infrastructure Levy (CIL) Scheme is in place, it will also help to inform priorities for CIL.
- 5.2 The component parts of the IDP will require a range of partnership working with a variety of agencies in order to identify relevant funding streams/initiatives throughout the plan period. This will be essential to augment finance derived from developer contributions.
- 5.3 Financial planning in relation to infrastructure will be a major challenge for WDC and other Local Authorities/agencies across the country and will undoubtedly require imaginative strategies/approaches to secure fully funded projects and their delivery going forward. As the IDP is a continually evolving document, it is expected to be delivered through the lifetime of the Local Plan. It is not possible to have an IDP that is fully funded at present, for instance, infrastructure not required until 2025 is likely to be funded from sources that cannot currently be anticipated.

6. Risks

- 6.1 In view of the nature and scale of the development proposals that are to be delivered across the District within the emerging Local Plan period, the absence of a robust and detailed IDP system and complimentary S106 monitoring regime, such as that which is being developed, has been identified as a key risk to the Local Plan's success and its future implementation
- 6.2 In view of the importance of delivering good development and successful, healthy communities, it will be important to ensure the timely delivery of the necessary physical, social, economic and green infrastructure required across Warwick District.
- 6.2 Without an IDP, the Council will not have a point of reference to inform the successful organisation and timely implementation of the District's infrastructure requirements.
- 6.3 There is an inherent risk that it will not be possible to fund all the infrastructure requirements set out in the IDP and that at some point certain infrastructure matters will have to take priority over others and utilise available funding at the cost/ delay of other less critical projects.
- 6.4 The Local Plan risk register which is updated on a monthly basis contains the following risks relating to the IDP

| Infrastructure and CIL | | | | | |
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| | Risk | Nature of Risk | Likelihood | Impact | Mitigation |
| 15 | CIL and Viability | CIL will not be adopted until the Local Plan is adopted. There remains a risk that some of the proposed infrastructure will not be viable, particularly where | 3 | 4 | a) Ensure CIL scheme is ready to progress alongside Local Plan b) Regular review of the IDP through ongoing liaison with providers. |

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| | | <p>external sources of funding are required.</p> <p>Recent work on CIL income shows that a shortfall is likely if we try to deliver the entire infrastructure that is desirable. However, with prioritisation, accessing additional funding streams and continued effective use of S106, it is expected that the funding gap can be managed</p> | | | <p>c) Regular report to Scrutiny regarding Infrastructure</p> <p>d) We need to continue to be specific about which elements of the IDP will be funded through CIL and demonstrate that CIL income can achieve this (taking account of pooling restrictions)</p> <p>e) We need to ensure evidence to support S106 contributions is robust and CIL compliant</p> |
| 16 | Infrastructure funding and delivery | <p>The issues around pooling S106 agreements is now a significant risk given that we still don't have CIL scheme in place. It is possible that funding for some infrastructure will be harder to justify in this interim period, particularly where appeals are allowed.</p> <p>Recent planning permissions have seen Education unable to collect contributions from developers as these will contravene pooling restrictions.</p> | 4 | 3 | <p>Build on work done for Harbury Gardens (Grove Farm) to associate specific pieces of infrastructure with specific sites. This will require further detailed work on the evidence base to support infrastructure requirements – close working with Infrastructure providers who may not always grasp the importance of this. The Major Site Delivery Officer will continue to play a key role in this.</p> |
| 17 | Forward funding of major infrastructure items | <p>In some ways this goes beyond the remit of the Local Plan, but there could be significant issues if schools and some transport infrastructure cannot be provided in advance of new development. However forward funding options are difficult and carry significant risks/costs</p> | 4 | 2 | <p>For a lot of infrastructure, it would be possible (though certainly not desirable) to provide after developer contributions have been received and without forward funding</p> <p>Issues around funding for secondary schools, remains important and unresolved.</p> <p>Free school funding will help address this. Needs close work with WCC, the schools and creative solutions</p> |

7. Alternative Option(s) considered

- 7.1 Given the importance of infrastructure planning to the success of Warwick District over the forthcoming Local Plan period (and beyond) it is not considered practical to progress without an IDP to inform decision making/be a tool to assist in the monitoring of development progress. . Furthermore there will be no clear understanding of how local plan proposals will be delivered without an IDP.
- 7.2 For the reasons identified in paragraph 6.1 and 6.2 above, the option of not proceeding with an appropriate monitoring regime has been discounted.

8. Background

- 8.1 The IDP has been developed in association with the District's emerging Local Plan and is a necessary component of the development plan process as prescribed by the National Planning Policy Framework (NPPF).
- 8.2 A full description of the purpose and background to the IDP is set out in the first ten pages of the IDP master document that forms Appendix 1 of this report.
- 8.3 It is important to recognise that the IDP is a strategic document which supports the Local Plan. It seeks to contain enough detail to demonstrate that strategic sites can be delivered and that there are plans in place regarding how this can be accomplished. In this way the IDP is an important part of the development process. It not only supports the delivery of the Local Plan, it also provides developers and infrastructure providers with high level information which can be used to inform detailed master-planning, viability and site delivery.
- 8.4 However, the IDP should not be seen as a final comprehensive document providing all the detail of the costs and requirements. This level of detail needs to be developed during pre-application discussions and agreed through the assessment of planning applications and finalised through Section 106 agreements. All this needs detailed evidence to be provided, linked directly to the specific application under consideration. Part of this evidence also needs to take account of other funding streams such as government grants and direct on-site provision of land and facilities.
- 8.5 The sites to the south of Warwick and Leamington are beginning to show how this system can be used to fund and deliver infrastructure. Key infrastructure contributions have been agreed through Section 106 agreements. These contributions are supported by funding from other sources such as section 106 agreements from outside the District(e.g. Stratford District); central government funding and land sales. This funding has been achieved by working with infrastructure providers to provide specific, targeted evidence in support of Section 106 requests.
- 8.6 Once the commitment is in an agreement, it allows providers to carry out detailed scheme planning and design in conjunction with the developers. So, for example Warwickshire County Council education will be providing a new primary school at Lower Heathcote Farm in 2017; plans are advancing for the provision of a primary school at Grove Farm; detailed design work is underway

for the central section of Europa Way and a brief to commission a design team to masterplan the Country Park will shortly go out to tender.