
1.0 INTRODUCTION

1.1 The Inspector has raised Matter 10: Infrastructure Policies I1 and I2 for consideration at the Examination Hearing on 4 February 2015.

1.2 The Inspector has identified 12 issues for consideration under the main issue:

Issue: *Whether policy I1 and I2 with their associated text dealing with infrastructure are justified by the evidence, consistent with national policy, and effective*

Response: The NPPF confirms that infrastructure provision forms part of the economic dimension of sustainable development as set out at para 7:

“an economic role – contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure” (my underlining for emphasis).

It also forms one of the core principles of planning at paragraph 17. The Council has produced an Infrastructure Delivery Plan and two policies in the draft Local Plan (policies I1 and I2) to meet the District’s future sustainable development needs.

Paragraph 31 of the NPPF recognises that infrastructure needs to be “viable” to support sustainable development. This is reinforced at paragraph 172 such that infrastructure should not be a burden or inhibit development.

Therefore, in respect of the Maldon Local Plan the Infrastructure Delivery Plan must be consistent with the delivery of housing and other sustainable development.

1. *Is the approach to delivering infrastructure appropriate, justified, effective, soundly based and consistent with the Infrastructure Delivery Plan and national policy?*

Response: The Council has produced an Infrastructure Delivery Plan (“IDP”) and this would be consistent with the NPPF. The IDP has sought to distinguish infrastructure provision to be delivered under CIL from pooled or other Section 106 planning obligations.

It is Government Policy that strategic infrastructure should be funded from CIL and specific development infrastructure from Section 106 contributions.

The Council has a mixed approach as demonstrated by healthcare provision [paragraph 3.3-3.6 & Table 2 of EB059d]. Table 2 shows some provision as Section 106 pooled funding and some as CIL. However paragraph 3.6 states all houses (4,430 units) will be required to pay £328 per unit which in effect is CIL, whereas it could all be S106 financial contributions from specific developments.

2. Do policies I1 and I2 identify sufficiently the nature and type of infrastructure required, including highway improvements, provision of services and social, educational and leisure facilities given the various updates produced by the Council?

Response: The IDP is not a policy document and therefore it is necessary for the Local Plan policies to ensure infrastructure provision is made under the Development Plan. Policy I1 seeks developer contributions to “strategic infrastructure”. This is a matter for CIL and not pooled or other S106 contributions.

The IDP identified a range of other strategic infrastructure such as health care provision not included in Table 1 of the Plan [SD01]. Table 1 is not policy and should be incorporated into Policy I1 and include the full extent of infrastructure requirements for each strategic site. It should also identify the relevant CIL infrastructure. If the requirements are not embodied into the Policy it will be difficult for the Council to secure provision from private and public sources. This is already being evidenced in respect of the Maldon North Site S2(D) where it is understood the proposed development is unable to meet the affordable housing requirements because of viability considerations, arising from high infrastructure costs.

The IDP is meant to assist the delivery of the Local Plan sustainable development but must be supported by detailed Local Plan policy, if it succeed.

3. Do the Plan and Infrastructure Delivery Plan (IDP) [and its updates] give sufficient information and evidence about the delivery, funding and viability of the specific infrastructure (including highway improvements or mitigations) required to deliver the Plan and each strategic site?

Response: The Plan and IDP do not provide sufficient information and evidence because they do not deal with funding, viability and phasing. They identify the costs and approach but this creates potential to fail to delivery infrastructure. The Council at Table 6 of the IDP update [EB059d] reveals the details of the funding gap of £83,169,966 para (5.1). There is no indication of how this is to be secured other than an allocation against the major sites. It is understood viability and funding issues have not been robustly considered in respect of these allocations. This will be demonstrated below.

The table below shows for the North Heybridge Garden Suburb Site S2(d) the Council's anticipated infrastructure costs against timing and scale of housing development [from CED10-Appendx 13]:

Financial Year	Infrastructure Cost £	Cumulative Cost £	No. of Units	Cum No of Units	Cost per Unit £
2014/5	282,490	282,490	0	0	0
2015/6	3,952,620	4,235,110	0	0	0
2016/7	7,625,925	11,861,035	25	25	474,441
2017/8	6,442,808	18,303,843	50	75	244,051
2018/9	7,223,415	25,527,258	75	150	170,181
2019/20	2,392,688	27,919,946	88	238	117,311
2020/1	1,932,000	29,851,946	88	326	91,570
2021/2	933,980	30,785,926	88	414	74,362
2022/3	0	30,785,926	88	502	61,327
2023/4	24,780	30,810,706	88	590	52,222
2024/5	79,210	30,889,916	89	679	45,493
2025/6	0	30,889,916	89	768	40,221
2026/7	0	30,889,916	89	857	36,044
2027/8	0	30,889,916	89	946	32,653
2028/9	0	30,889,916	89	1035	29,845
Total	30,889,916	30,889,916	1035	1035	29,845

This indicates that the scheme is unlikely to be viable throughout most of the life of the project, if at all. In addition, there will be affordable housing costs, development costs, land costs, interest, inflation and other unspecified costs which all suggest this project is unlikely to meet its infrastructure or other Section 106 obligations, such as affordable housing.

The unit cost of infrastructure can also be compared to the other strategic housing sites as follows:

Site	Unit Infrastructure Cost £	No. of Units
S2(a)	20,955	1,000
S2(b)	22,334	300
S2(c)	20,525	75
S2(d)	29,845	1,035
S2(e)	29,232	100
S2(f)	22,683	100
S2(g)	449	120
S2(h)	337	100
S2(i)	4249	180
S2(j)	4,660	180
S2(k)	5,283	90

We understand an outline planning application has now been submitted to the Council for site S2(a) which includes a Viability Assessment. Such assessments are usually submitted where a reduction in affordable housing is proposed at a level below the policy requirements because of the financial viability of the project. In respect of Site S2(a) this is likely to be due to the high infrastructure costs. Therefore, the largest projects S2(a, b, d) which carry high infrastructure costs are unlikely to be viable, will likely not deliver the full infrastructure costs or will have reduced affordable housing. Potentially they are unlikely to deliver over the Plan period. Accordingly, the conclusion is the largest sites are unlikely to assist in meeting the housing supply for the next five years and beyond and may not deliver in the Plan period.

It is clear from this analysis that the Council's approach is unsound as the housing is unlikely to be delivered as expected or the infrastructure/affordable housing will not be delivered or a combination of these factors.

At present the Local Plan is unsound for largest sites carrying highest infrastructure costs. The Council needs to bring forward other smaller housing sites to meet the ongoing five year housing supply where the respective infrastructure costs are significantly lower. Linden Homes has promoted a site at London Road, Maldon for 67 which has comparatively low infrastructure costs and can be delivered immediately.

4. Council: is there any further information about required mitigation measures and infrastructure in the time since the May 2014 Viability Study Update (EB040d)?

Response: This is a matter for the Council.

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5. ***Does the Council's update to Table 11 of the May 2013 IDP (EB059d) in CED10 Appendix 13 provide the necessary clarifications of when infrastructure would be required for the Plan's housing delivery, the costs of the infrastructure, and the contributions required from strategic sites? If not, why not?***

Response: Table 11 of the IDP [EB059d] does not provide sufficient information on the phasing and delivery of strategic infrastructure. There is no detail of the capacity of sites against phased delivery. The consequences of delayed delivery or failure to deliver infrastructure could be an under supply of housing and other sustainable development for which there is no contingency planning other than two vague reserve sites.

There appears to be no identification of critical infrastructure provision necessary to support development ie road construction as opposed to allotment provision. Nor is there any critical path analysis of show priority of infrastructure across the district. These need to be main requirements for inclusion in the Infrastructure Policies.

6. ***How much development can take place on each allocated site before a specified piece of infrastructure in CED10 Appendix 13 has to be provided?***

Response: This information is not available but is essential to delivery.

7. ***Much of the infrastructure relies on pooled funds from various sites. Bearing in mind the answer to the above question, will this pooling arrangement prevent the delivery of individual sites if monies are not available for key infrastructure works because other sites have not progressed as fast?***

Response: This is particularly acute for large sites where there is significant negative cash flow over many years, such as site S2(d) as demonstrated above.

8. ***Some of the works in CED10 Appendix 13 are scheduled for 2014/15. Council: what progress has been made on those?***

Response: Council's response awaited

9. ***Is the approach to seeking developer contributions, including the type and scale of contributions listed, appropriate, justified, effective, soundly based and consistent with national policy, and have the implications for the deliverability and viability of development been properly considered?***

Response: The infrastructure projects need to be identified in Policy I1. The IDP can provide further detailed information. Any unidentified infrastructure relating to a project would then be subject to S106 contributions.

10. Does the further work carried out since DOC100 regarding highway concerns at Eves Corner at Danbury indicate that this also needs to be added to the IDP?

Response: Yes and it should be included at Policy I1.

11. Do the Council's suggested modifications at Refs 055 and 056 in SD04b resolve how and when infrastructure will be delivered? Council: will the IDP be consolidated?

Response: These suggested modifications only deal with Policies S4 and S6 and not I1. They do not address the fundamental problem with Policy I1 and its lack of specific infrastructure projects and their implications for strategic development. The IDP should be consolidated and include further details on phasing provided as outlined above.

12. On I2, the Council accepts that the delivery of a new Community Hospital cannot be committed to within the plan period (CED10 Report). Is the Council's consequential suggested modification to policy I2 at Ref 057 in SD04b acceptable?

Response: No objection to this modification.

2.0 Conclusion

2.1 The Council has not identified critical infrastructure which is necessary to deliver the Local Plan's sustainable development. The delivery of infrastructure has not been viability tested.

2.2 The overall conclusion is that Policy I1 needs to include the specific infrastructure projects in the Policy. This will ensure the large strategic housing sites deliver the necessary infrastructure. The reserve sites have no information so their allocation is inappropriate as no infrastructure can be ascribed to them. The viability of the largest projects is questionable and there is a real prospect that they will fail to deliver infrastructure or other obligations such as affordable housing. The Council has failed to demonstrate a reasonable alternative should any one of the strategic sites prove undeliverable.

2.3 A critical aspect of development viability will be the potential reduction in affordable housing to meet infrastructure costs on a particular project. As affordable housing forms part of the objectively assessed need for housing any failure to provide the required level from the strategic housing sites indicates a failure to properly assess those sites and therefore they should potentially be deleted from the Local Plan. It is a fundamental flaw for the Local Plan to deliberately plan to fail to deliver objectively assessed affordable housing need. The Plan is therefore unsound.