

## **CABINET**

**29<sup>TH</sup> NOVEMBER 2022**

### **REPORT OF DIRECTOR OF PLACE**

#### **INFRASTRUCTURE FUNDING STATEMENT: INFRASTRUCTURE LIST**

**Cabinet Member(s):** Councillor Richard Chesterton, Cabinet Member for Planning and Economic Regeneration

**Responsible Officer:** Richard Marsh, Director of Place

**Reason for Report:** To approve the list of Infrastructure items, including affordable housing to be included in the Council's Infrastructure Funding Statement, which is required to be published on the Council's website by 31 December 2022.

#### **RECOMMENDATION:**

**That Cabinet approves**

- 1. The list of infrastructure and affordable housing in Appendix 1 that the Council intends to fund, either wholly or partly, by planning obligations and the future spending priorities on these**
- 2. The inclusion of Appendix 1 – Infrastructure List in the Mid Devon Infrastructure Funding Statement to be published on the Council's website by 31<sup>st</sup> December 2022**

**Financial Implications:** There are no direct financial implications arising from this report. The infrastructure funding statement will set out the future spending priorities on infrastructure and affordable housing and what projects or types of infrastructure that the authority intends to fund, either wholly or partly, by planning obligations. This will not dictate how funds must be spent but will set out the local authority's intentions.

**Legal Implications:** There is a legal requirement placed through Regulation 121A Community Infrastructure Levy largely applicable to CIL charging authorities to publish no later than 31<sup>st</sup> December in each calendar year an annual infrastructure funding statement which comprises—"a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL ("the infrastructure list)". In line with the approach taken previously, although Mid Devon District Council is not a CIL charging authority (instead having to publish an annual 'S106 report' as detailed in the Regulations), the Council may still consider it useful (as well as transparent) for it to publish a list of the infrastructure to be funded wholly or partly (albeit in its case by S106 contributions) over the forthcoming year or so.

**Risk Assessment:** Failure to produce an infrastructure funding statement within the required timeframe could undermine the credibility of the Local Plan and potentially harm the Council’s reputation as a plan making authority.

**Equality Impact Assessment:** The information in the Infrastructure List has been informed through the work undertaken for the preparation of the Mid Devon Local Plan Review 2013 – 2033. The Local Plan has been screened through an Equalities Impact Assessment.

**Relationship to Corporate Plan:** The Infrastructure List includes infrastructure items relating to affordable housing, transport, education, libraries, waste, health, community facilities, emergency services, where these relate to built development and Local Plan objectives. Funding the delivery of these items can also help the Council achieve its four Corporate Plan priorities - Homes, Environment, Community and Economy.

**Impact on Climate Change:** The Infrastructure List includes provision for carbon offsetting and air quality improvements. The information in the infrastructure funding statement should feedback into reviews of local plans to ensure that policy requirements for developer contributions remain realistic and do not undermine the deliverability of the plan. The Local Plan has been prepared within a legal framework and national planning policy that has at its heart the principle of sustainable development and policies to help address climate change through the development and use of land.

## **1.0 Introduction/Background**

1.1 Reporting on developer contributions helps local communities and developers see how contributions have been spent and understand what future funds will be spent on. This ensures a transparent and accountable system.

1.2 The Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019 which exercises the powers of Part 11 of the Planning Act 2008 requires in each calendar year a contribution receiving authority to publish an annual infrastructure funding statement by 31<sup>st</sup> December each year.

1.3 Infrastructure funding statements must set out:

- A statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by Community Infrastructure Levy (CIL) ('the infrastructure list')

*This report relates to this component of the requirements of the infrastructure funding statement.*

- a report about CIL, in relation to the previous financial year

*Mid Devon is not a CIL charging authority so no CIL has been collected.*

- A report relating to the previous financial year on planning obligations (Section 106 agreements and Section 278 highways agreements) ('the S106 report')

*Members will be advised of the contents of this prior to publication. This record is currently being compiled in a format to meet the publication requirements.*

- 1.4 The National Planning Policy Guidance also advises that the infrastructure funding statement should set out the future spending priorities on infrastructure and affordable housing and what projects or types of infrastructure that the authority intends to fund, either wholly or partly, by planning obligations and the Community Infrastructure Levy. This will not dictate how funds must be spent but will set out the local authority's intentions.
- 1.5 Infrastructure funding statements must cover the previous financial year from 1 April to 31 March (note this is different to the tax year which runs from 6 April to 5 April).
- 1.6 The information in the infrastructure funding statement should feed back into reviews of Local Plans to ensure that policy requirements for developer contributions remain realistic and do not undermine the deliverability of the plan.

## **2.0 How infrastructure can be funded**

- 2.1 There are several ways in which a Local Authority can require a developer to contribute towards infrastructure. This is so as to help with the impact of development and make it acceptable in planning terms.
- 2.2 Planning obligations can be sought in accordance with Section 106 of the Town and Country Planning Act 1990. These planning obligations are a legal agreement between the applicant seeking planning permission and the local planning authority.
- 2.3 Local Authorities can also secure funding towards infrastructure through a Community Infrastructure Levy (CIL). The CIL is a flat rate and non-negotiable charge which can be levied on new development in their area and it is a tool to use to help deliver the infrastructure needed to support development in their area. The CIL can only apply in areas where a local authority has consulted on, and approved, a charging schedule which sets out its levy rates and has published the schedule on its website
- 2.4 The Council currently secures funding for infrastructure and affordable housing through the use of Section 106 planning obligations and Section 278 highways agreements.
- 2.5 There is no CIL in place in Mid Devon and as such the Council's Infrastructure Funding Statement will not include information about CIL for the previous year. On 6<sup>th</sup> January 2021 the Council (Minute 112) resolved to adopt the recommendations of the Cabinet (Minute 270) that the Mid Devon Community

Infrastructure Levy draft Charging Schedule is withdrawn from its examination and is no longer progressed. The Planning Inspectorate was notified on 21<sup>st</sup> January 2021 of the withdrawal of the Mid Devon Community Infrastructure Levy (CIL) draft charging schedule from its examination.

- 2.6 Members will recall the intent of the Government as set out in the White Paper August 2020 'Planning for the Future' to reform the current system of developer contributions with potential for the introduction of a nationally set infrastructure levy. The Government's subsequent Levelling Up and Regeneration Bill (schedule 11) seeks to introduce a new "Infrastructure Levy" which would replace (but not completely) the current system of developer contributions (The Community Infrastructure Levy and Section 106 Planning Obligations) as a charge on development for infrastructure. Further information will be provided about this through future updates to the Council's Infrastructure Funding Statement and Infrastructure List, as the Bill is enacted and related regulations are brought into force.
- 2.7 The Council can also seek to secure funding direct from the Government and from other potential sources. This can include bids for funding through schemes such as the Housing Infrastructure Fund and Levelling Up Fund.

### **3.0 Mid Devon Infrastructure Funding Statement**

*About the Mid Devon Infrastructure Funding Statement*

- 3.1 The Mid Devon Infrastructure Funding Statement will be prepared as two parts:

Part A (Report relating to the previous financial year on S106 planning obligations i.e. the S106 report). This will be a factual statement and will be published for information purposes

Part B (Infrastructure List), which is the subject of this Cabinet report.

- 3.2 The Infrastructure Funding Statement Part B (Infrastructure List) **Appendix 1** identifies 70 infrastructure items, including affordable housing and provision for positive measures for enhancement and regeneration of each of the town centres at Tiverton, Cullompton and Crediton. These are listed by:

- Settlement / area (District-wide, Tiverton, Cullompton, Crediton, rural)
- Type (i.e. Energy, telecommunications, flood mitigation, transport, education, libraries, waste, health, community facilities, emergency services, environment, ecology)
- Strategic Priority (Critical, important, desirable, local priority)

*Prioritising the list of infrastructure items*

- 3.3 A key element of infrastructure planning is ensuring that the importance of various infrastructure schemes is clear. This enables decision makers to

prioritise resources and funding towards those schemes that create the greatest benefit for the area, and unlock development in the most appropriate way. These priorities relate to the delivery of built development and Local Plan objectives, rather than the over-arching objectives of the local authorities or organisations named as delivery partners.

- 3.4 The Mid Devon Infrastructure Funding Statement will use the following infrastructure priority criteria to reflect the importance of infrastructure in relation to the implementation of the Local Plan:

(1) Critical:

Infrastructure required to deliver the strategic vision and objectives of the Local Plan. Critical requirements contribute to delivering the wider strategic aims of the Plan, and may also mitigate the impacts of development schemes. The plan may fail without the delivery of this infrastructure.

(2) Important:

Infrastructure required to deliver specific schemes and provide services and facilities to meet the needs of new residents. The delivery of an allocated site may fail without the delivery of this infrastructure.

(3) Desirable:

Infrastructure required that would enhance the effectiveness, efficiency and quality of infrastructure or services, creating a better place to live and work.

Local Priority

Identified as desirable or beneficial to the local community through Parish and Town Council consultation, and may be identified in a Neighbourhood Plan.

- 3.5 The Cabinet is being asked to approve the inclusion of the 70 infrastructure items, including affordable housing and provision for positive measures for enhancement and regeneration of each the town centres at Tiverton, Cullompton and Crediton, in the Infrastructure Funding Statement and the priority to be given to each of these items.

*Future reviews of the Infrastructure List*

- 3.6 The Mid Devon Infrastructure Funding Statement Part B (Infrastructure List) is a snap shot in time and includes the best information that is available at the point of its approval and publication. It has been informed through work undertaken as part of the preparation of the Mid Devon Local Plan Review 2013 – 2033 including the 2016 Infrastructure Plan.
- 3.7 The Mid Devon Infrastructure Funding Statement Part B (Infrastructure List) will be kept up to date through an annual review in relation to the implementation of development sites in the adopted Local Plan and their associated

infrastructure needs, and will be subject to future approval by the Cabinet before being published on the Council's website.

- 3.8 The preparation of a new Local Plan for Mid Devon ('Plan Mid Devon') will provide an opportunity to review the infrastructure needed to support new development where this is planned across the district. This will be informed through technical work and engagement with transport, education and other infrastructure and service providers. Infrastructure needs will be looked at in terms of the requirements placed through individual development sites and also the cumulative impacts of development sites at town level and wider area, to enable a strategic approach to be taken to infrastructure planning and its phasing and funding. The Infrastructure List can also be informed through infrastructure needs identified in other development plans in Mid Devon i.e. the Devon Minerals and Waste Plans, and Neighbourhood Plans where these have passed their referendum and form part of the statutory development plan for their local area. It can also be informed through infrastructure needs identified through the masterplanning of planned urban extensions and town centres.

#### 4.0 Planning Policy Advisory Group and subsequent amendments

- 4.1 The Planning Policy Advisory Group (PPAG) was consulted on 7<sup>th</sup> November 2022 on a draft version of the Mid Devon Infrastructure Funding Statement Part B (Infrastructure List). The PPAG has approved the Infrastructure List subject to amendments being made to it following comments made by PPAG Members which have been set out in the table below, together with officer responses to these. The Mid Devon Infrastructure Funding Statement Part B (Infrastructure List) in **Appendix 1** to this report includes the amendments where officers have agreed with the comments made by the PPAG Members.

<b>PPAG Member comments / infrastructure item</b>	<b>Officer response and justification of priority</b>
Include infrastructure requirements identified in Neighbourhood Plans	<p>The Cullompton Neighbourhood Plan and the Crediton Neighbourhood Plan both form part of the statutory development plan for their respective parts of Mid Devon. Both plans have been scoped and the following infrastructure items have been included in the Infrastructure List where these are not specifically covered through policies in the adopted Mid Devon Local Plan:</p> <p>“Cullompton Cullompton Swimming Pool Complex Community Facilities</p>

	<p>Cullompton Neighbourhood Plan Policy WL06</p> <p>Local”</p> <p>“Crediton</p> <p>Community Hub</p> <p>Community Facilities</p> <p>Crediton Neighbourhood Plan Policy CF1</p> <p>Local”</p>
<p>Make clear Phase 1 of the provision of access on to the A361 link from Blundells Road is ‘critical’ and that Phase 2 of the new junction from the Tiverton Eastern Urban Extension Access onto the A361 is ‘important’.</p>	<p>Tiverton – Eastern Urban Extension onto A361 including new junction – Phase 2</p> <p>Amend from “(1) Critical” to “(2) Important”</p> <p>Tiverton – Access on to A361 link from Blundell’s Road</p> <p>Add the word “Phase 1”.</p>
<p>Make clear that the community theatre at Tiverton will form part of the facilities of the Secondary school expansion of Tiverton and is therefore critical. Move this infrastructure item to follow the Secondary school expansion item on the list.</p>	<p>Amend the text and priority of the community theatre, and move it to follow the Secondary school expansion in the Infrastructure List:</p> <p>“Tiverton</p> <p>Community theatre, located on the school site as part of the Secondary school expansion.</p> <p>Education and Community facilities</p> <p>S1 (i), S8. TIV4 (d)</p> <p>(1) Critical”</p>

<p>Boniface Trail – this is also known as the “Credition to Exeter cycleway, and is important for connectivity between Credition and Exeter, rather than a “local” priority for the “rural” area.</p>	<p>Amend the text and priority of the Boniface Trail infrastructure item and move to the list of infrastructure items for Credition:</p> <p>“Credition</p> <p>Boniface Trail / Credition to Exeter cycleway route feasibility study</p> <p>Transport</p> <p>S1 (e,i), S8, Credition Neighbourhood Plan Policy T2</p> <p>(3) Desirable”</p>
<p>At Cullompton, the through route linking Willand Road to Tiverton Road and traffic management measures on Willand Road at North West Cullompton should be “(1) Critical”, the same as the Town Centre Relief Road.</p>	<p>Amend the priority of the through route linking Willand Road to Tiverton Road and traffic management measures on Willand Road at North West Cullompton from “(2) Important” to “(1) Critical”,</p>
<p>The expansion of the Uffculme primary school is currently under construction</p>	<p>Amend the text for the “Uffculme rural – primary school expansion” to include the words “- currently under construction”.</p>

## 5.0 Next Steps

- 5.1 Subject to Cabinet approval, the Council will publish the Mid Devon Infrastructure Funding Statement 2022 (Parts A and B) on the Council website by 31<sup>st</sup> December 2022.
- 5.2 There is no requirement for the Council to consult on the infrastructure funding statement or formally submit this to the Government.
- 5.3 The infrastructure funding statement will be kept under review and an updated version will be subject to approval for publication annually.

### Contacts for more Information:

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**Circulation of the Report:** Cabinet Members

**List of Background Papers and relevant links:**

Mid Devon Infrastructure Funding Statement (Part B) – Infrastructure List of types or projects that the authority intends to fund wholly or partly by the levy and developer contributions.

Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019

<https://www.legislation.gov.uk/ukxi/2019/1103/regulation/9/made>

Council 6<sup>th</sup> January 2021

<https://democracy.middevon.gov.uk/ieListDocuments.aspx?CId=156&MId=1304&Ver=4>

Cabinet 3<sup>rd</sup> December 2020

<https://democracy.middevon.gov.uk/documents/s19298/201203%20Community%20Infrastructure%20Levy%20FINAL%2003122020%20Cabinet.pdf>