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Agenda Item No. 7 (f)

DERBYSHIRE COUNTY COUNCIL

CABINET MEETING

12 November 2013

Report of the Acting Strategic Director - Environmental Services

**INFRASTRUCTURE PLANNING AND DEVELOPER
CONTRIBUTIONS (JOBS, ECONOMY AND TRANSPORT)**

(1) **Purpose of the Report** To seek Cabinet approval for the publication of refreshed versions of the Derbyshire Infrastructure Plan and Developer Contributions' Protocol and further steps to assist how the future delivery of strategic infrastructure and services can be secured.

(2) **Information and Analysis** The Derbyshire Infrastructure Plan (DIP) complements the wider strategic economic outlook of the Local Enterprise Partnerships, including the forthcoming Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2) infrastructure plan and the emerging Derbyshire Economic Strategy Statement (DESS), both of which will be the subject of future reports to Cabinet. The DIP, together with the wider strategic framework, has a critical role in enabling sustainable economic growth across Derbyshire by ensuring the timely provision of infrastructure and services.

The value of the DIP is three-fold.

First, the DIP complements the LEP by setting out a county wide vision of future development. This vision is drawn the Local Plans of District and Borough Councils and the Peak District National Park Authority (Local Planning Authorities (LPAs)). For LPAs the DIP brings together crucial evidence from Derbyshire County Council departments and infrastructure providers about the strategic infrastructure required as a result of growth anticipated over the next 20 years. It has a pivotal role in supporting LPAs with their own Infrastructure Delivery Plans, meeting the Duty to Co-operate and demonstrating the deliverability of their Local Plans at Examinations in Public.

Second, the DIP acts as a starting point for developing the County Council's strategy for economic growth. The DIP forms part of the evidence base for the emerging DESS. It provides a springboard for further work with partners to refine

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Derbyshire's economic infrastructure priorities and to inform and support the preparation of the forthcoming D2N2 infrastructure plan.

Third, the DIP provides a basis for coordinating investment in infrastructure delivery. It brings together a wide range of cross-sector infrastructure priorities from DCC departments and partners that require investment and identifies potential sources of funding. It provides evidence for the County Council and other partners to develop bids for Local Growth Fund and European Funding via the DESS and Local Enterprise Partnerships. At the local level, it acts as a vital tool for LPAs and other partners when considering potential projects that could be funded by a Community Infrastructure Levy (CIL) if they decide to adopt CIL.

The DCP is a guidance document relating specifically to the County Council's expectation for contributions towards infrastructure and services through requirements that can be attached to planning permissions through conditions, and legal agreements. It provides guidance to LPAs, the development industry and other partners about the County Council's service role and requirements in securing developer contributions towards strategic infrastructure.

Cabinet approved the first Derbyshire Infrastructure Plan (DIP) and Developer Contributions' Protocol (DCP) on 24 April 2012 (Minute No. 126/12 refers). A technical update was completed in September 2012. The Cabinet Member - Jobs, Economy and Transport approved a six week public consultation on a refresh of both documents on 9 July 2013 (Minute No. 20/13 refers).

This report updates Members on the result of the consultation and recommends changes to both documents, where considered appropriate.

Consultation responses were received from the following individuals and organisations:

Amber Valley Borough Council	Bolsover District Council
Ms Janice Byron (member of public)	Canal and River Trust
Capita Symonds on behalf of	Derbyshire Dales District Council
Chatsworth Settlement Trustees	
Chesterfield Borough Council	Erewash Borough Council
Derbyshire Fire and Rescue Service	Highways Agency
High Peak Borough Council	Pegasus Group
Network Rail	The Coal Authority
South Derbyshire District Council	United Utilities
The National Forest Company	

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In summary, the key issues raised in the response to the consultation on the DIP were:

- The Spatial Portrait should reflect the links between Derbyshire and Greater Manchester (as well as Derby, Nottingham and Sheffield).
- The Vision needs to be updated to reflect Local Plans.
- The Strategic Priority Projects should reflect and help to deliver the growth and development envisaged by Local Plans.
- Updated information on highways, waste management, broadband, green infrastructure, education and libraries.
- Updated information on canals, fire and rescue services, the strategic road network, railways and mine water treatment.

In summary, the key issues raised in the response to the consultation on the DCP were:

- The DCP helpfully encourages LPAs, infrastructure providers and developers to plan ahead.
- A single point of contact at the County Council is helpful.
- Any requests for developer contributions must be fully evidenced and compliant with the CIL Regulations.
- More information is required to evidence requests for developer contributions, particularly with regard to waste management, green infrastructure, libraries and education.
- The DCP should balance competing priorities for investment with the need to ensure that development is viable and can be delivered.

A summary of responses and a copy of all the responses received can be downloaded here:

http://www.derbyshire.gov.uk/environment/planning/planning_policy/infrastructure_planning/default.asp

In response to the consultation, the key changes to the DIP are intended to ensure that the DIP clearly articulates future infrastructure priorities and is a helpful tool for LPAs preparing their Local Plans and (if they choose to) CILs. The key changes are:

- Amendments to the Spatial Portrait to reflect cross boundary links.
- Update to the Vision to accurately reflect Local Plans.
- Updated information on transport and highways, waste management, broadband, green infrastructure, education, libraries, emergency services, water supply and treatment, and health.

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- An updated list of Strategic Priority Projects.

In response to the consultation, the key changes to the DCP are intended to ensure that the DCP is transparent and clearly sets out how a request for a contribution is calculated and to ensure that the County Council only seeks contributions where they comply with the three tests set out in the CIL Regulations (of being necessary to make the development acceptable in planning terms, directly related to development, and fairly and reasonably related in scale and kind to the development). The key changes are:

- Clarification of the process including the role of elected Members.
- Additional evidence on waste management.
- Updated information on Digital Derbyshire and how developers should design schemes to enable broadband provision.
- Clarification of the County Council's approach to education contributions.
- Additional evidence on library service provision.
- Clarification of the County Council's approach to green infrastructure.

The recommended refreshed versions of both documents for Cabinet's consideration are on the County Council's website at:

http://www.derbyshire.gov.uk/council/meetings_decisions/meetings/cabinet/default.asp

Next Steps

Once published, it is hoped that LPAs will integrate the DCP into their existing planning processes. The County Council will use the DCP to co-ordinate assessments of and negotiation on planning applications. County Council officers will facilitate communication between parties involved in the process. Where LPAs would find it helpful, County Council officers will hold dedicated sessions with LPA development management officers to help implement the DCP. It is hoped that following publication, LPAs will reflect the DIP in their own Local Plans, Infrastructure Delivery Plans and CIL.

The DCP commits the County Council to preparing an annual report setting out the County Council's success in securing developer contributions to the County Council's Cabinet. A separate annual monitoring report will be submitted to Cabinet in due course.

Officers will make technical amendments to the DIP and DCP as and when required, reflecting changes to service requirements and local policy proposals. A policy review of the DIP and DCP will be undertaken every three years to ensure they fully support economic growth and development. Significant changes in the policy framework could trigger an earlier review if required. Approval will be sought from Cabinet for any significant policy changes to the DIP and DCP.

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Delivering Infrastructure

The DIP is a document which looks forward over 20 years. It is vital that, in the short and medium term, the DIP is also deliverable. Delivery of the DIP infrastructure priorities is crucial to enable sustainable regeneration and economic growth. However, a significant amount of funding is required to deliver those priorities.

Developer funding will be available according to the characteristics and scale of whatever developments may be approved subject requiring contributions under Section 106 Agreements and CILs. However, the scale of development proposed in Local Plans cannot be guaranteed to generate funding to match the overall scale of infrastructure likely to be needed. Furthermore, because of current marginal viability of development in parts of the County, developers may be unable to meet the levels of contribution that might usually be expected.

In the short term, to support LPAs and to help deliver the development proposed in Local Plans, there is an opportunity to work with other County Council departments, partners and funding bodies to develop a five year delivery plan for capital investment in infrastructure. This delivery plan would set out key County Council priorities for delivery including potential funding sources.

To support economic growth, the DIP complements the wider economic strategy framework, much of which is currently evolving and emerging. The refresh of the DIP is particularly timely as there are opportunities in the coming months to inform the emerging DESS. The DIP is a useful starting point to undertake further work with partners to refine the project priority list and shape the forthcoming D2N2 infrastructure plan (to be the subject of a future cabinet report) and bids for the Single Local Growth Fund and European funding.

The County Council's own capital assets provide opportunities to support infrastructure delivery and economic growth. Land and property currently owned by the County Council may be the key to unlocking the delivery of additional facilities such as schools and libraries and promoting job creation in the future. Furthermore, the disposal of County Council assets for residential redevelopment may result in additional costs associated with providing services for those new residents. It is important, therefore, that the wider impacts of asset consolidation are fully considered before capital assets are sold.

(3) Financial Considerations This work will help the County Council maximise funds towards the cost of delivering infrastructure and services. The level of funding will vary across the County and will depend on successful implementation of the DIP and DCP.

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(4) **Legal Considerations** The recommendations in this report are made in the context of the County Council's full range of statutory responsibilities and services. The Localism Act 2011 has introduced a Duty to Co-operate, which requires local authorities and other public bodies to work together on planning issues.

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

(5) **Key Decision** No.

(6) **Call-in** Is it required that call-in be waived in respect of the decisions proposed in this report? No.

(7) **Background Papers** Held on the Developer Contributions file by the Planning Services Manager. The links below provide access to the current approved DIP and DCP, and the recommended refreshed final versions of the DIP and DCP:
http://www.derbyshire.gov.uk/environment/planning/planning_policy/infrastructure_planning/default.asp
http://www.derbyshire.gov.uk/council/meetings_decisions/meetings/cabinet/default.asp

Officer contact details – Harriet Fisher, extension 39551.

(8) **OFFICER'S RECOMMENDATIONS** That Cabinet:

- 8.1 Approves publication of the refreshed Derbyshire Infrastructure Plan and Developer Contributions Protocol.
- 8.2 Authorises the Strategic Director – Environmental Services to make technical amendments and updates to the Derbyshire Infrastructure Plan and Developer Contributions Protocol as and when required.
- 8.3 Notes that there will be a full review of the Derbyshire Infrastructure Plan and Developer Contributions Protocol every three years, or earlier if triggered by significant wider policy changes.
- 8.4 Notes that the outcome of work on a cross-departmental delivery plan for capital investment in infrastructure over the short to medium term, to support the delivery of Local Plans, will be reported to Cabinet in 2014.

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