

**Agenda Item 10
Report PC20/21-18**

Report to	Planning Committee
Date	08 October 2020
By	Director of Planning
Title of Report	Infrastructure Business Plan 2020
Purpose of Report	To approve the Infrastructure Business Plan and the spending of the 2019 / 20 Community Infrastructure Levy receipts

Recommendation:

- (1) To approve the Infrastructure Business Plan 2020 (attached at Appendix 2 and 3);**
- (2) To delegate authority to the Director of Planning to make minor amendments to the wording and formatting within the Infrastructure Business Plan prior to publication. Any such amendments shall not alter the meaning of the document;**
- (3) To approve the allocation of the Community Infrastructure Levy 2019 / 20 receipts of:**
 - **£283,726.44 to West Sussex County Council;**
 - **£196,000.00 to Hampshire County Council; and**
 - **£121,597.04 to East Sussex County Council.**
- (4) To approve the in-principle allocation of the Community Infrastructure Levy 2019/20 receipts of:**
 - **£902,027.27 to the projects identified in paragraph 4.7 of this report, and to delegate authority to the Director of Planning to undertake further assessment of those projects, as detailed within paragraphs 4.9 and 4.10 of this report, to determine the final allocation of funds up to the amount of £902,027.27 in respect of those projects and to authorise payments accordingly.**

1. Summary

- 1.1** This report is seeking approval for the South Downs National Park Authority's (SDNPA) Infrastructure Business Plan 2020 (IBP, attached at **Appendix 2 and 3**) and the specific allocation of the Community Infrastructure Levy 2019 / 20 receipts. The IBP sets out the infrastructure projects required over the lifetime of the South Downs Local Plan and Neighbourhood Development Plans which may be funded partly or wholly by the Community Infrastructure Levy collected by the SDNPA.

2. Background

- 2.1** In 2016, the South Downs National Park Authority (SDNPA) authorised the introduction of the Community Infrastructure Levy (CIL) across the National Park. The SDNPA produced a CIL Charging Schedule and associated Infrastructure Delivery Plan (including a process for how CIL spending would be prioritised within the National Park) which was supported by the Planning Inspectorate following an examination. The SDNPA became a CIL Charging

Authority on the 1 April 2017.

- 2.2 In the National Park, CIL is charged on residential developments (where new dwellings are created and / or where there is a net additional floorspace of over 100sqm) and on new large format retail floorspace (with a net retail selling floorspace of over 280sqm). CIL is then to be used to deliver infrastructure in the National Park, working in partnership.
- 2.3 The SDNPA is responsible for making the final decision on the allocation of funding raised through CIL. CIL has to be used for infrastructure to support the growth across the National Park.
- 2.4 In the financial year 2019 / 20, the SDNPA collected a total of £1,877,567.95 from CIL.
- 2.5 Under the CIL Regulations 2010 (as amended), the SDNPA as the 'charging authority' retains 5% of the money received to cover its administration costs, then 15% or 25% (dependent upon whether there is a made Neighbourhood Plan) is passed directly onto Parish / Town Councils.
- 2.6 In accordance with the CIL Regulations, the remaining CIL money (that is minus the administration costs and Parish / Town Council portion) can then be spent on infrastructure projects. The list below sets out the types of infrastructure the SDNPA will spend its proportion of CIL on (see Table 1 below).

Table 1 – The SDNPA's Infrastructure Categories list (submitted to the Planning Inspectorate when the CIL Charging Schedule was approved in 2016, and formerly known as the Regulation 123 list)

Infrastructure Categories	Project Examples
Green Infrastructure	Landscape-scale mitigation; Access land; informal open space; managed space; village greens; allotments; green roofs; parks; micro-generation energy schemes; South Downs Way improvements; flood management and climate change mitigation; Habitats Regulation Assessment compliance, and tree planting.
Social & Leisure	Cultural heritage; enhancement to historic urban fabric; public realm improvements; added-value in hard surfacing; sports facilities and pavilion improvements; green gyms; playing fields; playgrounds; recreation grounds.
Services & Facilities	Community buildings; libraries; support services and care; village halls; expanding emergency services capacity; car parking; insulation and other improvements to public buildings; National Park interpretation boards and exhibits; visitor centres; tourist information and promotion of National Park.
Transport	Public Rights of Way improvements; walking and cycling infrastructure; bus and rail network improvements; traffic calming; improved signage; highway works that add value to the National Park setting.
Education	State-funded primary and secondary schools.
Health & Wellbeing	GP Surgeries / Hospitals / Mental health provision / adult social care
Utility Services	Broadband provision; utilities supply (where not a statutory undertaking); added value flood schemes; waste management & disposal.

- 2.7 The SDNPA started collecting CIL on 1 April 2017. CIL is payable upon commencement of development, not on the grant of planning permission.
- 2.8 The Infrastructure Business Plan (IBP) is the document that sets out the infrastructure needs to deliver the growth / development identified in the South Downs Local Plan and Neighbourhood Development Plans and prioritises the infrastructure projects which will be funded (partly or wholly) by CIL. The plan identifies a significant funding deficit (of millions of pounds) to delivering the required infrastructure.
- 2.9 CIL will only help to bridge the funding gap, but will never completely resolve it. Therefore, there is a need to prioritise the infrastructure projects, alongside exploring other funding opportunities and approaches to financing which will require partnership working arrangements with infrastructure providers.
- 2.10 In 2018 (and as amended in 2019), Planning Committee approved the process for creating the IBP, the details of which are set out in Appendix C of the IBP document (see **Appendix 3** of this report), however the key points are summarised below:
- Splitting the SDNPA's portion of CIL receipts into 2 pots. Pot 1 – 40% split between the County Councils to deliver any Critical or Essential Projects and Pot 2 – 60% for all other projects;
 - Categorising the infrastructure projects into 4 groups, Critical, Essential, High Policy Priority and Desirable – as shown in the Table 2 below;

Table 2 – Category Definitions

Type	Definition
Critical	Infrastructure that must happen to enable growth, i.e. is a pre-requisite to unlock any future works, without which the development can't proceed. These generally fall within S106 agreements.
Essential	Necessary in order to mitigate impacts arising from the operation of developments e.g. off-site provision of school places, highway improvements.
High Policy Priority	To support wider strategic or site specific objectives, which are set out in policy or subject to Statutory Duty. The SDNPA will prioritise projects within or with clear links to: <ul style="list-style-type: none"> • Our 5 large Settlements areas • Neighbourhood Plans with development allocations • Development allocations in the Local Plan • Partnership Management Plan Priorities – with clear evidence of partnership working
Desirable	Required but unlikely to prevent development in short-medium term. This will also include projects linked to Neighbourhood Plans with no development allocations and projects which fall within or are close to Large Settlements, or Neighbourhood Plans with allocations, but the projects have no defined timescales / clear commitments (i.e. more aspirational).

- Ensure a broad geographical spread of projects across the National Park;
- Scoring the projects using the 'Prioritisation Matrix' (copy attached within the IBP Appendices – see **Appendix 3**), and

- Projects would be put into 5 year periods, Short, Medium and Long term, based on when the project would most likely be required or delivered.
- 2.11 In addition, and in accordance with the 2019 amendments to the CIL Regulations, the SDNPA is required to publish by 31 December each calendar year an 'annual infrastructure funding statement' (IFS), which must comprise of:
- A statement of the infrastructure projects or types of infrastructure which the SDNPA intends will be, or may be, wholly or partly funded by CIL;
 - A report about CIL, in relation to the previous financial year (referred to as the reported year) in a format specified by the Regulations, and
 - A report about planning obligations secured through Section 106 Legal Agreements, in relation to the reported year in a format specified by the Regulations.
- 2.12 The IBP for approval today (attached at **Appendix 2 and 3**), incorporates the requirements of the 'IFS', together with details of the proposed spending of the 2019 / 20 CIL receipts
- 2.13 The Authority has also purchased an upgrade to its CIL / S106 administration / accounting computer software programme (Exacom) to include what is known as a 'public facing module'. This will allow members of the public to interrogate all aspects of CIL and other planning obligations as it provides a daily feed to our back office system. This new search facility will be up and running by the end of the year and will be made available on the CIL pages of our website.
- ### 3. Infrastructure Business Plan (IBP)
- 3.1 The IBP (see **Appendix 2 and 3**) sets out
- the current understanding of infrastructure required to support the delivery of the South Downs National Park Development Plan (made up of the Local Plan, Neighbourhood Development Plans and Minerals / Waste Plans);
 - how the Community Infrastructure Levy (CIL) within the SDNPA will be used (including spending this year), and,
 - how it is expected to be used over the coming years (set out in five year time periods from 2019 to 2033).
- 3.2 The IBP can never be precise about the costs of some of the infrastructure projects required. The document is a best estimate at a given point in time. It is a 'living' document that is kept under review and updated annually (and approved at Planning Committee annually).
- 3.3 The IBP has been prepared by the SDNPA with input from the Parish and Town Councils, District and County Councils (including drawing on information in the Statements of Common Ground prepared to support the production of the South Downs Local Plan), Natural England, Historic England, Environment Agency and other interest and amenity groups within and adjacent to the National Park.
- 3.4 All interested parties were also asked to review the SDNPA's 2019 Infrastructure Business Plan and provide updates on relevant entries (interested parties were given 3 months to review and submit their bids). In total, over 400 projects were submitted for funding and reviewed.
- 3.5 All infrastructure projects identified have been separated into four categories, critical, essential, high policy priority and desirable (as agreed as part of the process previously approved by Planning Committee).
- 3.6 Categorising projects is always going to involve an element of judgement and the category that a project falls within may change over time, as demonstrated with the additional 'Essential' project this year.
- 3.7 For this year's IBP, no projects were identified as being critical, 12 projects were identified as essential, 119 projects as high policy priority and the remaining as desirable.
- 3.8 Approval of the IBP will constitute an 'in-principle' agreement to contribute SDNPA's CIL

money towards the infrastructure projects set out in the document.

4. Spending of 2019 / 20 CIL receipts

- 4.1 Up to 31st March 2020, the SDNPA collected £1,877,567.95 in CIL. £280,380.85 has been distributed to Parish / Town Councils where development has commenced (in accordance with the CIL Regulations). Payments to the Parish / Town Councils are made, as per CIL regulations, in April and October. The total amounts passed onto the qualifying Parish / Town Councils from 2019/20 CIL receipts, is set out in Table 3 below.

Table 3 – 2019 / 20 CIL receipts passed onto the Parish / Town Councils

Parish / Town (where CIL liable development has commenced)	Amount paid to Parish / Town Council
Alfriston Parish Council	£188.34
Buriton Parish Council	£20,094.16
Clapham Parish Council	£24,175.26
Compton Parish Council	£1,089.09
Corhampton and Meonstoke Parish Council	£1,332.80
Ditchling Parish Council	£11,190.00
Droxford Parish Council	£947.04
Easebourne Parish Council	£2,450.85
Falmer Parish Council	£157.84
Fernhurst Parish Council	£2,096.34
Froxfield & Privett Parish Council	£2,490.60
Fulking Parish Council	£1,690.00
Funtington Parish Council	£7,036.50
Greatham Parish Council	£1,588.50
Hambledon Parish Council	£304.00
Lewes Town Council	£40,157.09
Liss Parish Council	£5,033.48
Lynchmere Parish Council	£1,115.89
Midhurst Town Council	£77,784.95
Milland Parish Council	£333.04
Owslebury and Morestead Parish Council	£1,957.21

Patching Parish Council	£52.61
Petersfield Town Council	£42,561.49
Piddinghoe Parish Council	£3,463.66
Poynings Parish Council	£789.20
Pulborough Parish Council	£889.02
Stedham with Iping Parish Council	£1,745.10
Steyping Parish Council	£1,169.56
Storrington and Sullington Parish Council	£4,261.67
Stoughton Parish Council	£3,628.58
Stroud Parish Council	£15,585.92
Upham Parish Council	£947.04
Westbourne Parish Council	£2,074.02
Total	£280,380.85

- 4.2 Once the Parish / Town Council payments have been made (and minus the 5% deducted for administration purposes in accordance with the Regulations) this leaves £1,503,308.70 of 2019 / 20 CIL receipts to spend on the infrastructure projects set out in the IBP.
- 4.3 The SDNPA has £601,323.48 in Pot 1 and £902,027.27 in Pot 2 (Pot 2 includes £42.05 of 2018 / 19 unallocated CIL receipts and underspend of projects delivered) to allocate.
- 4.4 The recommendation is that money from Pot 1 is allocated to the following County Councils, to be spent on any of those 12 projects listed as essential in the IBP (see Appendix B within the IBP document, attached at **Appendix 2** of this report):
- West Sussex County Council allocated £238,726.44;
 - Hampshire County Council allocated £196,000.00, and
 - East Sussex County Council allocated £121,597.04.
- 4.5 Brighton & Hove City Council have not identified any critical or essential strategic infrastructure requirements for 2019 / 20.
- 4.6 It is further recommended that the money in 2019 / 20 Pot 1 be ring-fenced for the next 5 years and the County Councils will be invited to request the funds only for the purposes of delivering the 12 identified projects. Should funding for these infrastructure projects no longer be required after 2024 / 25, the money could be made available to other projects.
- 4.7 It is recommended that £902,027.27 from the money in Pot 2 is allocated to the following 8 projects listed as 'High Policy Priority' within the IBP as these projects scored the highest in the priority matrix, can be delivered in the short term and represent a broad geographical spread of projects across the National Park. The indicative allocations are set out in Table 4 below and the broad locations of these projects are shown on the Map attached as **Appendix I**.

Table 4: Pot 2 Recommendations

Project Number on Map (see Appendix 3)	Project Name	Recommendation
1	Centurion Way Phase 2 – construction of part of a new 5.3km non-motorised user path from West Dean to South Downs Way at Cocking (following the former Chichester to Midhurst Railway Line)	£500,000.00
2	Washington Link Footpath – to provide an ‘off-road’ route (open to walkers, horse-riders and cyclists) between Washington Village and the South Downs Way at Washington Bostal Car Park	£166,700.00
3	Seven Sisters Country Park – for a number of infrastructure projects associated with enhancing the facilities, including, but not limited to, a new changing places toilet, wheel-chair accessible lift for the Visitor Centre and full-fibre broadband	£100,000.00
4	Ditchling – Keymer Road Car Park – to provide additional car parking spaces (including disabled bays and cycle racks) for the village and visitors to the National Park. Funding is subject to provision of electric vehicle charging points	£70,000.00
5	Stroud Village Improvement Scheme – towards highway improvement works / improved pedestrian footways and crossing points and Village signs (plus decluttering of existing signs / road markings)	£20,000.00
6	Iping Common – to upgrade the three entry points and paths to improve access to the Common (such as drainage improvement works and re-surfacing the entrance points using Fittleworth Stone)	£19,000.00
7	Kings Arms Youth Project – towards the purchase of, and improvement works to, a new permanent home for the Youth Project within Petersfield Town Centre. The project supports local young people affected by challenging home circumstances, mental health / stress / anxiety-related conditions during their school years	£15,000.00
8	Farringdon Village Improvement Scheme - towards highway improvement works to improve highway safety issues and Village signs (plus decluttering of existing signs / road markings)	£11,327.27
Total		£902,027.27

- 4.8 It is further recommended that the money in 2019 / 20 Pot 2 be ring-fenced for the next 3 years (to the financial year 2023 / 24). Should funding for these infrastructure projects no longer be required after 2023 / 24, the money could be made available to other projects.
- 4.9 As previously stated the approval of the IBP by the SDNPA's Planning Committee will constitute an 'in-principle' agreement to contribute CIL money towards those infrastructure projects. However, every project will be subject to further assessment (for example to ensure the project is being carried out by a competent person, checking the project costs / adequate quotations have been received, the project is going to be managed into the future, etc) by SDNPA officers before any actual payment is made. Officers will follow up with each bidder and help them with the process.
- 4.10 Projects seeking CIL monies will need to be supported by clear evidence of the cost and practicality of delivering the scheme or project, including acceptable project governance / management arrangements. Therefore, the Committee is asked to delegate authority to the Director of Planning to undertake further assessment of the projects to determine the final allocation of funds up to the total amount within Pot 2 (£902,027.27) with that money to be spent on the 8 recommended projects and to authorise payments.

5. Planning Committee Considerations

- 5.1 The introduction of CIL, the 2016 Infrastructure Delivery Plan and the process for prioritising projects have previously been approved by the NPA and the then Policy and Programme Committee. The process for creating the Infrastructure Business Plan was approved by Planning Committee on 13 September 2018 (and as amended on 14 November 2019) – links to the reports can be found in background papers listed below.

6. Other Implications

Implication	Yes/No
Will further decisions be required by another committee/full authority?	No, not in relation to the 2019 / 20 CIL receipts. The IBP will be brought back to Planning Committee each year for approval.
Does the proposal raise any Resource implications?	Yes, the proposed allocation of funds will be met from CIL receipts which are currently held in an earmarked reserve. Regulations allow charging authorities 5% of receipts for administration purposes, which enables the Planning Service to deliver the work associated with operating CIL and producing the IBP.
Has due regard been taken of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	Yes, the projects that CIL will help to deliver have due regard to this duty.
Are there any Human Rights implications arising from the proposal?	No
Are there any Crime & Disorder implications arising from the proposal?	No
Are there any Health & Safety implications arising from the proposal?	No
Are there any Sustainability implications based on the 5 principles set out in the SDNPA Sustainability Strategy:	The prioritisation / scoring process of projects and the projects themselves that CIL will help to deliver, all take proper account of relevant sustainability matters. Indeed the projects are designed to meet the Purposes and Duty of the National Park.

7. Risks Associated with the Proposed Decision

- 7.1 Risks associated with CIL have been incorporated into the Corporate Risk Register, however some risks have been identified in the table below.
- 7.2 In addition, the methodology and recommendations set out above are intended to help the Authority manage risk through ensuring a robust and fit for purpose process and governance structure in which to allocate CIL funding.

Risk	Likelihood	Impact	Mitigation
Failure to approve allocating CIL funding – poor management of funds would lead to challenge over decision making	Unlikely	Moderate	Approve the IBP
Insufficient information to fully assess the requests for CIL funding (i.e. the projects put forward)	Likely	Minor	Officers assist bidders and follow up with queries as required. Officers have been working on a CIL module for 'Projects for the South Downs' to ensure consistency of information provided and will be updating information available on the website.

TIM SLANEY

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South Downs National Park Authority

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Appendices	<ol style="list-style-type: none">1. Map showing the broad locations of Pot 2 Projects recommended to receive money from 2019 / 20 CIL Receipts2. Infrastructure Business Plan 20203. Infrastructure Business Plan 2020 - Appendices
SDNPA Consultees	Legal Services; Chief Finance Officer; Monitoring Officer; Director of Planning
External Consultees	None
Background Documents	<p>Further information on the Community Infrastructure Levy (including the SDNPA's charging schedule and 2019 Infrastructure Business Plan (IBP)) can be viewed at https://www.southdowns.gov.uk/planning/community-infrastructure-levy/</p> <p>The introduction of the Community Infrastructure Levy and agreement to the process of prioritising projects has been previously agreed by the then Policy and Programme Committee and NPA, the IBP process was agreed by Planning Committee on 13 September 2018 and the 2019 IBP was approved by Planning Committee on 14 November 2019.</p> <ul style="list-style-type: none">• https://www.southdowns.gov.uk/meeting/29-january-2015/

- <https://www.southdowns.gov.uk/meeting/authority-meeting-2-february-2016/>
- <https://www.southdowns.gov.uk/meeting/authority-meeting-22-september-2016/>
- <https://www.southdowns.gov.uk/meeting/planning-committee-13-september-2018/>
- <https://www.southdowns.gov.uk/meeting/planning-committee-14-november-2019/>

Map showing the broad locations of Pot 2 Projects recommended to receive money from 2019 / 20 CIL Receipts



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