

Development and infrastructure

creating

quality places



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This document sets out a framework by which KCC will work together with Districts and the development industry to deliver necessary community infrastructure. It has been prepared in challenging economic circumstances both for the public sector and development industry. This means it is more important than ever to work together to develop joint innovative and pragmatic solutions to unlock housing development to support both long-term economic growth and ensure quality places for Kent people to live and work.

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Executive Summary

This document sets out the framework by which KCC will work together with Districts, Parishes, Town Councils and the development industry to deliver the necessary community infrastructure to support the forecast level of housing growth in Kent. For the purposes of this document, community infrastructure covers primary and secondary education, adult social care, community learning, libraries and archives and youth. Appendix 5 lists the main service contacts for KCC that may require development contributions including Highways for which KCC has statutory responsibility. It also provides additional information on KCC Highways and Transportation approach.

The framework sets out the approach, funding sources and methodology for calculating the quantum of contributions required towards funding the necessary community infrastructure for the next 20-25 years. This information will be used to assist and inform Section 106 Agreement negotiations and the emerging Community Infrastructure Levies (CIL) throughout the County. The framework and its resultant outputs replace the previous KCC Developer's Guide and should be substituted for the Developer's Guide where that document is referred to in existing Section 106 Agreements.

This document sets out KCC's vision for growth and its partnership approach to seeking to secure funding for the necessary community infrastructure to support that growth through existing and proposed public funding sources and from the private sector. (Part 1)

The document then outlines, in Part 2, the KCC's technical assessment process used in the Integrated Infrastructure and Finance Model (IIFM) which has been developed to identify what additional community infrastructure is required as a consequence of forecast growth and when. The quantum is then capable of being converted to a per household or per dwelling contribution, although this document does not set out the specific financial contributions.

The document then provides a series of methodology statements for each service provider.

The framework has been prepared in challenging economic circumstances both for the public sector and development industry. This means it is more important than ever to work together to develop joint innovative and pragmatic solutions to unlock housing development to support both long-term economic growth and ensure quality places for Kent people to live and work.

Part 1: The Vision

1. Kent Context

The recent recession and continuing depressed level of economic activity has meant tighter restrictions on investment funding and mortgage lending by banks. Government funding has substantially reduced. Despite some signs of recovery in the housing market sector site viability and demand currently remain fragile.

These changes present challenges to current approaches to infrastructure provision. In response we will develop alternative, more innovative cost-effective solutions. Solutions that are based on shared objectives and priorities to stimulate local housing and jobs growth. This includes working with Districts, Parishes, Town Councils and Developers to develop more innovative and flexible solutions to deliver community infrastructure based on public and private sector funding sources. **Section two below outlines some of these options in more detail.**

This document has been developed to update and revise KCC's approach to development contributions to ensure the approach complements and supports the strategic policy approach and housing delivery objectives set out in the Kent Forum Housing Strategy, Bold Steps for Kent and Unlocking Kent's Potential: Kent County Council's framework for regeneration.

2. Approaches to providing infrastructure and funding

The scale of development in Kent is still to be determined but is likely to be substantial. The South East Plan provided for a target of 139,420 dwellings in Kent and Medway from 2006 to 2026. It is the government's intention to revoke this plan and through the Localism Act give power to Districts to decide the housing targets for their area – these could be significantly different to those set out in the South East Plan. The picture will become clearer during 2012 as Districts and Boroughs make further progress with their Local Plans and begin reviews of adopted plans.

The main funding source for new infrastructure from new housing has until now been development contributions negotiated through S106 agreements. Whilst S106 agreements and the CIL (once implemented) will remain a source of future funding,

current economic and financial constraints on the housing market will potentially reduce viability of housing schemes. Moreover, reductions in local government revenue budgets will put more pressure on current levels of service provision. New provision, where it can be justified, must also be sustainable within revenue budgets. Maintaining a rigid approach to infrastructure provision will undermine the ability to deliver new housing. We recognise that a more flexible and varied approach is required.

KCC will work with the local community, developers and other service providers to support innovative approaches to providing infrastructure which reduce cost whilst ensuring well designed, quality places to live and work. The following list offers examples of these approaches. They are not exhaustive and we would be happy to explore other suggestions.

Provision

- Integrated provision/Community hubs development. An example is the integration of community and primary education provision at The Bridge, Dartford ¹.
- Gateway ² provision such as in Ashford and Tunbridge Wells town centres where a range of services can be provided from a single building. At Ashford Gateway Plus, a full library service, community learning, council housing and benefits advice, Citizen Advice Bureau, Social Services and café are provided from one building.
- Provision of new equipment, for example, library book stock instead of a building extension project
- Where appropriate, the provision of a flexible space, outreach provision and commuted sums would enable new communities to determine the shape of their community facilities
- Time-limited commuted contributions to extend services offered at existing facilities, for example by funding additional opening hours, class sessions, accessibility improvements etc.
- New technology based solutions such as accessing services via provision of high-speed broadband, particularly in rural areas or to provide Internet

¹ <http://www.thebridgedartford.co.uk/>

² http://www.kent.gov.uk/your_council/contact_us/ore_offices_and_gateways/gateway.aspx

based gateway provision instead of a property based solution

- Provision of houses meeting wheelchair accessible standard (as promoted in the Kent Forum Housing Strategy) within larger development schemes. Eight wheelchair accessible units are included in the Martello Lakes development, Shepway in lieu of financial contributions for use for older people diagnosed with Alzheimer's.
- Direct provision of facilities by the developer. For example, the S106 agreement for Eastern Quarry development includes scope for the developer to directly provide the primary schools. In Shepway, a Care Home provider included an additional 55sqm in their new development in lieu of contributions for use for older people diagnosed with Alzheimers.
- Community facilities, for example, changing facilities, based in high foot-fall facilities such as retail outlets, supermarkets, leisure centres to enable full access for people with learning and physical disabilities.

Funding Sources

Whilst it is reasonable to expect housing development to make a contribution to the cost of required infrastructure, KCC recognise that in many circumstances this can only provide a proportion of the funds necessary for the provision of community facilities. Therefore, alongside looking at new ways of providing infrastructure, KCC with its partners, is committed to explore and seek to use the widest range of potential funding sources including:

- Community Infrastructure Levy (CIL)
- Section 106 (S106)
- Pooled New Homes Bonus (NHB)
- Business Rate Retention (BRR); Tax Increment Funding (TIF)
- Joint working with public and private sector, on a case-by case basis, on use of and disposal of publically owned land and possible property vehicles
- Local bonds

CIL

CIL is being worked up across the County and will gradually be introduced over the next two years. The CIL regulations require charging authorities (in Kent, the Districts) to identify the total infrastructure needed to support new development as the basis for creating a charging schedule as a source of funding to mitigate impact of new development. Where introduced³, it will, largely though not exclusively, replace the S106 Agreement approach with a set charge for infrastructure in a defined area. Benefits of a CIL charging schedule include the following:

- Funding raised can be used to support a wide range of infrastructure projects based on locally-determined priorities for growth and community development
- Provides greater transparency and gives an early indication to developers of how much contribution will be expected from them
- Funding streams for infrastructure will be more predictable allowing
 - more effective service planning and delivery of infrastructure
 - opportunity to encourage/enhance ability to attract other investment in an area
- Linking of funding to specific projects providing greater transparency of how and where contributions are being spent to support community development
- Under the Localism Act (2012), neighbourhoods will be able to retain a proportion of the levy raised to implement community schemes area thus giving local communities greater say over how resources are deployed in their area

Work has already started on preparing charging schedules. Ashford and Dover Districts are piloting an approach to test issues raised by CIL. Tunbridge Wells and Sevenoaks Districts are also working in partnership preparing evidence to support a CIL charging schedule. Dartford Borough Council and Sevenoaks District Council have recently consulted on a preliminary draft Community Infrastructure Levy Charging Schedule for their areas.

³ While it is very likely that most/all Districts will adopt CIL, this is not compulsory. The IIFM has been calibrated to assist both S106 and CIL approaches

Section 106

S106 payments will continue to exist alongside CIL but post 2014 and where CIL is adopted their use will likely be limited to provide on-site provision for major developments sites. KCC will work with Districts to agree the use of S106 and CIL to ensure developers are not charged twice for the same service.

New Homes Bonus

New Homes Bonus provides a financial incentive to encourage housing delivery. The bonus is equal to the national average council tax for each additional property built and is paid for the following six years after construction as a non ring-fenced grant. In two tier authority areas such as Kent, the bonus will be split between both tiers though the scheme allows for pooling of funding towards delivering infrastructure. Currently the scheme is intended to run to 2016/17 after which the bonus will be paid on a six-year rolling basis.

Business Rate Retention - Tax Increment Funding

The Government White Paper, 'Local Growth: Realising Every Place's Potential' (2011), introduces new powers for local authorities such as TIF to enable them to borrow against future growth in business rates to forward fund investment. Earlier work with partners has already identified a number of development schemes as being potentially suitable for TIF including:

- Ebbsfleet Valley, Dartford and Gravesham
- EuroKent, Thanet
- Ashford Eureka Park

Reports have been submitted to DCLG and we await their response. Dependent on the response received, we will continue working in partnership to pursue opportunities.

Joint working with public and private sector – working with Private Rented Sector

Kent Forum is actively exploring options to build on interest from the private sector to invest in housing through the creation of a national fund to support private sector investment in residential property development. The Homes and Communities Agency and Berkley Homes are already piloting two schemes in Kent where this approach is being tested; one at

Holborough Lakes in Snodland and the other at Victory Pier in Gillingham. Discussions are also being held with advisers, investors, developers and local authorities about other possible sites that could be used.

Local Bonds

The Local Government Association is seeking to secure Government support to allow councils to borrow from financial markets via a bond issue arrangement as a potentially less expensive method for borrowing than from the Public Work Loan Board. The proposals are in the early stages of development and if pursued, it would take up to 2-3 years to establish a collective bond agency to issue the bonds which would be used to pay for vital infrastructure.

3. Other Housing Provision Initiatives

The **No Use Empty (NUE)** Initiative seeks to return empty properties across Kent back into occupied use. NUE provides loans in units of £25k up to a maximum of £175k per applicant over three years at 0% interest to bring empty homes back into occupied use. NUE has been in operation since 2005 and at 31 March 2012, 2,126 homes back into use.

Building on this successful model, KCC is leading a related three-year initiative, **No Use Empty Affordable Rental Homes**. Working in partnership across all 12 Districts in Kent and Registered Providers, this project will focus on bringing large family-size homes back into use as affordable rented homes. The project is also receiving financial backing from the HCA. The project has set a minimum target of bringing 40 homes back into use over the three years.

Part 2: KCC Approach to Developer Contributions

1. Aims and Objectives

As local planning authorities, Districts will decide the level of growth required to deliver their individual needs and aspirations. KCC as a provider of statutory services will work alongside Districts to deliver the vision and objectives in the Core Strategy documents.

KCC will ensure that the information provided to Districts supports the case for infrastructure and is based on a sound and consistent evidence base to ensure the commitments made in Core Strategies complement joint service objectives, and, are affordable. To assist this task, KCC has developed a strategic modelling tool, the Integrated Infrastructure and Finance Model (IIFM). The IIFM enables early identification of the implications of district-specific population and housing growth over a 20-25 year time horizon. In summary, the IIFM provides a framework for service providers to assess, for each district on a development site(s) basis:

- the demand for school places, social care and community facilities (community learning, libraries and archives and youth) that will be needed by the existing population living in current housing stock allocating any existing capacity to these people first
- the additional need arising from the likely population make up of new housing incorporating any remaining surplus capacity in existing facilities for use by these people
- an assessment of the existing capacity of those facilities
- if a new facility or service enhancement is needed, accountability for provision, an indication of when this is required, its estimated cost and available funding to meet costs

This revised approach is intended to provide greater consistency and transparency across KCC services in planning for growth including the flexibility to consider alternative solutions for service provision, such as revenue and Internet based, on a district by district basis. Our aim is that the model outputs will give Districts greater certainty to help plan and support delivery of infrastructure which complements

well-designed buildings and communities. The IIFM outputs will be shared with Districts to inform their Local Development Frameworks and, in particular their developing Infrastructure Delivery Schedules.

2. KCC Infrastructure Planning Framework

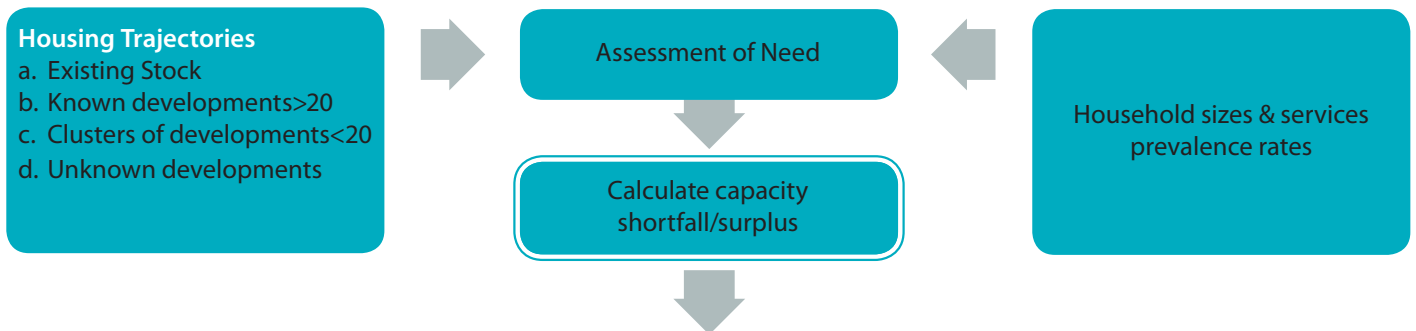
In developing the IIFM, KCC has adopted a county approach based on common datasets and methodologies with a clear auditable trail of underlying evidence and data sources, recorded as part of the model's functionality. The IIFM is structured around three core elements:

- Assessment of need - stage 1
- Assessment of capacity and project definition - stage 2
- Assessment of the project costs and financial contributions - stage 3

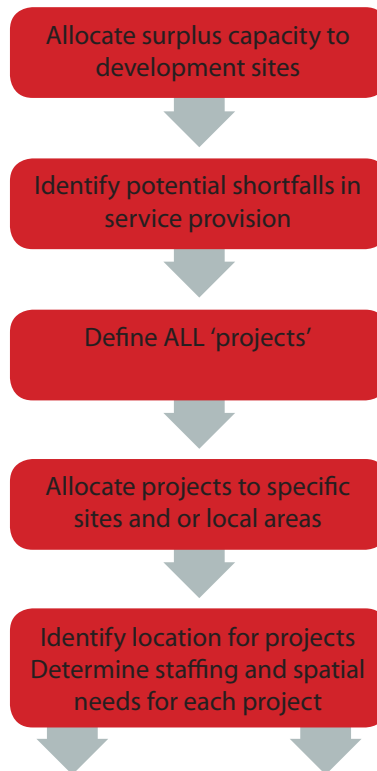
This is illustrated in the diagram below:

IIFM Service Provider Model Functionality and Flow

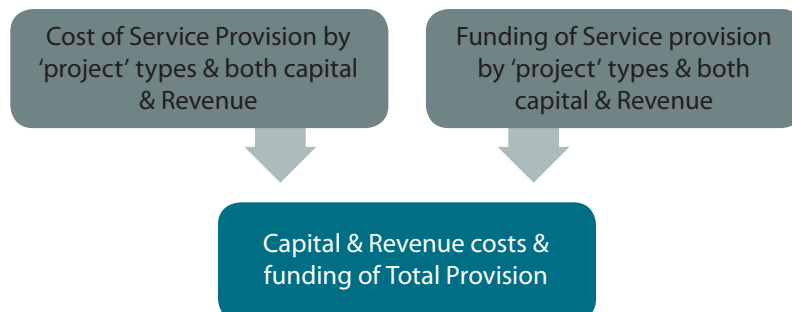
Stage 1: Assessment of need



Stage 2: Project capacity and definition



Stage 3: Cost and funding



Stage 1 - Assessment of Need

The starting point for assessment of need is District-specific occupancy profiles of existing housing stock at 2006, and overlaid on this, District-specific occupancy profiles expected from new housing developments set out over 5-year development tranches 2007-11 to 2022-2026 and a further period of beyond 2026 to capture housing that will be approved but not delivered within the timeframe of District Core Strategies. Occupancy profiles have been used in preference to an assumed housing mix as this approach better enables KCC to develop an understanding of how infrastructure needs vary by District and over time.

Need from new housing is analysed as follows:

- individual assessment for developments of 20 or more units
- grouped assessment for clusters of smaller developments under 20 units based on electoral wards
- unknown development, where development is expected but sites have not yet been determined

The inclusion of existing housing stock allows KCC service providers to make a distinction between the evolving needs of the existing population and the needs associated with new development. The following principles have been used:

- Where a new development is built within the catchment area of an existing facility, a proportion of households moving into the new development will be from existing housing in the catchment area and therefore this does not generate new demand, however these relocating households will vacate dwellings in the existing stock which are likely to be new to the catchment area and will generate new demand.
- Demographic changes may result in either an increased or reduced demand for services. Where KCC's approach identifies an anticipated increase in demand, the costs of meeting these needs are considered separately from need arising from new development. Conversely where there is an anticipated reduction in demand, this may free up capacity in existing infrastructure which is allocated proportionally across all new developments in the relevant time period to reduce the requirement for additional infrastructure.

- Houses may be vacant or shared, resulting in either a higher or lower number of households within the area therefore KCC's approach also incorporates district specific sharing and vacancy rates applied to both existing and new housing to account for household fragmentation and a decline in the average household size over time.

This approach results in an estimated number of households as the basis for calculating the potential number of KCC service users to which the following formula is applied:

$$\{[SAH * SR] + [NAH * (1 - SR)]\} * DR * \text{Household count}$$

Where:

- SAH (Stock Age Households) are District-specific and is the number of people in the age group relevant to each service (for example primary school pupils), out of each household. There is a SAH for each year to 2031. The variation of SAHs by time period captures changes in the demographic profile of the existing population, including declining average household size and different dynamics within each age group. This data is sourced from KCC's Zero Net Migration projections, as the best proxy to estimate change in occupancy of existing stock households. They are updated on an annual basis.
- SR is the retained Services Ratio. This is the proportion of users in a new development that have relocated from the existing housing stock but who continue to use the same local facility as before moving. This data is sourced from 2005 KCC MORI New Build Survey.
- NAH (New-build Age Household) are District-specific and is the number of people in the age group that is relevant to each service, out of each household moving in to new developments. This data is sourced from 2005 KCC MORI New Build Survey.
- DR is the Demand Ratio. This is the number of people who are likely to use services, and thereby a facility, out of the household members in the relevant age group. This data is sourced from KCC service providers. Where available, this information is District-specific.

Use of District-specific data enables KCC to tailor requirements to local need and development plans. Appendix 4 has a worked up example of the formula to assess need.

Stage 2 - Assessment of Capacity and project definition

In assessing need, service providers have undertaken a review of current capacity of existing infrastructure. Any surplus is allocated firstly to meet the demand from service users in existing households before consideration of potential need from service users from new developments. If this process identifies a residual need for new or enhanced infrastructure service providers have, in the first instance, determined the specific projects that will most effectively meet this need including revenue-based solutions though we are open to alternative solutions that assist site viability and which can also meet service needs.

The same method is used to assess current and future capacity but on a service-specific basis. The following tables outline the main assessment criteria and performance outputs employed by each service. The information in the following tables is based on the current service delivery strategies of service providers. These strategies are kept under review via KCC's medium and annual business planning processes to enable KCC to respond to changes arising from new legislation, demographical changes and also how people will want to access/ have services provided in the future. Users of this document are advised to check the relevant pages on KCC's website: WWW.kent.gov.uk for latest information.

Primary and Secondary Education

Statutory basis	<p>Education Acts 1944 – 2011</p> <p>The Schools Standards and Framework Act 1998</p> <p>The Education (School Premises) Regulations 1999</p> <p>The Education and Inspections Act 2006</p> <p>Education and Skills Act 2008</p> <p>Apprenticeships, Skills, Children and Learning Act 2009</p> <p>Academies Act 2010</p>
Service Delivery	<p>The Commissioning Plan for Education Provision 2012-2017 provides the framework by which KCC will commission future primary and secondary education provision in Kent. This document sets out how KCC will carry out its responsibility for ensuring that there are sufficient places of high quality for all learners, while at the same time fulfilling its other responsibilities to raise education standards, and be the champion of children and their families in securing good quality education. The purpose of the document is to be transparent about the future need for education provision in Kent in order to enable parents and education providers to put forward proposals as to how these needs might best be met.</p>
Methodology	<p>School capacities and forecast rolls assessed for those primary and secondary schools situated within the local settlement area pertaining to the application site and deemed to include those schools best placed to meet the education needs of new development and most likely to be affected by the additional pupil product</p> <p>Known and expected future surplus/deficit arising from demographical changes</p> <p>Pupil product ratios (PPR) based on methodologies and assumptions in the IIFM as outlined above</p>
Project Requirement (where necessary)	<p>Contribution towards the cost of new school places</p> <p>Wherever possible KCC will allocate surplus places in existing schools within two miles for primary and meet additional need by expansion of schools in the area. Where this is not possible a new facility and school site will be required. The school site is expected to be provided at no cost to KCC. Appendix 2 contains the site transfer requirements</p> <p>Where additional facilities and sites are required due to the cumulative effect of development proportionate contributions towards build and land costs will be necessary to enable delivery.</p> <p>Through the LDF process, KCC will work with Districts to provide Districts and developers with early indication of potential requirement for new schools to give advance notice of required sites and associated site requirements.</p>

Adult Social Care

Statutory basis	<p>National Assistance Act 1948</p> <p>The Chronically Sick and Disabled Act 1970</p> <p>Mental Health Act 1983</p> <p>NHS and Community Care Act 1990</p> <p>NHS Act 2006</p> <p>Our Health, Our Care, Our Say 2006</p> <p>Valuing People Now 2007</p> <p>Putting People First 2007</p> <p>Transforming Social Care 2008</p> <p>The Health and Social Care Bill 2008</p> <p>National Dementia Strategy 2009</p> <p>Equity and excellence: Liberating the NHS 2010</p> <p>Partnership Strategy for Learning Disability 2012-15</p>
Service Delivery	<p>The service provides support to older people, people with physical or sensory disabilities, people with learning disabilities and people with mental health problems. Personalisation is the primary focus for service delivery – putting the individual at the centre of the care process giving individuals greater choice and control to decide the service and support they want provided. There is also a government directive for health and social care to work together, as people who require social care, usually also need medical care as well.</p> <p>Delivery models are therefore primarily focused on enabling clients to remain in their own homes by using assistive technology and by providing suitable accommodation solutions and community support whilst fully participating in community life.</p> <p>Projects in the community may be commissioned to providers in the social care sector.</p>
Methodology	<p>SWIFT management information system and population estimates to identify the prevalence rates of potential “capital need” clients</p> <p>Number of potential clients based on methodologies and assumptions in the IIFM as outlined above</p>

Adult Social Care

Project Requirement (where necessary)

Contribution towards enhancement or provision of a range of community facilities including:

- **Community / local hubs** within shared buildings: community resource from which a range of services can be delivered. Hubs may include adult changing facility, assessment clinics and can be used for demonstrating assistive technology.
- **Adult changing places⁴** in community buildings: to enable full access to people with disabilities to key community buildings, such as libraries, Gateways and leisure centres
- **Co-location with health:** co-location of social and health care staff to enable joint/single assessment, diagnosis and enablement services. This could be via new GP practices, new build health and social care centres
- **Integrated dementia day care hubs:** community facility to deliver a 24 hour integrated dementia care service including “in-reach” and “outreach”, early onset dementia resource, memory clinics, and respite care.
- **Building community capacity:** this space is secured for rural areas where facilities are scarce. The funding will contribute towards enhancing local and community venues which are essential for statutory and voluntary organisations to deliver services. These can be used for outreach work such as advice and information surgeries and assessment clinics
- **Assistive technology (also referred to as Telecare):** provision of practical resources to increase the user and their carer’s safety and comfort of staying in their own home as well as promoting independence. This includes the purchase and installation of equipment.
- Unless provided for by Districts through existing planning policy, enhanced standards of housing provision **Enhanced standards of housing provision:** to enable wheelchair users of any age and people with disabilities to access suitable housing solutions. This will enable service users to live in the community with care and support at home rather than in residential care institutions.

⁴ <http://changing-places.org/>

Community Learning

Statutory basis	Learning and Skills Act 2000 New challenges New Chances (BIS Policy Statement – December 2011)
Service Delivery	The service is provided on a district-wide basis and is based on a hub and spoke service delivery model. Each district will have one main centre building. Additionally outreach provision provides more locally based adult learning provision outside of the main centres to ensure services can be accessed across a wide geographical area. .
Methodology	Number of potential clients based on methodologies and assumptions in the IIFM as outlined above Service performance targets: <ul style="list-style-type: none"> • Attendances per session • Staff requirement per session • Space requirement per class and per session
Project Requirement (where necessary)	Contributions for short term funding whilst classes become established and build up to a viable size to include: <ul style="list-style-type: none"> • Additional staffing or class room hours at either main centres or via outreach venues to increase the number of classes • Additional stock and equipment at either main centres or via outreach venues to increase the number of classes • Where existing assets cannot be used, new build (as a last resort).

Libraries and Archives

Statutory basis	<p>Public Libraries and Museums Act 1964</p> <p>Other national guidance relevant to this service can be found in</p> <ul style="list-style-type: none"> • Building Better Libraries for the Future • Framework for the Future and Public Library Service Standards <p>The Local Government Act (1972) requires local authorities to take proper care of their records and archives</p>
Service Delivery	<p>The service is provided on a District-wide basis and is based on a hub and spoke service delivery model. Each District has one main centre library (the hub) and archive building from which the full range of library and archive service is provided. Spokes (smaller libraries and the mobile library service) provide more localised delivery services and provide access points to the main hub services. Additionally, the Library and History Centre in Maidstone provides all Kent residents access to a county-wide centre of excellence library and archive service.</p>
Methodology	<p>Number of potential clients based on methodologies and assumptions in the IIFM as outlined above</p> <p>Service performance targets:</p> <ul style="list-style-type: none"> • Space per 1,000 population • Items of stock per head • Weekly customer contact time in hours per Full Time Employee
Project Requirement (where necessary)	<p>Contributions towards:</p> <ul style="list-style-type: none"> • Extended opening hours (i.e. additional running costs and staffing costs). Additional book stock and IT equipment • Building improvements and refurbishment to accommodate additional users and/or book stock and equipment • Where existing assets cannot be used, new build (as a last resort).

Youth Service

Statutory basis	<p>Section 53 of the Education Act 1944 Section 11 of the Further Education Act 1992 Sections 15 and 508 of the Education (Consolidation) Act 1996 Section 1 Subsection 6 of the Education Act 2006</p> <p>There is a legal duty for Local Authorities to provide youth service facilities in their area and to work with communities to encourage and promote the constructive development and health of its young people.</p>
Service Delivery	<p>The service caters for young people from 11 to 25 years though the prime focus is on 13 to 19 year olds. From 1 January 2013, service delivery will combine a KCC delivery service and commissioned services. The KCC service will comprise, for each District, a building-based service facility, a street-based project and at least one school-based Youth Community worker. In addition, commissioned youth work activity will be delivered by a range of local providers</p>
Methodology	<p>Number of potential clients based on methodologies and assumptions in the IIFM as outlined above</p> <p>Service performance targets:</p> <ul style="list-style-type: none"> • Attendances per session • Staff requirement per session • Space per attendee • Hours per session
Project Requirement (where necessary)	<p>Contributions towards short term funding whilst sessions become established and build up to a viable size to include:</p> <ul style="list-style-type: none"> • Additional stock and commissioned services

Stage 3 Project Costs and Financial Contributions

Project costs

Project costings used in the IIFM are based on actual schemes, QS work undertaken on behalf of KCC and revenue data. Where applicable percentage uplifts for professional fees, contingency and fit out has been added.

Need and capacity in existing infrastructure will vary between Districts. Overall project requirements and, therefore costs, will also vary between individual Districts and development schemes. The IIFM is calibrated to identify particular sites to projects for S106 purposes and can also be used to estimate the total infrastructure costs of services included in the IIFM on an area-wide basis for use in CIL charging schedules.

Additionally, the IIFM identifies existing and potential funding available and source(s), on a project basis, to calculate a net project cost. Information supplied to Districts for charging schedules is the net project cost. Project costs do not include a land cost though this can be added to the model to enable full understanding of the cost implications of service provision where land is needed to deliver the service.

Financial contributions

As stated earlier in this document, Districts are responsible for setting of CIL charges and for collection of CIL receipts. KCC will work with Districts to provide a prioritised investment schedule of necessary projects including typical costs and review of funding sources available for each project. Where there is an identified need for a project due to new housing development that is not supported through CIL receipts, it will not be possible for KCC to underwrite these projects. The consequence will be a reduction in service provision for both existing and new communities.

Where contributions are being secured via S106, KCC will continue to work with partners to profile payments, where necessary to enable development to proceed, provided sufficient monies are available at the appropriate time to commission and deliver the necessary infrastructure required.

Viability

A major element in defining the level of CIL will be financial viability which is a material consideration under the CIL regulations. As stated earlier in this document, KCC recognises that a balance is needed between contributions from developments and delivery of development necessary for economic growth. It is clear that developer contributions (CIL or S106) cannot meet the full costs of infrastructure needed to support new housing and there is a risk to all services regardless of who is/will provide them of a significant funding gap. KCC is therefore working with all Kent Districts on a financial model intended to provide a forecast of the likely return from a mix of funding sources including developer contributions, New Homes Bonus and Business Rate Retention over time set against infrastructure requirements to identify pressure points and funding gaps.

Updating and review

This guide will be revised periodically as required to reflect significant changes in National and Local legislation and policy frameworks. Assumptions, occupancy ratios and project cost figures used in the IIFM will be reviewed annually by KCC. Where appropriate, individual S106 agreements will make provision for indexation of contributions to ensure that pricing is inflation- proofed. Build costs will normally be linked to the Royal Institute of Chartered Surveyors Building Cost Information indices.

Appendix 1

Legal and Planning Context

National Planning Policy Framework: (NPPF)

Published in March 2012, the NPPF is intended to make the planning system less complex and more accessible, to protect the environment and promote sustainable growth. In the framework, local plans are seen as the key to delivering sustainable development. As such, Local Plans should include the strategic priorities and policies that will deliver them including the provision of community infrastructure. The framework also imposes a duty on Local Planning Authorities to co-operate on planning issues that cross administrative borders. This includes cultural and community infrastructure.

Localism Act

The Localism Act (2012) gives new rights for local communities to shape new development via the preparation of a neighbourhood plan, development order or a Community Right to Build order. Neighbourhood plans, where approved by the majority of local people, will become part of the local strategic Development Plan and form the basis of determining planning applications in the area.

S106

KCC seeks to secure development contributions using powers under Section 106 of the Town and Country Planning Act 1990 (as amended). S106 provides that anyone with an interest in land may enter into a planning obligation which is enforceable by the local planning authority. Obligations may:

- Restrict the development or use of land
- Require operations to be carried out in, on, under or over the land
- Require the land to be used in any specified way
- Require payments to be made to the Local Planning Authority, either in a sum or periodically

Under the Act, KCC seeks development contributions to secure community infrastructure on or off site to meet demand from new housing developments where it is demonstrated that requests meet the three legal tests

outlined in the Planning Act 2008 and the Community Infrastructure Regulations 2010 in that the planning obligation is:

- 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

Contributions can be in kind or in the form of a financial contribution. Payments can include maintenance costs. Contributions can be pooled * where the combined impact from a number of developments creates a need for new infrastructure or facilities.

CIL

The introduction of the Community Infrastructure Levy (CIL Regulations 2010) requires charging authorities to identify the total infrastructure needed to support new development as the basis for creating a charging schedule as a source of funding to mitigate impact of the new development. The outputs from the IIFM are consistent with this approach and can be fed into the Local Development Framework process in which local planning authorities set out their policies and requirements. The IIFM is calibrated to consider individual developments of 20 or more units and clusters of developments under 20 units based on electoral wards. Outputs can be produced at both a district and development site level thus meeting the requirements of current planning and proposed future planning regimes.

* From April 2014, restrictions will apply to pooled contributions

Appendix 2

General Site Transfer Requirements

This list is illustrative and not exhaustive and will be flexibly applied for each individual site.

1. The developer/landowner to provide site investigation report and to effect a transfer free from:
 - contamination (including radiation),
 - protected species
 - ordnance
 - rubbish (including broken glass)
 - any adverse soil conditions or occupation

Where appropriate the following indemnities may be required.

2. The County Council to be granted a Licence for access onto the site, prior to transfer for the purpose of surveying and carrying out technical investigations.
3. The site and any associated areas i.e. playing fields are fit for purpose, above flood plain level and adequately drained. (The early involvement of KCC Property is encouraged in this respect)
4. The site to be level, regular-shaped and undivided (i.e. a single unit with no public footpaths crossing the site). It should offer ease of access to intended users, i.e. school children, parents, staff and deliveries etc. Where appropriate, indemnities may be required.
5. The site to be clearly pegged out on site to the satisfaction of the delegated representative of KCC's Head of Property, and fenced with GIS co-ordinates prior to completion of the transfer.
6. The site to be freehold unencumbered and conveyed for the nominal consideration of £1 with full title guarantee and vacant possession with no onerous covenants.
7. Prior to the use of the site or any ground/ construction works i.e. the building of a school and subject to the approval of KCC, the developer/ landowner is to provide, at their own cost, suitable free and uninterrupted construction access to a suitable location on the site boundary. Haul roads should be constructed, at no cost to KCC, and maintained to a standard capable of accommodating HVGs and other construction traffic.
8. Prior to the use of the site for its intended purpose, and adopted highway (or highway capable of being adopted), which is suitable for the intended use of the site is to be provided up to a suitable point on the site boundary together with a suitable alternative vehicular access for deliveries etc., if required and also close to public transport. The highway and any alternative access is subject to approval by KCC.
9. Prior to the site transfer adopted services and utilities will be provided to an agreed location(s) on the site boundary of sufficient capacity and depth to accommodate the maximum potential requirement without mechanical and upon transfer. Necessary statutory undertakers' plant (such as electricity substations or transfer stations) shall be located outside of the site boundary and the County shall not be liable for any costs (including legal costs) associated with the installation and commissioning of such plant.
10. Where possible, no mobile phone masts, overhead cables etc within 100m of a school site and where possible the developer/landowner to impose a covenant that none will be erected within this distance of any site boundary.
11. Rights to enter so much of the adjoining land within the ownership of the Developer as is reasonably necessary to carry out construction works on the site. The County Council to be responsible for making good any disturbance caused to the reasonable satisfaction of the adjoining owner in the exercise of these rights.
12. The landowner to be responsible for the County Council's legal costs and surveyor's fees together with administrative costs incurred during negotiations and in completing the Section 106 Agreement, taking transfer of the land including

Land Registry costs, the granting of any easements/ licences, or any other documentation and any Project Management agreements.

13. Plan of the site to a scale of 1:1250 to be supplied prior to transfer showing site levels, access, boundaries and details of any adjoining development. The plan is to be provided in a suitable electronic format together with paper copies.
14. Adjoining uses should not cause interference, conflict or be inappropriate in any way to the use of the site i.e. the curriculum delivery for schools. This also includes adverse conditions disruption and inconvenience by noise, dust, fumes, traffic circulation, artificial lighting etc.

Appendix 3

List of assumptions and information sources used in KCC Infrastructure Planning Framework

Service age groups in the IIFM have been sourced from KCC service providers. They are:

Service Group	Age Group
Primary Education	4 – 10
Secondary Education	11 – 15
Sixth Form	16 - 17
Libraries	All
Community Learning	19+
Youth Services	13 - 19
Learning Disabilities	18 – 64
Physical Disabilities	18 – 64
Older People	65+
Assistive Technology	18+

Stock age population per household (SAH) figures have been sourced from Zero Net Migration projections (September 2009) provided by KCC Research & Intelligence Team. These can be updated annually.

Retained services ratio (SR) has been sourced from the 2005 KCC MORI New Build Survey

New build age group per house hold (NAH) has been sourced from the 2005 KCC MORI New Build Survey.

The demand ratio (DR) has been sourced from:

- Education: ONS mid-year population estimate data and January school census data (KCC, Management Information). This is updated annually.
- Adult Learning: Service target
- Youth: nationally set target: 25%
- Kent Adult Social Care: KASC Swift (management information system) Mid year population estimates, Office of National Statistics. These are updated annually.

Appendix 4

Assessment of need example

Example is based on a housing development of 500 households which will be built out as follows:

Total Dwellings	Period 2013	Period 2014	Period 2015	Period 2016	Period 2017
500	150	250	100	0	0

To convert dwellings into households, the model applies District-specific vacancy and household sharing rates. These are currently sourced from the 2001 Census data. Using current Gravesham data, the number of households is calculated as:

- $150 - ((150 * 1.76\%) + (150 * 0.10\%)) = 147.51$ households
- $250 - ((250 * 1.76\%) + (250 * 0.10\%)) = 245.35$ households
- $100 - ((100 * 1.76\%) + (100 * 0.10\%)) = 98.14$ households

Going forward, vacancy rates will be updated annually in line with KCC's new population forecasting model. Sharing rates will be updated once the 2011 Census data becomes available.

To assess client need from each developed, the following formula is applied:

$$\{[SAH * SR] + [NAH * (1 - SR)]\} * DR * \text{Household count}$$

The SAH data used below is sourced from the Zero Net Migration projects (November 2012). For the purposes of the example, a District-level SAH is used. Ward level SAH rates will vary, resulting in higher or lower demand forecasts for each individual ward.

Education

Service: Primary Education (4 - 10 Age Group)

Period	$((SAH^* + SR) + (NAH^* + 1 - SR)) * DR^*$	Households	Need Assessment
2013	$((0.20492^* + 0.62) + (0.22381^* + 1 - 0.62)) * 0.988^*$	147.21	30.85
2014	$((0.20955^* + 0.62) + (0.22381^* + 1 - 0.62)) * 0.988^*$	245.35	52.11
2015	$((0.21055^* + 0.62) + (0.22381^* + 1 - 0.62)) * 0.988^*$	98.14	20.90
Total			103.86

Service: Secondary Education (11 - 15 Age Group)

Period	$((SAH^* + SR) + (NAH^* + 1 - SR)) * DR^*$	Households	Need Assessment
2013	$((0.14019^* + 0.75) + (0.16190^* + 1 - 0.75)) * 0.91^*$	147.21	19.51
2014	$((0.13466^* + 0.75) + (0.16190^* + 1 - 0.75)) * 0.91^*$	245.35	31.59
2015	$((0.13174^* + 0.75) + (0.16190^* + 1 - 0.75)) * 0.91^*$	98.14	12.44
Total			65.54

Service: Sixth Form Education (16 - 17 Age Group)

Period	$((SAH^* + SR) + (NAH^* + 1 - SR)) * DR^*$	Households	Need Assessment
2013	$((0.06485^* + 0.75) + (0.07143^* + 1 - 0.75)) * 0.438^*$	147.21	4.29
2014	$((0.06068^* + 0.75) + (0.07143^* + 1 - 0.75)) * 0.438^*$	245.35	6.81
2015	$((0.06018^* + 0.75) + (0.07143^* + 1 - 0.75)) * 0.438^*$	98.14	2.71
Total			13.81

Families and Social Care

Service: Older People Capital Clients (65+ Age Group)

Period	$((SAH^* - SR) + (NAH^* - 1 - SR))$	SR	NAH^*	$1 - SR$	DR^*	Households	Need Assessment
2013	$((0.43846^* - 0.60952) + (1.06667^* - 1 - 0.60952))$	0.60952	1.06667	0.39048	0.043925	147.21	18.96
2014	$((0.44553^* - 0.60952) + (1.06667^* - 1 - 0.60952))$	0.60952	1.06667	0.39048	0.043925	245.35	32.07
2015	$((0.45066^* - 0.60952) + (1.06667^* - 1 - 0.60952))$	0.60952	1.06667	0.39048	0.043925	98.14	12.96
Total							63.99

Service: Assistive Technology Capital Clients (18+ Age Group)

Period	$((SAH^* - SR) + (NAH^* - 1 - SR))$	SR	NAH^*	$1 - SR$	DR^*	Households	Need Assessment
2013	$((1.18910^* - 0.60952) + (1.73333^* - 1 - 0.60952))$	0.60952	1.73333	0.39048	0.0061	147.21	1.64
2014	$((1.18895^* - 0.60952) + (1.73333^* - 1 - 0.60952))$	0.60952	1.73333	0.39048	0.0061	245.35	2.74
2015	$((1.88812^* - 0.60952) + (1.73333^* - 1 - 0.60952))$	0.60952	1.73333	0.39048	0.0061	98.14	1.09
Total							5.47

Customer and Communities

Service: Libraries and Archives: (All ages)

Period	$((SAH^* + SR) + (NAH^* - 1 - SR)) * DR^*$	Households	Need Assessment
2013	$((2.41907^* + 0.60952) + (2.34762^* - 1 - 0.60952)) * 1^*$	147.21	352.00
2014	$((2.41377^* + 0.60952) + (2.34762^* - 1 - 0.60952)) * 1^*$	245.35	585.88
2015	$((2.40844^* + 0.60952) + (2.34762^* - 1 - 0.60952)) * 1^*$	98.14	234.03
Total			1171.91

Service: Community Learning: (19+ Age Group)

Period	$((SAH^* + SR) + (NAH^* - 1 - SR)) * DR^*$	Households	Need Assessment
2013	$((1.85947^* + 0.60952) + (1.70476^* - 1 - 0.60952)) * 0.03757$	147.21	9.95
2014	$((1.85951^* + 0.60952) + (1.70476^* - 1 - 0.60952)) * 0.03757$	245.35	16.58
2015	$((1.85820^* + 0.60952) + (1.70476^* - 1 - 0.60952)) * 0.03757$	98.14	6.63
Total			33.16

Service: Integrated Youth Service (13-19 Age Group)

Period	$((SAH^* + SR) + (NAH^* - 1 - SR)) * DR^*$	Households	Need Assessment
2013	$((0.21432^* + 0.75) + (0.24286 - 1 - 0.75)) * 0.25$	147.21	8.15
2014	$((0.20535^* + 0.75) + (0.24286 - 1 - 0.75)) * 0.25$	245.35	13.17
2015	$((0.19804^* + 0.75) + (0.24286 - 1 - 0.75)) * 0.25$	98.14	5.13
Total			26.45

The formula calculates the gross need for the site. This process is repeated for all forecast development in the period. Once this process is completed, Service Providers assess current and future capacity of existing facilities within a geographical area and across the time period of developments allocating any surplus capacity including future capacity arising from demographical changes in the existing population across each development site for each period. The amount of surplus is pro rata to the need arising from each development, capped to the total need from the development. This approach enables a fairer distribution of existing surpluses across all developments and removes unfairness that the last development coming forward for assessment bears the total of additional infrastructure requirements.

Appendix 5 List of KCC Service Contacts

KCC Service	Contact Name	Email address	Telephone Number
Developer Contributions	Paul Champion	paul.champion@kent.gov.uk	01622 221346
Primary and Secondary Education	Bryan Fitzgerald	bryan.fitzgerald@kent.gov.uk	01622 694146
Families and Social Care: Ashford, Canterbury, Dover, Shepway, Swale and Thanet	Rocio Arias-Dumeige	rocio.arias-dumeige@kent.gov.uk	07789 750851
Families and Social Care: Dartford, Gravesham, Maidstone, Sevenoaks, Tonbridge and Malling and Tunbridge Wells	Nicola McLeish	nicola.mcleish@kent.gov.uk	07703 749586
Community Learning	Ian Forward	ian.forward@kent.gov.uk	01795 415901
Libraries and Archives	Lesley Spencer	lesley.spencer@kent.gov.uk	01622 696501
Integrated Youth Service	Nigel Baker	nigel.baker@kent.gov.uk	01622 696569
Highways and Transportation	Nasser Sarrafan Tim Read	nasser.sarrafan@kent.gov.uk tim.read@kent.gov.uk	08458 247 80001622 221606

Additional Information: Highways and Transportation

KCC is the Highway Authority for Kent. It is responsible for the management and maintenance of all adopted roads in the county other than motorways and trunk roads, which are the responsibility of the Highways Agency. KCC is also the Local Transport Authority for Kent and actively promotes alternatives to car-based travel to improve the accessibility, sustainability and efficiency of the highway network. The County Council plays a key role in improving road safety through training, media campaigns and physical measures.

New development can place pressure on both the transport system and the environment. It is therefore important to ensure that not only the land-use strategy set out in Local Plans, but also each individual development for which planning consent is granted, is as sustainable as possible. If development does not make a fair and proportionate contribution to the mitigation of its impact on the transport network, there could be safety and capacity consequences which could prejudice the delivery of subsequent developments identified as being necessary to meet adopted housing and employment targets.

Strategic transport infrastructure

In order for the Local Plans produced by Kent's District Councils to be considered 'sound' by the Planning Inspectorate, they must include full consideration of how the impact of planned development on the transport network will be mitigated. KCC works closely with the Districts and the Highways Agency to develop comprehensive transport strategies, underpinned where appropriate by multi-modal modelling, identifying the strategic transport infrastructure required to deliver housing and employment growth. Examples include improvements to motorway junctions and enhanced public transport facilities, which in future are likely to be funded primarily by the Community Infrastructure Levy.

Site-specific transport infrastructure

KCC requires that, even where there are no other planning or environmental issues, the transport impact of all but the smallest development proposals should be assessed at planning application stage, either through the submission of a Transport Statement or, if the transport impact is likely to be significant, a Transport Assessment. KCC's Guidance on Transport Assessments and Travel Plans is available to download at www.kent.gov.uk. Transport Assessments should consider accessibility by all modes of transport and quantify the overall impact of the development on the local transport network, to provide a basis for identifying and agreeing any required mitigation measures. These will then be conditioned on the development by the Local Planning Authority and delivered either directly by the developer through a Section 278 Agreement (Highways Act 1980) or by KCC through a Section 106 Agreement (Town and Country Planning Act 1990).

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