

Agenda Item No. 7(v)

DERBYSHIRE COUNTY COUNCIL

CABINET

20 September 2016

Report of the Strategic Director - Economy, Transport and Communities

DERBYSHIRE INFRASTRUCTURE INVESTMENT PLAN (STRATEGIC POLICY, ECONOMIC DEVELOPMENT AND BUDGET)

(1) **Purpose of Report** To seek Cabinet approval for work to commence on developing a revised approach to Infrastructure Investment Planning through a new Derbyshire Infrastructure Investment Plan (DIIP).

(2) **Information and Analysis** A Derbyshire Infrastructure Plan (DIP) was originally published in May 2012 and refreshed in November 2013. At the time, the County Council committed to reviewing the document on a triennial basis; the next review needs to be completed by December 2016.

In its original form, the DIP was a 150-page text document and set out: information on existing infrastructure networks and assets; the location of planned housing growth; and infrastructure projects required to support that growth.

Because the information is geographical, it lends itself well to being presented spatially on a live digital mapping resource. The proposal is therefore to replace the current DIP with a new Derbyshire Infrastructure Investment Plan (the Plan) that shows:

- Areas of existing/planned economic growth (including housing).
- Existing infrastructure, assets and networks.
- Future investment in infrastructure.
- Site designations and policy areas e.g. Green Belt and National Park.
- Flood zones and water networks.
- Administrative and geographical boundaries.

Housing and Economic Growth

Since the DIP was last refreshed in November 2013, further work has been undertaken by district and borough councils on their local plans which has resulted in a different picture of proposed growth across the County. Local planning authorities have now provided the County Council with geographical data on local plan allocations and planning permissions. The

current status of each local plan, including a summary of what is proposed with regards to housing numbers, will be set out in a written commentary to accompany the Plan.

The Plan will be informed and supported by a shared, strategic evidence base consisting of a range of studies and research held by the County Council, local authorities and other partners.

A Data Protocol has been drafted and sets out how data on residential land, industrial land, redeveloped and brownfield land, affordable housing, starter homes, planning permissions, housing completions and Section 106 agreements will be inputted into the shared monitoring system in order to keep the Plan up-to-date. The Data Protocol is in the process of being considered and agreed by relevant local planning authorities.

Infrastructure Investment

The previous DIP compiled evidence on existing infrastructure assets and networks and service provision from a wide range of sources. This information now will be archived and will remain available to local authorities and partners to use for their own plans and policies if required.

The DIP also identified potential infrastructure investment projects that would help to deliver regeneration priorities and sustainable development. Since the DIP was last refreshed, further work has been carried out to inform local plans and to support the prioritisation and allocation of Local Enterprise Partnership (LEP) Growth Fund and other work streams agreed by the Derbyshire Strategic Leaders' Group.

This work has resulted in a long list of over 300 potential infrastructure investment projects covering highway and strategic transport infrastructure; education provision; business incubation and workspace; town centre regeneration; public rights of way and greenways; canals; renewable energy; visitor accommodation and tourism; flood risk and water management; communications and broadband; and waste. (This has previously been referred to locally as the 'Big List').

It is proposed to take all of the potential projects through a common appraisal framework in order to determine priorities, and to assign each of the projects to the most appropriate source of funding. Where the project is dependent on public sector resources, a full business case will eventually need to be developed following the HM Treasury's Green Book model. This covers key criteria such as value for money but also builds in other elements of project management which will be essential to successful delivery. This approach is consistent with the Single Assessment Framework (SAF) of the LEP. The five 'cases' set out in the Green Book are:

- Strategic: Whether the project is contained within an existing plan or strategy and whether the project is a genuine priority for its promoter (which could be the County Council itself, or a partner).
- Economic: Whether the project provides value for money and also whether the same problem or opportunity could be better addressed by an alternative intervention.
- Commercial: How well the project will deliver the intended outcomes and confidence that the outcomes will be delivered (for example the creation of jobs, or agreement with an end-user of land).
- Financial: How the project will be funded, appropriate sources of funding, and the degree of risk or uncertainty in relation to each funding source.
- Management: Who will act as promoter and project lead for the project and what role the County Council would have.

Significant input is likely to be required to ensure business cases are robust and to ensure resource prioritisations are targeted at those proposals with the strongest case. However, this may mean that initial appraisals and prioritisation of projects takes place using limited evidence.

It is proposed that a cross-departmental officer group (the Derbyshire Infrastructure Investment Panel) be set up in order to ensure there is a consistency of approach in the appraisal of the projects. The Panel will develop a red-amber-green assessment against the Green Book cases which can be used to recommend priorities to Cabinet. The Panel will work in a similar way to that convened to support consideration of Capital Programme schemes and may, over time, become joined together as systems and processes grow more aligned.

Next Steps

Following appraisal of the projects by the Panel, a report will be taken to Cabinet recommending a shortlist of priority infrastructure investment projects.

Subject to approval from Cabinet, the Plan will then be updated to show the areas for housing and economic development and infrastructure investment. The Plan will be a live map with accompanying commentary, evidence base and Data Protocol which will be available online to district/borough authorities and updated quarterly.

The Plan will provide a basis for the County Council's own investment planning, forward-looking Capital Programme, and funding bids and will be a critical piece of the evidence base for local plans, helping local authorities to demonstrate their plans are viable and how they, with other partners, are complying with the Duty to Cooperate.

(3) Financial Considerations There are no direct financial considerations associated with this report. Existing staff resources will be

aligned to support the work of the Panel and the preparation of business cases.

(4) **Social Value Considerations** The relevance of social value in terms of social, economic and environmental wellbeing has been considered in the preparation of this report. Meeting the current and future needs of communities in the best possible way (i.e. sustainable growth) is central to the role of the County Council for the provision of services and infrastructure, and in supporting district and borough councils with the preparation of local plans.

In preparing this report the relevance of the following factors has been considered: legal, 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 necessary for the call-in period to be waived in respect of the decisions being proposed in the report? No.

(7) **Background Papers** Held on file within the Economy, Transport and Communities Department. Officer contact details - Chris Massey, extension 39805.

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

- 8.1 Cabinet agrees work commencing on developing a Derbyshire Infrastructure Investment Plan (DIIP) in line with the principles set out in this report.
- 8.2 A report detailing the proposed contents of the DIIP be brought to a future Cabinet meeting for approval.

Mike Ashworth
Strategic Director - Economy, Transport and Communities