

ED/12

North Somerset Infrastructure Delivery Plan

September 2011

North Somerset Council

1. Introduction

1. Creating sustainable communities is about providing the necessary supporting infrastructure of utility services, transport, schools, open space, community, health and leisure services. The purpose of the Infrastructure Delivery Plan is to co-ordinate and integrate the delivery of infrastructure required to serve new and existing development in North Somerset to 2026.
2. Understanding an area's needs and whether there is sufficient infrastructure available and planning for delivery are key aspects of the Core Strategy and other Local Development Framework documents. The Infrastructure Delivery Plan will address the viability and deliverability aspects of the spatial policy context, which in turn will ensure the successful management of growth and regeneration in North Somerset, leading to the development of more successful and sustainable communities.
3. Planning Policy Statement (PPS) 12 paragraph 4.8 states that:

“The core strategy should be supported by evidence of what physical, social and green infrastructure is needed to enable the amount of development proposed for the area, taking account of its type and distribution. This evidence should cover who will provide the infrastructure and when it will be provided. The core strategy should draw on and in parallel influence any strategies and investment plans of the local authority and other organisations.”
4. Locally, North Somerset Council's Corporate Plan sets out a clear priority to:

“Ensure development is well-planned with a focus on creating quality facilities and employment opportunities” and identifies the following as a key activity underpinning that goal:

“Develop a longer-term strategy for ensuring that major new development is accompanied by timely delivery of social and economic infrastructure.”
5. The North Somerset Infrastructure Delivery Plan sets out the key infrastructure requirements, including physical, social and green infrastructure, needed to implement the Core Strategy proposals, and how it is to be delivered and monitored. This is part of an on-going corporate process and has been prepared with input and ownership from a range of partners and other organisations. It assesses delivery through both

existing resources, development contributions and other opportunities. The objective is to identify what is being delivered, where, when and by whom.

6. The Infrastructure Delivery Plan reflects the spatial planning policies of the Core Strategy and other Local Development Documents and provides the overall context for the detailed delivery mechanisms such as development contribution policies.
7. The Infrastructure Delivery Plan is divided into two main parts:
 - a) An overview of the infrastructure requirements arising from the Core Strategy, and
 - b) A detailed schedule of infrastructure projects.

The schedules will consider infrastructure delivery across five year periods with early periods containing more detailed information and certainty than later years.

2. Development and Infrastructure Priorities

8. The starting point is the Core Strategy which sets out the spatial planning context to 2026. The Publication version was approved in January 2011. This document closely reflects the objectives of the North Somerset Sustainable Community Strategy and the North Somerset Partnership has been engaged in the process of preparing and refining the Infrastructure Delivery Plan.
9. In terms of new development, the Core Strategy proposes a minimum of 13,400 dwellings and 10,100 jobs within North Somerset 2006-2016. The priority is for employment-led regeneration at Weston-super-Mare which is the focus for new strategic growth over the plan period in the form of town centre renewal and the proposed Weston Villages. The Infrastructure Delivery Plan will reflect this approach through a geographical separation into two key areas:
 - Weston-super-Mare, including the Weston Villages as the main area of growth
 - Remainder of North Somerset

Weston Villages

10. The main location for new strategic growth within North Somerset will be in the form of two new Weston Villages on predominantly brownfield land at Weston Airfield (Winterstoke) and the former RAF Locking and adjacent

land (Parklands) providing some 5,000-6,000 dwellings in total. These two new developments will be developed in accordance with the principles of place-making and community-building to create distinctive new communities yet linked to the surrounding built-up area. They will be employment-led with the delivery of dwellings linked to jobs. Critical strategic infrastructure requirements relate to floodplain mitigation and transport, as well as the provision of local facilities such as retail, leisure and community facilities.

11. The main development proposals are:

- 5,500 dwellings, including 30% affordable housing.
- 37.7ha employment land to accommodate the employment-led approach of 1.5 B jobs per dwelling in step with residential development (7,810 B1 use jobs and 910 B2/B8 jobs).
- Flood mitigation - River Banwell improvements and a new lake/wetland area south of the airfield.
- Cross Airfield Link between Winterstoke Road and A371.
- Airfield Bridge Link – now likely to be a pedestrian/cycle link only
- A371 and Wolverhill Road/Churchland Way Link.
- Two new local centres, community, retail, leisure and educational facilities (one secondary and four primary schools).

Weston urban area

12. Weston-super-Mare has exhibited a weak local economy and out-commuting which has contributed to relatively low self-containment. The Core Strategy seeks to address this through a policy framework which looks to support investment and regeneration, particularly within the town centre, but also within other areas of the town such as the gateway area to improve its physical appearance, and South Ward to address issues of social inequality and deprivation. Transport improvements, particularly accessibility to junction 21, and flood prevention and mitigation, both fluvial and tidal, are critical.

13. The main development proposals are:

- M5 J21 improvements.
- Improvements to Worle Station.
- Marchfields Way widening.
- Herluin Way to Locking Road Link.
- Dolphin Square redevelopment for retail and leisure.
- 3,300 net additional new dwellings 2006-2026.
- Regeneration of key development sites within the town centre.
- South Ward improvements.

- Rail improvements – double tracks on loop line between Weston station and Worle.
- Park & Ride site.

Remainder of North Somerset

14. Elsewhere the Core Strategy approach envisages relatively little new development over the plan period over and above meeting local needs. The new development areas at Portishead will be coming to an end but there still remain issues of improved transport accessibility, particularly better rail/public transport access and Junction 19 improvements, and an improved job balance. Along with Portishead, it is anticipated that Clevedon and Nailsea will see relatively little new growth but will be looking to improve local services and facilities. Similarly any development in the villages will be small-scale and locally-led. Transport infrastructure is most critical in this area, including the need to address the requirements of Bristol Airport and Royal Portbury Dock.

15. The main development proposals are:

- M5 J19 improvements.
- South Bristol Link.
- New Portishead rail/rapid transit link.
- Bristol Rail Metro.
- 11,000 m² new retail floorspace to be focused at Clevedon, Nailsea and Portishead.
- 3,079 jobs focused at Clevedon, Nailsea and Portishead.
- 4,600 net additional new dwellings 2006-2026.
- Clevedon town centre regeneration.
- Nailsea town centre regeneration.
- Barrow Gurney Bypass.
- Bus rapid transit between Long Ashton Park & Ride and Bristol city centre.
- Banwell Bypass.
- Improved parking at Nailsea and Backwell Station.
- Expansion of Long Ashton Park & Ride.

3. Principles of infrastructure delivery

It is important that infrastructure is delivered in a manner that supports the development of sustainable communities, helping to create a sense of place and strengthening communities. Key principles in planning the delivery of infrastructure include:

- **Comprehensive and coordinated development:** infrastructure is to be delivered to agreed timescales and locations, in compliance with

masterplans, area action plans, SPDs and other planning documents. Where the delivery of infrastructure is phased, this must be agreed in advance, demonstrating how each element of infrastructure fits into overall frameworks for development, and how any interim arrangements will be managed.

- **Co-location and community hubs:** where possible, and particularly within new developments, community facilities should be co-located or shared to enhance accessibility, community use and viability.
- **Quality design and local distinctiveness:** the design of infrastructure must be of the highest possible quality. This should include taking into account distinctive local characteristics and heritage. Where possible, public art and landscaping should be incorporated into infrastructure provision to add character and assist place-making.
- **Accessibility:** services and facilities should be easily accessible by foot, bicycle and public transport to encourage sustainable travel choices. Parking at facilities must be adequate to avoid overspill into local streets.
- **Sustainable design:** infrastructure will need to be energy efficient and designed maximising its sustainable credentials, making optimum use of renewable resources and built of durable materials.
- **Crime and safety:** It is critical that layouts and the design of infrastructure are designed with a view to minimising crime and improving community safety.
- **Long-term viability:** It is recognised that infrastructure provision requires revenue support as well as initial capital engagement. In planning infrastructure, consideration must be given to its long-term management and funding. Options for self-sustaining community management are particularly encouraged.
- **Community engagement:** a pro-active approach to community engagement is central to the creation of sustainable communities. A partnership approach is required, including:
 - Early sharing of information.
 - An early community role in the consideration of preferred options for infrastructure provision, design and delivery.
 - Where possible, delivery and management led by or in partnership with local communities. This will include community ownership of facilities, where appropriate.

4. Assessing deliverability and viability

16. Core Strategy preparation began in 2007 and since then both the planning and economic context has altered significantly. In 2007 the planning context was supplied by the emerging Regional Spatial Strategy which was promoting substantial growth for the district primarily in the form of two new urban extensions. Following government changes and a reassessment of the Core Strategy based on a revised locally-derived

dwelling requirement, the amount of growth currently being proposed is significantly less, In addition the economics of delivery have significantly worsened in respect of public and private sector resources and local market conditions.

17. A number of studies have been commissioned at both sub-regional and district level to advise on viability and delivery aspects. These include studies looking at strategic infrastructure requirements across the West of England as well as advice on detailed delivery aspects in relation to the Core Strategy approach, implementation of strategic development sites and developer contributions. This advice has identified a number of key infrastructure challenges:

- Market confidence and viability is low at Weston, particularly in the current economic climate.
- Strategic infrastructure costs (particularly transport and flood mitigation) are high at Weston.
- Restricted availability of funding, both private and public.
- Delivery of an employment-led strategy is challenging.
- Need to be aware of the overall cost burden on development particularly the scale of development contributions including sustainability aspects (such as code levels) and affordable housing.
- Need to consider mechanisms to provide gap and forward funding.

5. Delivery mechanisms

18. The Council notes the viability and delivery issues outlined above and is working closely with elected members, partner agencies, developers and communities to overcome any obstacles to sustainable development. Actions underway to assist delivery include:

Reduction & prioritisation of delivery costs

19. The infrastructure requirements set out in this draft plan are subject to ongoing prioritisation and cost reduction exercises. Considerations include:

- *Works in kind*: In some cases, savings may be possible through the provision of infrastructure on development sites by the developer, particularly at the Weston Villages. All infrastructure provided in this manner must be delivered to agreed standards and timescales.
- *Co-location and shared uses*: The Council's preferred approach is to co-locate and share community facilities where possible. This provides advantages both in reducing costs and in providing a 'one-stop' option for service users. It assists cooperation between

services such as health and social services, where good communication is key. Services that would be considered for co-location include education (schools); local health care; sports and leisure facilities; libraries and information services; and social services.

- *Management and maintenance:* Consideration will be given to private sector or community management and maintenance of facilities, which may bring about a reduction in the ongoing costs of infrastructure. Such arrangements will not be decided on the basis of financial costs alone, but in the context of wider considerations such as security of provision and opportunities to enhance community capacity. The final approach will be that which is felt to provide the best overall outcome for the local community.
- *Phasing:* The delivery of infrastructure may be assisted through a phased approach, which ensures that facilities are provided at the time that they are needed but which also takes account of cashflow issues for public and private providers. This can improve viability by reducing the need and costs of early borrowing. Where infrastructure is funded through Section 106 development contributions, market recovery mechanisms may also be acceptable. As a minimum, however, safeguarding of land will be required to ensure that infrastructure can be provided at a later stage as and when funds become available, without compromising other facilities or the overall masterplan for the development.
- *Reduced requirements:* If all of the above have failed to deliver a viable scheme or otherwise threaten the delivery of the Core Strategy's five-year housing supply, the council and partners will consider whether reduced infrastructure requirements can be agreed. This would be a last resort and is unlikely to be acceptable other than in the most exceptional circumstances.

20. At the strategic level, the process for considering these options will include:

- Expert advice from officers, partner agencies, developers and technical advisors, as appropriate.
- Consultation with relevant community groups, including any designated Neighbourhood Forums. Emerging government guidance on localism will be followed where appropriate.
- Consultation with elected members, in particular, local ward members and the Executive Member for Strategic Planning. Where

changes are significant, formal sign-off by the Executive Member is likely to be required.

21. In relation to specific planning applications and Section 106 agreements, mechanisms for sign-off will be agreed through the relevant Area Committee(s).

Public sector funding & support

22. North Somerset Council and partners will work together to secure and make best use of public resources in support of infrastructure. The key body in facilitating this will be the North Somerset Partnership, which brings together partners to plan, deliver and manage local services. Resources to be considered will include:

New Homes Bonus (NHB): This funding is provided by central government to incentivise housing growth. For each additional home provided in the local area, the government will pay a New Homes Bonus equal to the national average for the council tax band, to be paid each year for the following six years. For an average Band D house, this could equate to around £9000 per house in total. The grant is unringfenced and the Council is currently considering the priorities for its use. Consideration will also be given to borrowing against future NHB income in order to front-fund infrastructure.

Business rates and Tax Increment Financing (TIF): Government is currently considering whether councils may be permitted to retain locally-raised business rates. As with the New Homes Bonus, this may provide an opportunity for the council to front-fund infrastructure against future income, potentially through a Tax Increment Financing approach.

Regional Growth Fund (RGF): The RGF is a £1.4bn national fund that will operate between 2011 and 2014 to provide support for projects and programmes with significant potential for long-term private-sector-led economic growth and employment. It is targeted at areas currently dependent on the public sector. Bids will be subject to a competitive judging process and must be made by the private sector alone or through a private-public partnership. Opportunities to access this fund will be limited, but consideration is being given to a joint bid with landowners at the Weston Villages for infrastructure in support of growth.

Service-specific grants: Wherever possible, the Council and its partners will seek service-specific grants for infrastructure. These are likely to include grants for educational facilities and major transport schemes. However, such grants are increasingly difficult to secure and contingency arrangements will be put in place in case they do not materialise.

Council and partner assets: North Somerset Council and its partners hold significant land and other assets across North Somerset, including land at the Weston Villages. Consideration is being given to the best use of these assets in securing employment-led growth and infrastructure provision. Examples could include the development of North Somerset Council and use of capital receipts to support infrastructure, or the creation of local asset backed delivery vehicles.

23. At the sub-regional level, North Somerset Council is working closely with the West of England Local Enterprise Partnership. A number of employment sites focused around the Weston Villages have been designated as an Enterprise Area by the Partnership. A Memorandum of Understanding is being drawn up as to how the LEP will support the Enterprise Area's development. This is likely to include coordinated promotion of the Enterprise Area and could also include infrastructure investment, as and when funding becomes available, for example, as a result of income from the Bristol Temple Quay Enterprise Zone.

Delivery of affordable housing

24. In North Somerset affordable housing delivery negotiated through the planning system, delivered without public subsidy will still require a tenure balance compliant with the Core Strategy, PPS3 and the West of England Strategic Housing Market Assessment. It will also need to address the housing needs identified in the West of England Strategic Housing Market Assessment and contribute to the creation of stable, mixed and balanced communities
25. The affordable housing viability and delivery advice produced by Three Dragons in 2011 supported the approach of negotiating 30% affordable housing without the use of public subsidy, and advised on the use of lower thresholds. This supported the amendments in the Publication version of the Core Strategy.

6. Development contributions

26. The majority of funding for infrastructure is anticipated to come from Development Contributions. At the present time, these are secured through Section 106 agreements in line with the Community Infrastructure Levy regulations 2010, e.g. that planning obligations must be:

- Necessary to make the development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

Draft guidance on the application of these tests and other issues relating to S106 agreements is currently being drawn up. This will include guidance on viability assessments and market recovery mechanisms.

27. The S106 approach to development contributions has a number of disadvantages, in particular where investment is required in strategic infrastructure such as transport and flood mitigation. For this reason, North Somerset Council is moving to introduce a Community Infrastructure Levy, which is likely to be implemented during 2012.

28. A Community Infrastructure Levy will bring several advantages in delivering infrastructure to support development:

- The Levy will better facilitate the collection of funds towards strategic infrastructure which is often critical to the development of the area, but which may be difficult to attribute to a single site.
- Income from the Levy is unringfenced and will allow the Council and its partners greater flexibility to prioritise and phase infrastructure delivery.
- The fixed nature of the charges brings more certainty to developers in terms of how much they will pay, and to the Council and partners in planning their income and potential expenditure. This is expected to increase the confidence of all parties in bringing forward development and should save time and money spent on administration and site-by-site negotiations.
- All developments must contribute; this may to a small extent increase income from developments which would previously have escaped obligations.

29. The introduction of the CIL places a requirement on the Council to strike an appropriate balance between infrastructure needs and development viability. The Council has commissioned specialist advice on this point.

30. The implementation of the CIL will require strong governance mechanisms for the prioritisation of infrastructure, the commissioning / management of its delivery, and for general monitoring of the process. These mechanisms

will be developed and agreed as part of the process of developing the CIL, with advice from external specialists. Mechanisms are likely to include a role for the Council's existing Capital Board, with strategic level reporting to elected members and the North Somerset Partnership.

31. Where development comes forward at different speeds, forward-funding of infrastructure may be required in order that communities are not left without facilities for an extended period. Where possible, this forward-funding will be sought from developers, but consideration is also being given to public sector forward-funding, for example, a West of England Revolving Infrastructure Fund.

7. Policy requirements and review process (including employment-led policy)

32. Policy requirements set out in the Core Strategy have been developed as a considered response to factors such as the jobs deficit which act as a barrier to sustainable communities. It is a North Somerset Council corporate priority to:

“Ensure development is well planned, with a focus on creating quality facilities and employment opportunities.”

Without appropriate policies in place, there is a high risk that future growth will add to the problems of unsustainable development.

33. North Somerset Council and its partners note the points made by advisors and consultees on the obstacles to infrastructure delivery that some of these policies present, in particular, the employment-led approach.
34. To assist delivery of policy requirements alongside the timely provision of infrastructure, the Council will, in addition to the actions outlined above:
- Adopt a partnership approach, working closely with developers, partner agencies and communities to find innovative solutions to delivery.
 - Align the Council's own services and resources. For example, the Council has developed a 'commercial protocol', providing a 'start-to-finish' coordinated support service for new employment developments. A dedicated Economic Development Team works to increase inward investment in North Somerset and to support existing businesses.
 - Where delivery may be delayed due to the employment-led approach or other policies, consideration will be given to forward-funding infrastructure through a Revolving Infrastructure Fund or against future New Homes Bonus, business rates or council tax

income, to ensure that facilities and services are provided at the point when they are needed.

- If possible and appropriate, seek to offer incentives for employment-led development, for example, discounts on business rates or the introduction of Local Development Orders.

35. The Council and partners will monitor the impact of policies on the delivery of sustainable development. After a five-year period, the policies and this Infrastructure Delivery Plan will be formally reviewed. If policies are found to be hindering rather than promoting, sustainable development, changes may be made, in line with planning policy guidance and legislation at the time.

8. Strategic partnerships and delivery vehicles

36. In order to secure the long term vision, particularly as part of the growth envisaged for Weston-super-Mare, and to achieve best value it is critical that the collective objectives of the Council and its partners are aligned but also explore available options for delivery on an area wide basis. This means presenting to the market a set of development opportunities that are attractive and in return getting a long term viable delivery approach (e.g. asset backed vehicle, investment partner) from the market place. The Council is working with key partners to identify strategic options for delivery prior to determining the most appropriate delivery vehicle.

9. Infrastructure Delivery Schedules

The infrastructure requirements for the two sub-areas of the district are summarised in spreadsheet format:

Schedule A: Weston-super-Mare, including the Weston Villages

Schedule B: Remainder of North Somerset

For each of the service areas or requirements (such as education, transport, health care, flood management etc) these schedules summarise the nature of the infrastructure, its cost and timing, how it is delivered and maintained, as well as identifying the risks and priorities. The infrastructure delivery schedules will be regularly reviewed and updated.