

Chapter 14 Infrastructure and Developer's Contributions

1. Introduction

- 1.2 The development strategy for the District up to 2026 relies heavily on the delivery of four key strategic sites. Notwithstanding this, other growth across the District will occur and it is necessary to set out how this will be served in terms of infrastructure requirements and funding thereof. This section of the Core Strategy identifies broad types of infrastructure and includes a policy on how funding for these will be achieved from development proposals.
- 1.3 Funding mechanisms along with the emphasis on delivery has been subject to much debate since publication of the Preferred Option in May 2009. Discussions and indeed draft regulations on the Community Infrastructure Levy (CIL) were published for consultation last year with the intention that these will become operative in April 2010. Final Regulations were published on 11th February 2010, which allow Councils to implement the Community Infrastructure Levy with effect from 6th April 2010.
- 1.4 The Council submitted comments on the draft regulations, under the Portfolio Holder Decision making arrangements - PHD 248 - www.winchester.gov.uk/Documents/Committees/PortfolioDecisions/200910/Final/PHD248.pdf
- 1.5 Key changes since the publication of the draft regulations include:
- *allowing up to 100 per cent CIL relief in exceptional circumstances for developments that would otherwise not proceed*
 - *allowing payments of CIL to be made in-kind in the form of land provided that land is transferred with the intention of providing infrastructure*
 - *doubling the standard payment period to 60 days to ease cash flow for developers and allowing payment by instalments in many cases*
 - *introducing the potential for local authorities to borrow against future CIL receipts to allow infrastructure provision to be unlocked earlier in development*

- *providing additional reliefs for developing charities*
- *providing 100 per cent exemption from CIL for most types of affordable housing; and*
- *enabling authorities to draw the administrative costs of CIL from CIL receipts.*

1.6 The recent publication of the final CIL Regulations gives some clarity over what CIL will cover, how and when it can be introduced and the relationship with 106 agreements. These issues will need to be assessed and a future report produced on whether/when the Council adopts CIL. Whilst the scheme is voluntary, any existing tariff-based contribution systems will only be allowed to continue for up to 4 years before having to be incorporated within CIL. However, as the Council would need an adopted, or very well-advanced, Core Strategy before being able to introduce CIL, any change is not imminent.

2. **Conclusion and Recommended Approach**

2.1 Given the above, the implications of the recently-published CIL regulations needs careful consideration prior to determining which course of action to follow. However, the Core Strategy policy should be worded so as to be applicable whether the Council decides to follow the CIL route or not. What is evident from the above extract is that it will be necessary to have a full understanding of all infrastructure requirements for the Core Strategy including the strategic allocations. On this basis a logical approach would be to merge this part of the Core Strategy with the delivery chapter (Chapter 16), this will enable infrastructure requirements to be set out together with policy guidance on developer contributions and the mechanisms for receiving these. This will allow both elements to be examined and tested together at the appropriate time.

Recommended Approach

1. That any future re-wording of Policy CP23 should not prejudice or undermine future Council decisions about whether to introduce CIL in the District.

2. To merge this part of the plan with the content of Chapter 16 on infrastructure planning, to produce a comprehensive delivery and implementation plan to accompany the Core Strategy.

Chapter 14 Infrastructure and Developer's Contributions		
Sustainability Appraisal/Strategic Environmental Assessment – extract of SA/SEA report on Core Strategy Preferred Option:		
<p>A clear and direct policy which requires appropriate and necessary infrastructure to support development proposals. The policy ensures that development will not be deterred through demands for infrastructure and contributions by recognising that the cumulative effect of such requirements can make sites unviable. Therefore, the level of commercial and residential development required through the RSS will have a positive chance of being delivered. This policy also recognises that there is key role in promoting GI and its wider benefits as part of a mitigation package for the biodiversity interest in sensitive development areas. The HRA report accompanying the PO document considers this issue in more detail.</p>		
Response no./Organisation	Summary of key issues	WCC officer response and Recommended Approach
89 (Hants CC); 86 (Environment Agency); 4 (Bishops Waltham PC); 2273; 3136; 10455; 10269	Support Policy CP23	Support welcomed
10423; 87 (GOSE)	Welcome the proposal to produce an infrastructure plan	The issue and introduction of CIL is discussed in the introduction above. Pending consideration

	<p>Draft regulations on CIL have been produced – LA's need to undertake preparatory work on a charging schedule to be in a position to bring CIL into effect once the regulations come into force. LAs can prepare a charging schedule which can be dealt with at a joint examination with the Core Strategy. (GOSE)</p>	<p>by the Council of whether/when to introduce CIL it is suggested that this part of the plan merges with Chapter 16 on delivery and further work is progressed in relation to understanding the infrastructure requirements for the District, including the strategic allocations.</p> <p>Any revisions to Policy CP23 should maintain sufficient flexibility to be relevant, whether or not the Council decides to implement CIL. However, it is clear that the scale of work needed to develop a CIL charging structure is too great to be undertaken alongside development of the Core Strategy, unless considerable additional resources are made available. It is therefore unlikely that any CIL charging schedules would be produced and examined alongside the Core Strategy.</p> <p><u>Recommended Approach:</u></p> <ol style="list-style-type: none"> 1. That any future re-wording of Policy CP23 should not prejudice or undermine future Council decisions about whether to introduce CIL in the District. 2. To merge this part of the plan with the content of Chapter 16 on infrastructure planning, to produce a comprehensive delivery and implementation plan to
--	--	---

		accompany the Core Strategy.
20 (Itchen Valley PC); 2550;	<ul style="list-style-type: none"> • The policy does not address CIL • Need to involve PC's early in the process of determining CIL and infrastructure requirements to ensure local needs are reflected 	See above response
31 (Shedfield PC); 10041	<ul style="list-style-type: none"> • Services are all struggling to cope with growth and no improvements have been made • need infrastructure improvements in advance of development – particularly schools and transport 	Noted – whilst it is recognised that there may be local infrastructure issues, the purpose of this part of the Core Strategy is to ensure that future developments contribute as necessary and appropriate to new development. It is unrealistic, given the economics of many development sites, to request the provision of infrastructure in advance of the development. However, phasing and trigger mechanisms will be needed to ensure that the right facilities come forward at the right time.
33 (South Wonston PC); 2107; 2116; 2128; 2985; 3198; 10401; 10411; 10440 (Winchester Lib Dem City Council Group); 86 (Environment Agency); 10438	<ul style="list-style-type: none"> • Need to improve current system to cover a wider range of benefits • Policy needs to be flexible so as not to render sites unviable • Explanatory text should include reference to 'soft' infrastructure such as setting up facilities not just providing buildings • Policy must comply with circular 05/05 (Planning Obligations) • Policy must address water and drainage issues adequately 	Infrastructure now covers a much wider range of matters - para 14.2 of the Core Strategy lists the main categories. Given the requirement to demonstrate how the development strategy for the District, including the strategic sites, will be delivered it will be necessary for this part of the plan to specifically refer to items of infrastructure and their improvement or creation to serve the development and how they will be funded. Items suggested for inclusion will therefore be set out both in general terms in relation to the overall

	<ul style="list-style-type: none"> • Need to specifically refer to Waste Water Treatment Works in this section (EA) • Policy must address public transport to offset the need for car journeys • This section should also include reference to high speed internet connections 	<p>development strategy and specifically for the strategic allocations.</p> <p>The policy will however need to be flexible so that any provision outside the 'standard' categories can still be collected.</p> <p>Any requirement to secure funding via developer contributions will be subject to the necessary assessments and compliance mechanisms to ensure that the contributions are appropriately calculated and legal. New CIL regulations have recently been published and Circular 05/05 is likely to be replaced.</p>
84 (South East Regional Assembly)	<ul style="list-style-type: none"> • Policy should include a reference to the strategic infrastructure requirements set out in the Regional Implementation Plan 	Noted – see above
85 (Highways Agency)	<ul style="list-style-type: none"> • Dept of Transport circulars highlight the need for development to contribute towards the infrastructure needed to support them and where appropriate resolve existing issues at that location 	Noted – the issue of resolving existing problems is complex given that matters such as transport are not necessarily locally generated and may be the result of the impact of a number of developments.
3199	<ul style="list-style-type: none"> • Policy needs to cross reference to Policy CP1 to highlight the need for open space and recreational provision 	The Core Strategy is drafted so as to avoid excessive cross-referencing, but it is accepted that open space and recreation provision are important aspects of infrastructure provision.

10423	<ul style="list-style-type: none"> Needs to be evidence of the need for social, physical and green infrastructure required over the plan period to inform the infrastructure requirements and methods of achieving them whether public or private investment Development should not be required to overcome existing shortfalls and provide infrastructure with, not in advance of, development 	Noted – the suggestion of merging this part of the plan with the delivery section will allow a comprehensive assessment of the types of infrastructure required, where and when. It is accepted that development should only be required to meet the infrastructure pressures it generates, although in some cases existing shortfalls can also be overcome when this is done.
78 (Havant BC)	<ul style="list-style-type: none"> Need to link this policy more with the strategic sites and infrastructure delivery plan 	See above.