



# **Infrastructure planning and the Community Infrastructure Levy**

**An advice note**

**February 2009**

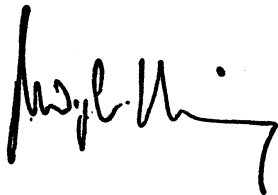
# Infrastructure planning and the Community Infrastructure Levy

## An advice note

### Introduction

The role of planning as a delivery mechanism for sustainable communities is reflected in the increasing emphasis on infrastructure planning, in the preparation of the Local Development Frameworks, the use of planning obligations and tariffs and the proposals for introducing the Community Infrastructure levy.

These issues are growing in significance and the Planning Officers Society recognises the demands this is likely to place on Local Planning Authorities of all descriptions throughout the country. It has commissioned two separate but closely related pieces of work to assist and support its members in developing their infrastructure plans and preparing for CIL. The first is this advice note, setting out what POS sees as the key messages, and the second is a supported learning project, working with groups of LPAs as they move through the processes. The interest shown in both of these already is a clear indication of the significance this work has assumed.



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## **1. Context**

- 1.1 Infrastructure Planning is the process for ensuring the physical needs of an area can be delivered to keep pace with its population's requirements. It will include utility services, transport, education, health and leisure provision.
- 1.2 It should have a direct and integral relationship with both the Local Development Framework (LDF) and the Sustainable Community Strategy (SCS). If done properly it will involve a variety of agencies, partners and service providers. Involving these bodies in a systematic and coherent way requires a level of engagement and commitment in the process which has often been lacking in the past. Infrastructure Planning is not a task which planners can undertake independently in the expectation that the plan will be delivered.
- 1.3 To gain the support and confidence of the range of partners will need their commitment at the highest level and their ongoing involvement on a day-to-day basis. The primary purpose of this note is to assist LPAs in understanding the importance of Infrastructure Planning, and getting the message across; in the first instance to key internal decision makers such as corporate management teams and the council's executive. With their support, the involvement of the Local Strategic Partnership and a range of service providers is possible: without it the task becomes very difficult.
- 1.4 Sound infrastructure plans are an absolute pre-requisite to introducing Community Infrastructure Levy (CIL). The timescale for the introduction of CIL has slipped back, which will provide more time to prepare for its implementation and for the impact of the recession to be assessed more accurately. Whether or not LPAs intend to introduce CIL, or to consider it later in the light of experience elsewhere, there will still be a clear need for an infrastructure plan to support the Local Development Framework and to provide a robust base for developing planning obligations.
- 1.5 This advice is therefore designed to assist planners in explaining the role and significance to key decision makers. It can be used to help draft a report or used in part or whole as an appendix. It sets out some of the key issues local authorities and their partners will need to address. What is important is that infrastructure plans are not seen as an end in themselves; they are a mechanism for improving delivery of facilities and services for the benefit of local communities.

## 2. Planning as a delivery mechanism

### Spatial planning and sustainable communities

- 2.1 The Government's vision for planning as set out in the Planning White Paper 'Planning for a Sustainable Future' (2007) is for a system which 'supports vibrant, healthy sustainable communities, promotes the UK's international competitiveness, and enables the infrastructure which is vital to our quality of life to be provided, in a way that is integrated with the delivery of other sustainable development objectives, and ensures that local communities and members of the public can make their views heard.' The subtext for this is the annual delivery of 240,000 net additional homes to 2016 and improving economic performance across all the English regions, but there is recognition that there is more to creating sustainable communities than providing housing and employment. The challenge to the planning system and those involved in it is predicated on the transition from land use to spatial planning, with 'place shaping' at its centre.
- 2.2 To succeed in this very ambitious role planning needs to be at the heart of local government and to have a major influence on the delivery of services by a broad range of partner organisations, agencies and other providers. Change will primarily be delivered through development, and guiding that development, of the right quality, in the right place and supported by the right infrastructure, requires planning authorities with their partners to work closely with private sector developers to achieve their vision. To do this successfully it will be essential to have a well-considered infrastructure plan in place which demonstrates what is needed, where, when and how it will be provided.

### PPS 12

- 2.3 While there were references to Infrastructure Planning in the 2004 version of PPS 12 'Local Development frameworks' they were largely tucked away in an appendix (Annex B - Policy Advice and integration with other strategies). The 2008 version of PPS 12, now re-titled "Creating safe and prosperous communities through Local Spatial Planning" places far greater emphasis on planning as a delivery mechanism and the critical role of Infrastructure Planning.
- 2.4 PPS 12 sets out what the government sees as the local authority 'place shaping' role in the context of the Local Strategic Partnership (LSP), the Sustainable Community Strategy (SCS) and Local and Multi Area Agreements (LAAs and MAAs). The link between these corporate partnership leadership roles and planning is explicit and fundamental, a recognition of the strategic importance of spatial planning as a key policy and implementation tool for achieving partnership and corporate objectives. This represents a major shift from previous iterations of planning as a separate, regulatory and largely re-active function.
- 2.5 The change of emphasis, even from the previous PPS 12, can be seen in phrases such as Spatial Planning 'supporting the co-ordination of services', 'playing a central role in the overall task of place shaping and in the delivery of land, uses and associated activities', 'orchestrating the necessary social, physical and green infrastructure', 'bringing in private funds' and providing the basis for bids for public

funds and assembling land. It also sees planning as helping review the use of land and buildings and co-ordinating the identification and release of land.

### **LDF core strategy**

- 2.6 The change of emphasis, as illustrated in the changes between the 2004 and 2008 PPS 12, now places a clearer requirement on Core Strategies as the prime delivery mechanism for the overall vision for the area. Core Strategies must now include a delivery strategy for achieving the strategic objectives and clear arrangements for managing as well as monitoring the delivery. Indeed para 4.4 states “the delivery strategy is central. It needs to show how the objectives will be delivered, whether through actions taken by the Council as planning authority ..... or through actions taken by other parts of the council or other bodies”. Particular attention should be given to the coordination of these different actions so that they pull together towards achieving the objectives and delivering the vision. The strategy needs to set out as far as is practicable when, where, and by whom these actions will take place.’
- 2.7 To demonstrate how the vision for an area is to be delivered it will need to set out what physical, social and green infrastructure will be required to support future development. While this may be more obvious in areas of growth, it can be as important in other locations where for example. demographic patterns are changing (more elderly, children, BME communities) or there are significant infrastructure deficits. Core strategies will need to evidence both the need and how it is to be provided, and to demonstrate that there has been proper discussion with key partners and delivery agencies. Government Offices and PINS are taking a much greater interest in this aspect of core strategies than was previously the case.

### **Aligning the strategies**

- 2.8 Infrastructure can cover a broad range of services and facilities with many different providers from the public private and community sectors. At present, with few exceptions, there is little integration between the plans of the providers, even within sectors let alone across sectors. To fulfil the role of community leadership and to deliver sustainable community strategies Local Authorities need to be preparing integrated infrastructure plans for their areas.
- 2.9 To do this properly the partner organisations and service providers will all need to be involved, with the objective of aligning their strategies and programmes. Authorities who have been successful in this area have found a dedicated officer making face-to-face contacts and building relationships has been vital. Achieving alignment will be dependant on achieving the cooperation of the organisations involved, and this will only be achieved by demonstrating the value of the end product. Apart from the obvious benefit of using the infrastructure plan to coordinate the provision of services and thus assisting the delivery of the SCS and LDF, for individual agencies it will be useful to demonstrate need, support funding bids and prioritise projects.

### **Community Infrastructure Levy (CIL) proposals**

- 2.10 The Planning Act 2008 contains powers for the introduction of a CIL, the detail of which will be set out in regulation. The CIL is the Government's response to (1) the need for development to contribute to the provision of infrastructure either directly or indirectly related to the development in question and (2) the view that the planning obligations (S106) provisions as currently exercised provide only a partial and variable response to capturing funding contributions for infrastructure.
- 2.11 Local Authorities will be empowered (but not required) to set a charge for most developments, through a formula related to the scale and type of the scheme. The proceeds must be spent on local and sub-regional infrastructure which supports the development of the area. CIL differs from previous S106 regimes in that (1) it will capture a much wider range of development thereby sharing the burden whereas S106 has tended to focus mainly on larger schemes, and (2) it breaks the direct link between the obligation and the development, so that infrastructure spending can be managed at a strategic level. Planning Obligations through S106 agreements will continue alongside CIL, but may only be available for a restricted number of purposes.
- 2.12 It must be emphasised that CIL is expected to provide significant additional monies for infrastructure but will not replace existing mainstream funding. Core public funding will continue to bear the main burden, and local authorities will need to utilise CIL alongside other funding streams to deliver infrastructure plans locally. Regulations governing the implementation and administration of CIL will be published in 2009, with regulations not coming into effect before October.

### **3. Infrastructure planning**

#### **What is it?**

- 3.1 The infrastructure planning process is the opportunity to identify what is needed to implement the Core Strategy and the Sustainable Community Strategy. Setting this out as a list of projects, with the responsibility for their implementation and timescale, will provide a coherent and coordinated programme. It should be the product of a collaborative view across partners and service providers with an agreed evidence base, and provide the tools for managing and monitoring infrastructure provision, against timescales and targets. It needs to be grounded at a strategic level in the Core Strategy, but with an implementation framework flexible enough to accommodate changes of circumstances and priorities. A well-prepared and robust framework will support bids for funding and assist decision-making.
- 3.2 In many areas infrastructure requirements and projects will extend beyond individual local authority boundaries and plans will need to reflect this. In these situations infrastructure planning can function as a focus for cross boundary strategic planning and decision-making.
- 3.3 Infrastructure planning is a continuous process and a valuable tool for managing infrastructure delivery. Monitoring, review and taking action to deliver will require an ongoing partnership governance arrangement.
- 3.4 Infrastructure plans will not be a part of the statutory planning process but will underlie the Core Strategy and the SCS and provide evidence to support CIL Charging Schedules.

#### **Why do it?**

- 3.5 Infrastructure planning can provide the 'route map' for the delivery of a community's vision and the catalyst for bringing together partners to deliver it. Demonstrating that proper discussion and deliberation has been given to the implementation of the Core Strategy and SCS will help credibility and ownership of the plan with partners and the community. This will be particularly relevant in areas of growth where there are concerns about infrastructure keeping pace with development.
- 3.6 Well conceived infrastructure planning will also be valuable in bidding for funds for projects, by setting out the relationship between the needs of the community, timescales and development.
- 3.7 The Government is stressing the role of infrastructure planning in the Core Strategy, and taking the LDF forward will be dependant on a having the infrastructure planning in place to support it. Policies for Planning Obligations should be supported by infrastructure plans which will also be an essential part of setting a Community Infrastructure Levy.

### **Who needs to be involved?**

- 3.8 Preparing worthwhile infrastructure plans will need the involvement of a wide range of partners, agencies and service providers from both public and private sectors. For it to be effective as a delivery mechanism it must be accepted by all those involved in its preparation as a valued strategic document, at the heart of their decision-making processes. Planners will not be able to produce infrastructure plans with the levels of commitment and influence needed by working on their own. Partners and providers will need to contribute information about their own plans, but more important they will need to be convinced of the value of the process if it is to have the force to influence their strategic processes and investment decisions. Having a dedicated officer making face-to-face contacts and building relationships can be very helpful.
- 3.9 Ideally Infrastructure planning should be managed through the Local Strategic Partnership with the involvement of all the other agencies involved in infrastructure provision. The force of such arrangements aligns with the Government's policy of the LSP being at the centre of the delivery of the Sustainable Community Strategy. As the coordinator of public service provision LSPs are in an ideal position to secure the necessary involvement and ongoing commitment of the many delivery agencies. This model is recommended and should be adopted wherever there is an LSP sufficiently well developed to take on the role.
- 3.10 Where this is not the case LPAs and planners will still need to make progress, to support the LDF and potentially CIL, and to secure the community vision. They should use infrastructure planning as a catalyst in developing the LSP role but at the same time recognise the imperative to support their LDF and infrastructure delivery. Whether the LSP is sufficiently mature and has the capacity to take on the role or not, it is essential that there is a corporate commitment, at the highest political and officer levels, within the authority. This will be necessary to ensure the right commitment and contribution from service departments and providers, and to provide the level of backing to convince partners and external agencies that the Council is serious in its intentions. The 'Key messages' section of this note sets out some of the arguments planners can use to embed infrastructure planning within the authorities corporate processes.

### **Implementing the plan**

- 3.11 Infrastructure planning must be seen as a tool for delivery. This requires it to be practical, realistic, and flexible. If not it will be quickly disregarded by those involved in delivery and become another document on the shelf. Infrastructure plans must be 'live' documents which can accommodate changing priorities and funding arrangements, and with the right governance structures should provide the focus for collaborative decision making between service providers in the light of changes of circumstances
- 3.12 Infrastructure plans, aligned with Sustainable Community Strategies and Core Strategies, will be looking 15 years ahead, but must also acknowledge that this brings more uncertainty the further the timescale extends into the future. They should accommodate this, usually by breaking down into phases of around 5 years. For the first phase the plan can be reasonably firm and based on current

funding plans and programmes, whereas further into the future requirements may be clear but the mechanisms for delivering services and the availability of funding will be less certain. To remain a 'live' document it will be essential to keep the plan rolling forward, concentrating on the next 5 years.

- 3.13 Processes must be in place to actively manage the plan. It will need to be regularly reviewed and monitored, with the emphasis on action where delivery is not happening as programmed. Contingency planning, reviewing priorities and identifying alternative funding sources will all be part of the process. For this to be effective all those involved in formulating the plan should be involved in managing it. Continuing involvement will be dependant on participants being convinced of its value.
- 3.14 For those agencies and services involved in providing infrastructure, understanding what is happening on the ground in the locality should be self evidently beneficial to themselves, but this is not always the case. Convincing them of the benefits to them can be a time consuming and intensive process and will need resourcing, often at a senior level. The most convincing argument should be that it will enable them to plan their investment more efficiently and effectively and assist their bids for funding.
- 3.15 Co-ordinating infrastructure delivery in areas of significant growth may benefit from setting up Local Delivery Vehicles (LDVs) with the specific responsibility for implementation. These can provide the focus for funding, procurement and co-ordination, particularly where projects cross administrative boundaries.

## 4. Community Infrastructure levy: summary of proposals

### Background

- 4.1 The Community Infrastructure Levy (CIL) is intended to secure funding for infrastructure through the planning process. It is intended to provide a simpler method of securing funding to deal with the cumulative impact of development on infrastructure needs. The grant of planning permission will trigger the liability for payment (but not the payment itself, which becomes due with commencement of development). The amount will be calculated through a schedule of charges set by the 'charging authority' (usually the Local Planning Authority). The statutory basis for CIL has been established in the 2008 Planning Act and the detail will be set in regulation. CIL is intended to be discretionary and Local Authorities will have the option of continuing with S106 arrangements, although these may be more restricted in scope. Authorities will need to take a decision on whether to introduce CIL, based on their own particular circumstances and in full awareness of the benefits and disbenefits vis a vis retaining a S106 based approach, albeit in a modified form if this is restricted by regulation.
- 4.2 The objective of securing an income stream for local authorities from development to contribute to infrastructure requirements was one of the recommendations of Kate Barker in her report 'Review of Housing Supply' published in 2004. The alternatives of Planning Gain Supplement based on the uplift of land values, tariffs and extending S106 provisions were all considered before deciding on the Levy.
- 4.3 The two significant differences of principle between CIL and S106 are that it will extend the liability to a much wider spread of development and that there is no direct link between the development, the CIL payment and provision of infrastructure. Whereas with S106 contributions there is a legal requirement that any payment, whether in cash or in kind should be directly related to the development, with CIL the payment will go to an accumulated fund to finance projects identified through the infrastructure planning process at local authority or sub-regional/regional level.
- 4.4 While Government anticipates that CIL should produce a significant income stream (estimated to be hundreds of millions of extra funding per year) for Local Authorities, it can only be a mechanism for 'topping up' mainstream funding regimes to ensure the delivery of projects identified in the infrastructure plan.

### Government proposal and timescale

- 4.5 The exact operation of CIL will be determined through regulations which will be published in draft in the spring of 2009 for consultation. The intention is that they should be finalised for implementation no earlier than autumn 2009. The CIL arrangements will sit alongside S106 provisions which are likely to be 'scaled back' to site-specific requirements and affordable housing. The regulations will set out both the range of infrastructure that can be funded through CIL and the developments which will have a CIL liability.

- 4.6 Local Authorities wishing to introduce CIL will have to have an up-to-date development plan. This does not necessarily mean an adopted LDF Core Strategy, but it will need to contain a development strategy setting out the broad quantum, type and location of development. Local Authorities will need an infrastructure planning process in place, based on the development plan vision for the area, to enable them to identify the likely infrastructure requirements and costs as the basis for the CIL charging schedule. Deducting the sums likely to be available from mainstream funding programmes will result in the shortfall to be raised from CIL. A viability assessment will be required to test the how realistic the results are, together with a sensitivity analysis relating market conditions to deliverability.
- 4.7 A charging schedule can then be prepared, based on the range of developments liable for CIL. This will set out in detail the charge for each category of development as a cost per unit or site area. While regulation has yet to be published, it is probable that most types of development above a relatively low threshold will be liable, and charging schedules will have to set a rate for all categories. Householder developments are to be excluded. The charging schedule is likely to be a new document within the Local Development Framework, not a DPD but subject to the same level of rigorous testing through public examination. A key aspect of the testing will be the impact of the charges on viability.

#### **CIL charging authorities**

- 4.8 CIL charging authorities will be restricted to those responsible for preparing development plans: District and Unitary authorities, London boroughs, National Park Authorities and the Broads Authority. The Mayor of London will have CIL charging powers but elsewhere it will not extend to upper tier authorities in two tier areas. Counties wishing to fund infrastructure provision through CIL will need to work in cooperation with district authorities who will be responsible for both the raising and spending of CIL.

#### **Relationship to infrastructure planning**

- 4.9 The setting of the CIL charging schedule should rely upon the same evidence base and planning process underlying the wider infrastructure planning necessary to underpin the LDF/SCS and manage implementation across the authority and its partners. There should be a direct and explicit relationship between the CIL charging schedule and the Authority's infrastructure planning. Where an authority (and its partners) have a robust infrastructure planning process in place, this should provide the evidence necessary to justify the charging schedule and there should be no need for a separate exercise. Stakeholders will be able to influence the infrastructure planning process through engagement with the LDF Core Strategy and the SCS, and there will be a separate 6-week consultation period on the Charging Schedule prior to the independent examination. As outlined previously infrastructure planning should be a continuous process, and changes to the plan may impact on the charging schedule. At present it is envisaged that any proposed amendments to the schedule will need to be taken through the same process including independent examination.

### **Paying the CIL**

- 4.10 CIL will be calculated at the grant of planning permission but payment will become due at commencement of development. The amount may be indexed linked to take account of delay in implementing permissions. Provisions are likely for payment by instalments on larger schemes, and options for 'payment in kind' are under consideration. Authorities will have enforcement powers, including 'stop notices' where necessary.
- 4.11 One of the objectives of CIL is to bring more certainty, to the developer who will be able to calculate the liability from the outset rather than be dependant on the outcome of S106 negotiations, and for the Local Authority which should have a much more predictable income stream for infrastructure funding. However, Government acknowledges that there may be some cases where desirable development could be prejudiced by the imposition of CIL and therefore regulation may need to provide for occasional exceptions. How this will be determined has yet to be decided, but there will be a need for some flexibility based on a transparent assessment process.

### **Spending the money**

- 4.12 Spending CIL will be a very different process to S106 funding. The CIL fund will not be hypothecated to specific projects, or time limited as S106 agreements should be. Instead the accumulated funds can be utilised much more flexibly, subject to them being spent on infrastructure as defined in legislation and regulation. The Authority and its partners' infrastructure planning processes should provide the basis for allocating and prioritising expenditure. This should enable a more rational programme of projects to be implemented, in support of the Sustainable Community Strategy and Local Development Framework. It will also enable the pooling of funding for sub-regional projects. Opportunities for 'forward funding' works essential to unlocking growth may be more readily achievable where they can then be reimbursed from the CIL and other income streams.
- 4.13 At the individual Local Authority level this will require proper governance and monitoring to be able to demonstrate what monies have been received and how they have been spent, in line with existing reporting and accounting procedures.
- 4.14 The purpose of CIL is to help provide for community infrastructure needs. To do this effectively and efficiently spending should be in support of the schemes and priorities established through the infrastructure planning process and should be subject to regular monitoring and review. Decisions will have to be taken on prioritising expenditure. This will require ongoing governance arrangements which should involve infrastructure and service providers. As the CIL authority, responsibility for expenditure will ultimately rest with individual Councils, but decision-making should be collaborative, with the LSP ideally taking a central role if the full potential of the process is to be realised.

## 5. Advice for planners – what you should be doing

### Don't wait

- 5.1 Infrastructure planning is not an optional extra and not dependant on the CIL regulations. It is required by PPS12 and essential in developing a sound core strategy
- 5.2 Keep in touch with the developing CIL regulations to satisfy yourself that your infrastructure planning can provide the basis for a CIL charging schedule
- 5.3 If you are working on policies for tariffs or standard charges through S106 don't stop but be aware of the relationship to LDF infrastructure strategy requirements and the potential for conversion to a CIL charging schedule. Think about how you will secure valuation advice and sensitivity testing
- 5.4 Look out for changes in the CIL regulations that may constrain the use of S106 obligations in the future

### Briefing others

- 5.5 Infrastructure planning is fundamental to the delivery of the vision for the area, as expressed in the Sustainable Community Strategy and LDF Core Strategy.
- 5.6 An effective infrastructure plan should be owned by the Authority corporately and by the LSP. It should not be seen just as a planning document or activity. If this is not the case in your authority work at getting this message across. Some useful tips are included in the 'Key Messages' section.
- 5.7 Delivering infrastructure needs money. Standard charges/tariffs under the current S106 regime and CIL in the future can provide substantial funds. This is a compelling argument which should focus attention.
- 5.8 Robust infrastructure planning needs involvement and commitment from a wide range of agencies and providers. They will need convincing that it is in their interests to sustain their enthusiasm. Think carefully about how they should be approached and who should be involved, and how you can build lasting relationships.

### Developing the infrastructure strategy for the LDF

- 5.9 PINS and Government Offices are placing a much greater emphasis on infrastructure planning as part of the Core Strategy. Revisit PPS12 and put it on the agenda for discussions sooner rather than later.
- 5.10 Core strategies need to be 'underpinned by infrastructure planning'. This will include infrastructure needs and costs, funding sources, timescales and responsibility for delivery. The level of detail required will vary with the scale and nature of growth proposed and the likely timing of implementation.

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- 5.11 The processes for developing the LDF infrastructure base should be set up with their continuation for review, monitoring and implementation in mind. It should not be seen as a one-off exercise. Developing the approach to CIL should be managed through the same machinery.
- 5.12 Effective engagement of the service providers and implementation agencies should be based on partnership rather than consultation, with common ownership of the delivery programme. Making this clear at the outset will help engender a collaborative approach to the LDF exercise.
- 5.13 Think about setting up an inter agency group for infrastructure planning – ideally a sub-group of the LSP
- 5.14 Planners need to understand how the different agencies operate. They will have different, and frequently shorter planning horizons, and have their own decision-making and governance arrangements. It will take time and encouragement to make meaningful progress about longer-term needs.
- 5.15 Techniques for engagement can include mapping and quantifying likely development to help assess the infrastructure impact and implications. Look particularly for the ‘show stoppers’ – where lack of infrastructure can prevent development happening.
- 5.16 Many agencies work to 3-year funding programmes and will be unable to commit to longer timescales. A sound LDF needs to demonstrate deliverability so concentrate on getting agreement to the suitability and viability of possible longer-term solutions.
- 5.17 Start by putting together a schedule of Council and partners capital projects. The SHLAA should provide pointers to where physical infrastructure is required to enable the development of sites, eg new access roads.
- 5.18 Where major developments such as urban extensions are planned or proposed developers may well be willing to prepare infrastructure studies to justify their deliverability. These can be very useful but need to be validated.
- 5.19 In many areas growth will be accommodated through intensification and infill rather than urban expansion. Understanding the infrastructure implications is just as important in such circumstances, although the situation may well be complicated by existing deficiencies as well as additional requirements.
- 5.20 Infrastructure planning does not stop at administrative boundaries. Talking to regional and sub-regional partnerships and upper/lower tier authorities will be essential and these discussions can't start too soon

**Preparing for CIL**

- 5.21 Make sure senior colleagues and members including the Chief Executive are briefed on the introduction of CIL. The potential income stream will be attractive but make sure they understand the procedural issues (up-to-date development

plan, an infrastructure planning process, charging schedule, public examination), the timescale implications and that it is for top up funding not replacing mainstream sources.

- 5.22 Keep in touch with the progress of the regulations
- 5.23 As the regulations become clearer, consider carefully the pros and cons of CIL against continuing with S106. Watch out particularly for any limitations on the use of S106 and how these may impact on current policies and practice. Start thinking about how best to present this to senior officers, members and partners.
- 5.24 Make sure that processes for infrastructure planning and developing the CIL charging schedule are fully integrated, involving the full range of partners including the LSP and with clear governance arrangements. The output should be a rolling delivery programme which will provide the basis for the CIL schedule and for review and monitoring of infrastructure delivery.
- 5.25 Where authorities opt for CIL, there will need to be a whole new set of governance arrangements for the collection and spending of the funds. The responsibility for both collection and expenditure will rest with the CIL authority, but some if not most of the expenditure will be for other agencies projects, particularly in two tier areas.
- 5.26 There will need to be very clear and transparent corporate processes for administering the funds, which should include collaboration with partners in allocating and prioritising spending.
- 5.27 The infrastructure planning process and the resultant delivery programme underpinning the CIL charging schedule will form the basis for allocating CIL spending. Authorities will need to be able to demonstrate to the public and to developers that CIL has been spent in accordance with the regulations which will require separate accounting procedures.

### **Where to go for help**

- 5.28 The Planning Advisory Service (PAS), with CLG, POS and other agencies, is coordinating advice and guidance on Infrastructure Planning. Useful documents include 'Infrastructure Planning and Delivery – An Introduction', 'An Introduction to Infrastructure Planning and Delivery Briefing Pack', and 'Participants Resource Book'. These are all available on the PAS website.  
<http://www.pas.gov.uk/pas/core/page.do?pageld=98384> 'The Community Infrastructure Levy' (CLG August 2008) is available on the CLG website
- 5.29 POS Enterprises is running a series of supported learning projects with Local Planning Authorities across the Country. Further details are available from [andrewwright@posenterprises.co.uk](mailto:andrewwright@posenterprises.co.uk)

## 6. The key messages: convincing others

### The Importance of infrastructure planning

- 6.1 Infrastructure planning is not and should not be an 'optional extra'. Understanding the future infrastructure needs of the community and formulating a programme for meeting them should be a fundamental task for every Local Authority. It is now a mandatory part of the LDF preparation and has to be done and done properly. The urgency may be more compelling in areas of major growth, but demographic and behavioural change will have an impact in all authorities. It is only through bringing together the programmes of all service providers and agencies that gaps in provision, phasing and funding can be identified.
- 6.2 Through S106 planning obligations, including tariffs, and now through CIL, the planning process can provide substantial funding streams to help finance infrastructure projects. To identify the right projects and provide the essential policy framework for securing funds, a sound infrastructure plan will be a pre-requisite.

### An important corporate tool - not just a planning requirement

- 6.3 A robust integrated Infrastructure Strategy and Delivery Plan has the potential to drive delivery, to support funding bids and allocations and influence decision-making. Such a plan can be a key strategic document for the Local Authority, the Local Strategic Partnership and delivery agencies. To fully exploit this potential and to ensure that it is comprehensive and integrated it will need the involvement, support and 'ownership' of all the parties involved. Planners are in a good position to make the connections, to see the 'big picture', and will clearly have an important part to play, but do not have the evidence or the influence to deliver infrastructure planning on their own. It needs the support and commitment of all involved to ensure success.

### Corporate and LSP ownership

- 6.4 The Local Strategic Partnership should be in the best position to manage the infrastructure planning process. It can bring together the key partners involved in the provision of infrastructure with representatives of the private and community sectors. It is in an ideal position to demonstrate the significant benefits of an integrated approach, including securing funding.
- 6.5 In some areas the LSP may not be sufficiently developed to take on this role. In such cases infrastructure planning may be the catalyst for promoting partnership working. Otherwise the local authority or sub-regional partnerships may have to take the lead role. Whether the lead comes from LSP or the Council, the demonstrable backing of the Chief Executive and the Council leadership is a prerequisite. The dual benefits of coordinating the physical, social, and green infrastructure to deliver the community vision and procuring funding to help its implementation should be compelling arguments for securing support.

### **Service providers, the private sector and the community**

- 6.6 Service providers' investment plans and programmes are essential information to compile an infrastructure plan. Engaging them in the process will be dependant on convincing them of the added value in terms of greater efficiency and better outcomes in planning and delivering their individual service strategies. A 'top down' and 'bottom up' engagement strategy is likely to be the most influential with the backing of senior managers and working relationships at day to day level. Resolving differences of planning time horizons and assumptions will be a key task.
- 6.7 Private sector developers are the main agents of delivering growth and change. Planning policy and implementation processes will guide development to support the LDF and SCS vision. Understanding the private sector investment decisions and plans will inform the infrastructure plan and the likely funding of projects, through S106, tariffs or CIL. Regular interaction with the main developers in the area will be essential to preparing a robust infrastructure plan.
- 6.8 The Government expects community and other stakeholders to have an influence on the infrastructure planning process and CIL charging schedules. While there are no specific requirements as yet, the inclusion of infrastructure planning and CIL charging schedules within the LDF umbrella assumes community engagement and consultation as part of the process.

### **Alignment of strategies**

- 6.9 Alignment of partners' strategies at the overall strategic level should start with the Sustainable Community Strategy and be carried through to Local Area Agreements and in the future with Multi Area Agreements. The infrastructure planning process provides a further opportunity to align strategy in delivery programmes. Again this will be facilitated through a mature LSP, but this is not a prerequisite.

### **Evidence**

- 6.10 Engaging partners and service providers in the infrastructure planning process will involve an early discussion about a common evidence base. A plan will unravel very quickly if different elements are based on differing assumptions, for example on population and demographic projections, areas for development, funding and timescales. Having a common evidence base shared between partners is an ideal position, but this may take time to achieve. In the short term working towards an alignment of assumptions can provide the basis for plan preparation. Where partners are working to different projections or assumptions, it may well prejudice the testing of the plan through public inquiry and thus compromise future funding and CIL charging schedules.

**To CIL or not to CIL? (and S106)**

- 6.11 CIL will be discretionary and Local Planning Authorities will need to consider whether to implement the provisions or rely on current S106 arrangements. Consideration should take account of the potential income stream generated by CIL and the flexibility to fund infrastructure programmes across the community rather than site/development related. The forthcoming regulations will also be important in setting any future restrictions on S106 obligations. Where LPAs already have tariffs in place, secured through S106, these may provide a stepping-stone from S106 to CIL. Whether an authority is considering implementing CIL or continuing with a S106 based approach a sound infrastructure plan and planning process will need to be in place.

**Governance – priorities and spending**

- 6.12 Local Planning Authorities will be responsible for administering infrastructure planning and securing infrastructure through planning obligations and/or CIL. To ensure decision making is collaborative and to secure partner integration a governance framework which embraces a consensual approach is essential. This can be through the LSP, with a sub-group with specific responsibility for Infrastructure. Having an established process in place will be particularly important where decisions need to be taken in prioritising expenditure and bringing projects forward. Taking decisions in isolation without partner involvement will undermine and devalue the process. At a more basic level it will be necessary to put in place arrangements to receive payments, hold and manage them, pay providers and account for monies received and paid out.