

# Draft Infrastructure Delivery Plan

## February 2017

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## 1. Introduction

### Purpose and Background

- 1.1. This Infrastructure Delivery Plan (IDP) sets out the Infrastructure requirements to support the proposals in the Draft Local Plan through until 2029. It has been prepared in consultation with infrastructure providers to ensure that the plan not only provides new homes and employment, but that developments are properly supported by high quality infrastructure which allows these new places to function as thriving communities and locations for successful businesses.
- 1.2. The IDP is a 'living document' which will evolve as more information becomes available through detailed planning applications, funding discussions and infrastructure costs re-profiling. The IDP should be read in conjunction with the Local Plan policies, which sets out a positive approach to supporting development across the District.
- 1.3. This edition of the IDP builds upon the work first published in December 2015, and includes the following updates:
  - A greater spatial analysis of transport infrastructure, better linking highways, public transport, cycling and pedestrian infrastructure requirements to key development areas;
  - A refinement of cost profiles and financial details, and

- New content clarifying the position with regards to s.106 contributions and potential Community Infrastructure Levy (CIL) projects.

The latest update of the IDP (Feb 2017), introduces a further refresh of infrastructure requirements that are associated with additional housing numbers / sites identified by the Council for inclusion in the Local Plan. The identification of the additional development was essential to enable the Local Plan examination to resume to a successful conclusion. The additional housing numbers were necessary to provide certainty for meeting Warwick District's agreed proportion of the unmet need of Coventry City Council and also enhance supply in Warwick District which was previously envisaged to come forward from windfall sources. It should be noted that there may be further adjustments to the Local Plan as a consequence of the Inspectors report (awaited following the conclusion of the EIP in December 2016). The IDP may therefore have to react to any further adjustments to the Local Plan additional / revised allocations and, if necessary reflect these into the IDP.

Officers will keep pressure on infrastructure providers to ensure that a full (and accurate position) will be available for the Local Plan examination in the autumn of 2016. This is particularly relevant for education and GP services as the definitive strategy for secondary schools and GP facilities requires confirmation.

- 1.4 CIL information has been drawn from this document to produce an accompanying Draft Regulation 123 List. The Regulation 123 list sets out the infrastructure that the Council intends to be funded through CIL.
- 1.5 A number of major planning applications have been approved which are in line with the Council's Submission Draft Local Plan (and further modifications). These have involved, through Section 106 agreements, substantial contributions to the infrastructure set out in the Delivery Schedule below. Therefore the IDP also deals with the reality of major live project delivery and implementation issues. We are now moving from project planning to the early stages of project implementation.

### **Key Elements of the IDP**

- 1.6 The table in section 5 of this Infrastructure Delivery Plan showing the Delivery Schedule sets out a number of the most important elements relating to infrastructure requirements, costs and funding. However the full delivery schedule is a more complex spreadsheet showing phasing, organisational involvement and more details of costs and funding. This more complete information will be published on the Council's website. It includes a number of key elements that have been established as follows:
  - 1.6.1 Infrastructure Requirements: the infrastructure requirements have been established through an examination of demographic and household growth

trends and their impact on specific infrastructure. This has provided an understanding of the extent to which current capacity needs to be increased. Once that has been understood, the most appropriate way of delivering the increased capacity has been established.

- 1.6.2 Phased Infrastructure Delivery: Consideration has been given as to when different types of infrastructure are required across the plan period. It is informed by the examination of housing growth and the delivery schedules associated with major growth projects.
- 1.6.3 Cost profiling: the IDP involves the continual updating and reassessing of infrastructure cost profiles as projects often move through a process from outline costs to fine-tuned detailed project costs and then actual tendered values for project implementation.
- 1.6.4 Project Funding: it is recognised that infrastructure projects can potentially access a variety of funding streams. Work is progressing on clarifying potential funding partners and the possible scale of contributions, which varies from project to project. It is important that whatever public and other funding and resources are available for new infrastructure that this is planned and delivered in a co-ordinated and efficient manner. The IDP will be instrumental in helping to achieve more co-ordination between public agencies and thereby drive greater efficiencies in delivering infrastructure.
- 1.6.5 Providing Transparency: the IDP establishes the basic framework for the Regulation 123 List which sets out what the Council intends to fund in whole or part through CIL payments. In doing so this also provides a degree of clarification about the future modified content of s.106 agreements. It should be noted that all infrastructure not included within the Council's published Regulation 123 list can only be funded via s.106 agreements (which are subject to rigorous statutory tests) and other sources of funding.
- 1.7 As the IDP continues to develop, the Council is collecting and building a considerable database of detailed costs calculations, infrastructure modelling data, and development forecasting material. It is not always in a readable or understandable format. However, as the IDP continues to develop it is intended to publish (subject to confidential financial information restrictions) further information on this data as technical appendices to future revisions of this document.

## **2. Plan Making, Economic Viability and Funding**

### **Making Deliverable Plans**

- 2.1 It is clear that the National Planning Policy Framework (NPPF) places significant emphasis upon Local Plans meeting the objectively assessed needs for their area, and are deliverable and realistic. Work by the cross-

industry Local Housing Delivery Group (1) suggest that there are at least nine variables to consider as part of the economic viability of a local plan, which Warwick District Council considers underpin an effective IDP.

- 2.2 Figure 1 summarises the key economic viability considerations. In addition to policy, stakeholder, community and infrastructure provider aspirations, there are clear economic viability matters linked to better understanding the costs and availability of land, finance, development costs and developer's return on investment. These types of considerations sit behind the work on the IDP and are also to be found in the Council's commissioned work on CIL viability testing (2). They also highlight the complexity of issues involved in considering the viability and delivery of the Local Plan. The IDP is part of this complex picture and is essentially an evolving live project plan which seeks to balance a clear approach to infrastructure delivery with an understanding of the economics of development.

References:

Ref (1) 'Viability Testing Local Plans: Advice for planning practitioners' Local Housing Delivery Group Chaired by Sir John Harman, June 2012

Ref (2) 'Community Infrastructure Levy – Viability Assessment – Update Addendum Report' BNP Paribas Real Estate, November 2014 and 'Community Infrastructure Study: Final Report' BNP Paribas Real Estate, June 2013.

Figure 1: Economic Viability



(Figure adapted from 'Viability Testing Local Plans: Advice for planning practitioners' Local Housing Delivery Group Chaired by Sir John Harman, June 2012)

### **The Right Infrastructure at the Right Time**

- 2.3 In the past it has sometimes proved difficult to deliver the infrastructure at the time it is needed. With this in mind the Council is currently exploring different delivery models which increase the prospect of the public sector having access to the resources to enable greater control over the timing of delivery.
- 2.4 The Council has also employed a Site Delivery Officer who has responsibility for ensuring developer contributions are paid and for liaising with infrastructure providers to ensure these contributions are used to deliver priorities in a timely manner.

### **Infrastructure Funding**

- 2.6 Not all the infrastructure projects listed in the IDP will be fully funded through developer obligations associated with new development. If this was the case, it would seriously put at risk the viability of the plan. While some infrastructure projects will be funded 100% from current / forecast

contributions and allocated resources, other types of infrastructure may require a complex mix of funding streams. In the infrastructure schedules to the IDP, some initial work has been undertaken on:

- splitting funds between s.106 and CIL (this will help inform the CIL 123 Regulation List setting out what projects the Council intends to seek CIL funding to deliver);
- setting out some headline information about potential funding partners, and estimating some funding income headlines.

This information should clearly not be read as commitments by potential funding partners to make contributions and work in this area will continue evolve as infrastructure projects are worked up.

- 2.7 The sources of funding described in the Delivery Schedule will continue to evolve. Some of the sources indicated, such as the 'Single Local Growth Fund' are the subject of funding bids and are still to be analysed. Other funding sources are potential sources, but further work is required to establish whether this potential can be fulfilled. The table detailed below sets out a broad framework to potential infrastructure funding opportunities. It is not an exhaustive list of funding opportunities, but further information on this aspect of the IDP will be developed as part of programmed updates to the plan.

Table 1: Funding Opportunities

<b>Public Sector Innovation</b>	<b>Central Government and Public Bodies</b>
<p><b>Tax Increment Funding (TIF) -</b> TIF involves re-investing a proportion of future business rates from an area back into infrastructure and related development.</p>	<p><b>New Homes Bonus -</b> The Government has committed to providing a 'bonus' for new homes by match funding the additional council tax raised for new homes and empty properties brought back into use, for a period of six years.</p>
<p><b>Multi-use public buildings and cross public sector working –</b> practical examples could involve multi-purpose buildings say delivering council contact services, healthcare and social care services.</p>	<p><b>Single Local Growth Fund -</b> new 'single pot' of funding that the Local Enterprise Partnership (LEP) areas can effectively bid into on a competitive basis with other LEPs for economic priorities.</p>
<p><b>Core Public Sector Funding –</b> reshaping existing resources and budgets with public sector partners to deliver shared outcomes.</p>	<p><b>Green Investment Bank -</b> created by the UK Government, (and the sole Shareholder), to back green projects on commercial terms and mobilise other private sector capital.</p>
<p><b>Supplementary business rates –</b> local authorities can place a supplement on the business rate and to retain the proceeds for investment in the economic development of an area.</p>	<p><b>DfT funding through Local Transport Plan- DfT</b> provides funding to local transport authorities in England to help them develop their local transport services and improve and maintain their infrastructure.</p>
<p><b>Prudential borrowing -</b> A local authority can utilise powers under the Prudential Code to borrow to finance the</p>	<p><b>Local Sustainable Transport Fund -</b> local transport authorities can bid for funds to</p>

<p>infrastructure or development needs of a particular site.</p> <p><b>Joint ventures and public/ private delivery vehicles</b> – partnership approaches to delivering infrastructure, services and projects</p>	<p>bring forward packages of sustainable travel measures.</p> <p><b>Sport England</b> - provides services and funding to sport in England.</p> <p><b>Arts Council England</b> - supports a range of activities across the arts, museums and libraries</p> <p><b>Infrastructure Partners and Government Departments</b> – Highways England, Environment Agency, DEFRA, Education Funding Agency.</p>
<p><b>Grant Funding and Charities</b></p> <p><b>Big Lottery Fund</b> - money goes to community groups and projects that improve health, education and the environment.</p> <p><b>Heritage Lottery Fund</b> - supports projects across the UK aimed at helping people explore, enjoy and protect the heritage they care about.</p> <p><b>Charitable Organisations and Grant Funders</b> – examples include Sustrans, various trusts and foundations.</p>	<p><b>Private Finance</b></p> <p><b>Crowdfunding</b> – generally internet funded projects where money is raised by contributions from a large number of people.</p> <p><b>Private donations</b> – including those sourced through fundraising campaigns.</p>

### 3 Infrastructure Delivery

#### Responsibility for Delivery

- 3.1 The responsibility for delivering infrastructure lies first and foremost with the infrastructure providers. These organisations need to adapt their provision to support a growing population. However, the approach is inevitably a complex one requiring input from a range of organisations, including the District Council (in providing housing and population growth data, in agreeing section 106 contributions, providing CIL monies etc.). This requires a careful partnership and project management approach involving providers, funders and developers. To support this, the Council will be developing a clear and transparent process for ensuring developer contributions (whether through Section 106 or CIL) reach the infrastructure providers and for holding the infrastructure providers to account for timely and effective delivery. As the Local Plan moves from the preparation phase to the delivery phase, so will the resources to ensure effective delivery.

## **Timely Delivery**

3.2 It is important that the Council and its partners in infrastructure delivery, work together to increase the prospect that infrastructure will be provided in advance of, or alongside, new housing rather than in the years following the occupancy of new housing. This is important to enable new communities to become established and integrated quickly and to ensure that the impacts of growth on the District's existing communities are minimised.

3.3 However, accessing sufficient funding in a timely way to deliver early infrastructure provision remains a significant challenge and there are significant elements of the planning and public finance systems which make this hard to do.

### **3.4 Progress to date**

3.5 During the period 2013 - 2015, the Council has approved over 3,950 dwellings on sites proposed for allocation within the Publication Draft Local Plan. The vast majority of these have been in the areas to the south of Warwick and Leamington. Each of the applications have been accompanied by agreements to contribute significantly to infrastructure costs and in this way the implementation of the IDP is already in progress. For example, some of the contributions agreed include:

- Tach Brook Country Park: over £2 m plus the majority of the land required
- Education: over £38 million
- GP Surgeries: over £2.5 million
- Transport (including buses): £17.7 million
- Hospital: over £5.8 million
- Indoor sports: over £3.m

## **Spatial Focus**

3.6 The proposed allocations within the Publication Draft are focused across a number of different parts of the District. In preparing the Delivery Schedule, careful consideration has been given to the cumulative requirements of development across sites which are clustered within a particular area. This has enabled contributions to be focused on mitigating impacts within each area. Examples of this include:

- Transport: Studies have been undertaken to specifically explore the cumulative impacts on the transport system that the development sites in the area to the south of Warwick and Leamington will have. This has enabled contributions to be made towards the Europa Way corridor, the Banbury Road Corridor, the motorway and some town



centre schemes, as well as sustainable modes of transport and bus provision.

- A further study has looked at the cross boundary impacts of major development proposals intended in Stratford District. This work has apportioned some of the cost of improvements needed to the network in Warwick District to those developments in Stratford. Given the recent addition of allocations to the Local Plan south of Coventry similar discussions with Coventry City Council and Infrastructure providers for that area will also be necessary.
- Education: a coordinated approach to the provision of education across the area to the south of Warwick and Leamington has been established including expansion to two secondary schools and provision of up to four new primary schools as well as the expansion of existing schools. This has formed the basis of education contributions from development across that area.
- Education: a coordinated approach to education in Kenilworth is being developed, including a new primary school, possible expansion of an existing primary school and extended secondary school and 6<sup>th</sup> Form provision.
- GP Services: NHS England has considered the impact of each development sites on GP services. This has given rise to a set of proposals to expand a number of targeted practices, at the same time as providing a new medical centre to the south of Warwick and Leamington. This work is currently being re-assessed by the CCG given that they are now the organisation that is responsible for GP services.

3.7 A spatial approach is particularly important for transport to show how different development sites and different modes of transport can be integrated in to a coordinated package for key transport corridors. This corridor approach is set out in Appendix A to the IDP. Like other aspects of the IDP, this is also work in progress, but it does show how different modes of transport can be coordinated to maximise the effectiveness of the whole the system and within specific areas. This will form the basis for further work on detailed design and delivery of transport schemes in the coming months and years.

3.8 It is intended that the County Council will provide further data and to enable the addition of a further 'corridor' in the highways appendix(A) that will embrace the necessary highway related matters emerging as a consequence of the additional development allocations south of Coventry.

### **Types of Infrastructure**

- 3.9 Physical Infrastructure: Physical infrastructure describes the hard pieces of infrastructure that are needed for many activities that enable communities to function such as roads, pipes, wires and telecommunications infrastructure.
- 3.9.1 Transport makes up the most significant element of this in terms of costs. Transport infrastructure is predominantly delivered by Warwickshire County Council although other providers also have a role to play such as the Highways Agency, Network Rail, the District Council (in providing parking), Stagecoach and Sustrans. The County Council have played a leading role in researching and planning this element of the IDP and will continue to play a lead role in implementation.
- 3.9.2 A number of organisations (such as Severn Trent Water and National Grid) are involved with the provision of utilities. Much of this involves the on-site provision of pipes and wires, although investment is also required to in the wider network capacity.
- 3.9.3 Waste Disposal Infrastructure is provided by Warwickshire County Council and its partners, including investment in the local Household Waste and Recycling facility
- 3.10 Social Infrastructure: Social Infrastructure describes the infrastructure required to enable communities to establish and thrive. It covers a range of infrastructure that enriches our lives such as schools, libraries, community centres and sports facilities. It also covers infrastructure that enables us to live our lives safely such as emergency services.
- 3.10.1 Education forms the most significant element of social infrastructure in terms of cost. Warwickshire County Council has responsibility for ensuring sufficient educational places are available to meet the needs of the growing population. However, they are dependent on a range of providers, most notably an increasing number of Academy Schools for the actual delivery of services. The emerging Free School agenda could also impact on service delivery and involves close liaison between Warwickshire County Council and the Department for Education. The provision of education therefore requires a partnership approach between the County Council and the providers.
- 3.10.2 The structures to support the effective planning and provision of health infrastructure are complex. For hospital services, the predominant provider within the District is South Warwickshire Foundation Trust, which, amongst other things manages Warwick and Stratford Hospitals. They have developed an investment plan across the two hospitals to enable the growing population to be supported. GP Services are provided by a wide

range of local practices. However, the planning for GP Services is now led by the Clinical Commissioning Group (CCG). Previously this work was the responsibility of NHS England (property services). Given this change in responsibility we are currently asking the CCG if they would like to take the opportunity to revise / refresh the data that has previously been submitted. It is hoped that we will have the definitive position on primary healthcare requirements shortly.

3.10.3 Indoor Sports is provided by the District Council, though often in partnership with other organisations such as schools. The District Council has undertaken some research in to the future needs of the area and the investment requirements of existing facilities. Based on this the Council has developed an Indoor Sports Strategy which forms the basis for this element of the IDP.

3.10.4 Libraries are provided by Warwickshire County Council and the contributions set out in the IDP reflect the need for investment in stock and equipment to support the growing population. Other cultural services are provided by a range of providers, including the District Council, the County Council and the voluntary sector. Only in Kenilworth are improved cultural facilities proposed.

3.10.5 Emergency Services are provided by Warwickshire County Council (fire), the Ambulance Service and Warwickshire Police. Only the Police service has indicated in detail a need for investment to support the growing population in the form of neighbourhood offices, improved custody facilities and equipment. However, we are aware that the Ambulance Trust is keen to work with Developers regarding the provision of Defibrillators.

3.10.6 The provision of community centres works best where there is input from the community. At this stage therefore work has been undertaken to set aside land for community facilities, but until new communities become established, no work will be undertaken regarding the planning and structure of these facilities.

3.11 Green Infrastructure: Green Infrastructure describes the open spaces and natural environment that are needed to provide areas for biodiversity, recreation and quiet enjoyment. This includes country parks, urban parks, and playing pitches.

3.11.1 Country Parks can be provided by a range of organisations, depending on their role and format. The IDP proposes a new Country Park to the south of Warwick which the District Council is leading on.

3.11.2 Most urban parks and open spaces are managed by the District Council. For new developments, it is a requirement that open space is provided on site by the developers. These are then handed over to the District Council for ongoing management. In addition to these local open spaces, the District includes a number of significant parks – termed “District and Destination Parks” (such as Abbey Fields, St Nicholas Park and Jephson Gardens). Population growth places additional pressure on these parks, and so investment in these is included within the IDP

3.11.3 Playing Pitches are important for health and wellbeing. The District Council is the main providers of playing pitches, although a significant proportion are run directly by sports clubs. Sport England provide advice on the quantum of facilities needed and based on this the District Council has developed a Playing Pitches Strategy that will inform future iterations of the IDP.

## **4 The Delivery Schedule**

4.1 The table set out in section 5 below is a part of the Delivery Schedule. The full delivery schedule is a large and complex spreadsheet that will be kept up to date as working document. This schedule will evolve overtime for a variety of reasons:

- As new Section 106 agreements are signed, the funding elements will be updated
- As new evidence of need emerges (such as updated demographic data) the requirements and costs will be updated
- As infrastructure schemes are refined and costs become more detailed, the costs will be revised
- As local priorities change, the timing and grading of schemes may be revised
- As time moves on and schemes are delivered, so new schemes required for the period towards the end of the Plan Period will come more in to focus.

### **Requirements for later in the Plan Period**

4.2 It is important, to demonstrate the deliverability of the Local Plan, that the infrastructure requirements for the first 5 years can be funded and preferably the requirement for the 5 years beyond that as well. Although some of the schemes and their costs need to be further refined and some of the alternative funding sources can only be assumptions at this stage, the IDP provides reasonable evidence that the Local Plan proposals can be supported by the provision of the infrastructure required up until 2025.

- 4.3** Beyond 2025, there are significant uncertainties about requirements costs and funding sources. For the period beyond 2025 things could change such as opportunities for alternative sources of funding; updated costs; the potential to review the CIL schedule if viability changes and, of course, the likelihood that the Local Plan will be reviewed before that date. In this context, although it is important to have an understanding of longer term infrastructure requirements, it is not possible or appropriate to pin down exact requirements, costs and funding sources for the whole plan period at this stage

## **Appendix A – Other Issues/ Strategies related to the IDP**

### Multi Modal Transport Considerations

1. Pedestrians and cyclists. The District Council is aware of the WCC draft Cycleway Strategy that is currently emerging and will be keen to use this to guide the strategic improvements that it will prioritise for the cycling network across the District. The IDP currently picks –up many of the cycle route and pedestrian / footpath requirements through the Corridor approach (appendix A), examples of this are in the Europa Way corridor and the Kenilworth to Leamington corridor.
2. Bus Infrastructure (General), previous iterations of the IDP set out a requirement for monies to be utilised for bus services and infrastructure. Much of this finance was however ‘double counting’ as the detailed schemes for the corridors took account of bus infrastructure and service provision.
3. Park and ride at Asps – the previous version of the IDP set out a requirement for funding to provide a park and ride south of Warwick and Leamington. A facility is now intended to be provided by the developers at the Asps south of Warwick/ Leamington and the details a 500 space facility. The implementation / on – management programme for this is contained in an agreement that has been overseen/ agreed with Warwickshire County Council. It should be noted that a further park and ride facility is anticipated north of Leamington Spa. This is itemised in the Kenilworth to Warwick Corridor and a revised corridor plan will reflect the area of search for this facility which is now set –out in the modifications to the Local Plan.

4. Rail Infrastructure. This is an important element (particularly for Kenilworth) where there is a fully funded DfT programme for the implementation of a new railway station. This involves the delivery of a £11m project (NUCKLE 2) that the County Council are overseeing.

#### Other Issues

5. Utilities. The Council will be keen to ensure that the providers of gas, electricity and water and telecommunications (mains) services are kept abreast of the progress of the Plan and its delivery. It is anticipated that a dialogue with these providers will be ongoing throughout the plan period. Indications are that they will be able to cater for or plan arrangements in order to accommodate the additional housing and employment growth set -out in the plan.
6. Primary Healthcare. The Council continues to liaise with the CCG regarding the production of a definitive strategy for healthcare services in Warwick District. The Council has recently been informed that the CCG has completed a detailed audit of its current services and areas that will need further assistance as a consequence of new population growth. The Council is committed to working in partnership with the CCG in order that this baseline analysis can be worked-up into a detailed schedule of requirements and a strategy that will inform the IDP going forwards.

