

## **Matter 2: Development Strategy**

### **Issue 2.5: Infrastructure Requirements**

**25A. The Appendix to the Council's statement (Arup) indicates that some of the projects included in SA1-SA3 could legitimately be funded by s106 obligations, but some could not. (a) Does this need to be made clearer in the Plan? (b) Are all those that could not be funded by s106 included on the Reg 123 list? (c) If not, how are they expected to be delivered?**

#### **a) Does this need to be made clearer in the Plan?**

No – the infrastructure requirements are outlined and the funding stream may change over time. The relationship between s106, CIL and other funding streams will be set out in a developer contributions SPD.

#### **b) Are all those that could not be funded by s106 included on the Reg 123 list?**

Yes, all critical & essential infrastructure projects required for the delivery of the plan ( not considered appropriate for funding/delivery via S106) have been included in REG 123 list.

Policies SA1-SA3 could legitimately be funded/delivered by s106 obligations, but some could not. The following projects are considered unsuitable for S106 obligations (refer to Matter 2 Arup Appendix) and are identified on the Draft Regulation 123 List and below:

#### *SA1 South Area:*

- *Re-use of old railway line for cycling between Tetbury and Kemble. (E)*
- *Junction improvements at:*
  - *A417 / Whelford Road (C);*
  - *A429 / A433 (C)*
  - *A433 (London Road) / A433 (Long Street)/ Hampton Street/ New Church Street (C);*
  - *A433 (Long Street) / A433 (Bath Road) / B4014 (Fox Hill) / Chipping Street (C).*

#### *SA2 – Mid Area*

- *Improvement of Unicorn junction (A436 / B4068) (Stow-on-the-Wold) (C)*

#### *SA3 North Area*

- *Improvement for Fosse Way, Moreton-in-Marsh. (C)*
- *Junction improvements at A429 (Roman Road) / A44 (Oxford Street).*
- *Moreton-in-Marsh and A429 (Roman Road) / A44 (Bourton Road) Moreton-in-Marsh. (C)*

#### **c) If not, how are they expected to be delivered?**

The projects within the Regulation 123 list may partly or wholly be delivered using CIL and matched with other funding sources particularly County, LEP and Central Government grant funding pots. Some of the potential current funding pots are appended in the attached table.

Question 25 A - Potential sources of funding being considered for infrastructure requirements set out in policies SA1 to SA3

IDP proposal type	Description	Cost estimate (NB highways schemes only)	Examples Funding source - Highways 2 & IDP Funding Gap 4.3,4
<p><b>Highways mitigation + related</b> (NB highways only -schemes and therefore costs are indicative)</p>	<p><b>North</b> Widening of roads at junctions, modifications of mini-roundabouts to signal-controlled junctions, realignment of road markings and improvements to pedestrian facilities at A429 (Roman Road) / A44 (Oxford Street), Moreton-in-Marsh and A429 (Roman Road) / A44 (Bourton Road) Moreton-in-Marsh</p> <p><b>Mid</b> Improvement for Unicorn junction (A436 / B4068).</p> <p><b>South</b> Improvements to A429 Cherry Tree junction (Cirencester) Cycling infrastructure including improvements for Tetbury Road and London Road Corridors (Cirencester) A417 / Whelford Road junction improvements (Fairford) Junction improvement for A429 / A433 (Kemble) Improvements to A433 (London Road) / A433 (Long Street)/ Hampton Street/ New Church Street junctions. (Tetbury) Improvements to A433 (Long Street) / A433 (Bath Road) / B4014 (Fox Hill) / Chipping Street junctions. (Tetbury)</p>	<p>£870,000</p> <p>£620,000</p> <p>£695,000 (Kemble) £870,000 (Tetbury) * Fairford and Cirencester schemes are identified in LTP (CR001) and are County Council proposals not derived from CDC evidence (Atkins EB061). No costings available. * Update of the Highways Capacity Study due by 6 Oct in time for Nov Hearings (apropos MIQ195). Likely to recommend deletion of one Tetbury proposal and a lesser scheme for the other having regard to reduced anticipated load. Will obviously help to reduce overall funding demand. Reason: proposed employment allocations in Tetbury have gone for housing on appeal.</p>	<p>Examples Funding source - Highways 2 &amp; IDP Funding Gap 4.3,4</p>
	<p>Re-use of old railway line for cycling between Tetbury and Kemble. (Tetbury)</p>		

Funding sources (Highways)	Value	Who can bid?	Key criteria (as at October 2017)
<p>DCLG - Housing Infrastructure Fund: Marginal Viability</p> <p>Government capital grant programme</p>	Up to £10 million	Single and lower tier local authorities	<ul style="list-style-type: none"> <li>• New infrastructure that will unlock new homes in the areas of greatest housing demand</li> <li>• To provide the final, or missing, piece of infrastructure funding to get additional sites allocated or existing sites unblocked quickly. Gov. expect the infrastructure to be built soon after schemes have been awarded funding, and for the homes to follow at pace.</li> <li>• It is not to be used to displace other sources of available funding or bail out developers</li> <li>• Authorities can submit multiple bids and will need to rank them in order of priority.</li> <li>• All tiers of government should work together, and with their Local Enterprise Partnerships, to develop strong bids.</li> <li>• Gov. encourages local authorities to submit joint bids where they will unlock additional housing at scale.</li> <li>• The Fund is available over four years from 2017/18 to 2020/21 and Gov. will be looking for some Marginal Viability proposals that can spend in 2017/18.</li> <li>• All funding must be committed by March 2021.</li> </ul>
<p>DCLG - Housing Infrastructure Fund: Forward Funding Government capital grant programme</p>	Up to £250 million	Uppermost tier of local authority	<ul style="list-style-type: none"> <li>• <u>Strategic and high-impact infrastructure schemes which gives the market confidence to provide further investment and make more land available for development and future homes.</u></li> <li>• It is not to be used to displace other sources of available funding or bail out developers</li> <li>• Authorities can submit multiple bids and will need to rank them in order of priority.</li> <li>• All tiers of government should work together, and with their Local Enterprise Partnerships, to develop strong bids.</li> <li>• Gov. encourages local authorities to submit joint bids where they will unlock additional housing at scale.</li> <li>• The Fund is available over four years from 2017/18 to 2020/21 and Gov. will be looking for some Marginal Viability proposals that can spend in 2017/18.</li> <li>• All funding must be committed by March 2021.</li> </ul>

Funding sources (Highways)	Value	Who can bid?	Key criteria (as at October 2017)
<p>Highways England - Growth and Housing Fund</p> <p>Government capital grant programme</p>	<p>Up to £5 million, although up to £10 million where a scheme offers excellent value for money</p>	<p>The Local Enterprise Partnerships and the Combined Authorities</p>	<ul style="list-style-type: none"> <li>• To mobilise development sites that require prompt investment on or near the SRN to allow them to progress quickly.</li> <li>• For a scheme to be eligible under the fund it must first be demonstrated that the intervention would be a complement to and not a replacement for the other funds, from private or public sources.</li> <li>• Match Funding. schemes must demonstrate substantial private match funding (about 50%)</li> <li>• Scheme Readiness. This will primarily be identified by the planning status of the sites to be served. Highway England expect to invest in schemes that have full planning consents in place. We will also consider what else has to happen before the scheme can start, such as compulsory purchase orders or other mitigations</li> <li>• Early delivery of jobs and homes – and added value. Highways England will also consider the timing and quantity of jobs, homes and other widescale economic impacts that will be unlocked by the scheme and compare these to the level of funding being requested</li> <li>• Highways England will also assess the Benefit Cost Ratio and Value For Money of all schemes using the Web Transport Analysis Guidance (WebTAG)</li> <li>• Highways England are (reasonably) obliged to spread the benefits of the programme nationally, and they reserve the right to take funding already awarded into account in our sifting and appraisal of schemes.</li> </ul>

Funding sources (Highways)	Value	Who can bid?	Key criteria (as at October 2017)
<p>Department for Transport – National Road Fund</p> <p>Funding for Major Road Network</p>	TBC	TBC – expected to be Upper tier local authorities	<ul style="list-style-type: none"> <li>• The Rees Jeffreys Road Fund published its report on A Major Road Network for England in October 2016</li> <li>• The DfT plans to consult on the creation of a Major Road Network for England, as a central element of the new Transport Investment Strategy.</li> <li>• It is expected that local authorities will have access to resources for the MRN's improvement and development from the forthcoming National Road Fund, alongside the planning and funding of the Strategic Road Network of motorways and trunks roads.</li> <li>• Proposed MRN in Gloucestershire –</li> </ul>

Funding sources (Highways)	Value	Who can bid?	Key criteria (as at October 2017)
<p>Department for Transport – Highways maintenance challenge fund</p>	<p>TBC – based on previous guidance</p> <ul style="list-style-type: none"> <li>• Small schemes requiring DfT funding of £5m or more, but less than £20m;</li> <li>• Large schemes requiring DfT funding above £20m.</li> </ul>	<p>Local highway authorities outside London</p>	<ul style="list-style-type: none"> <li>• The purpose of the funding is to allow local authorities to bring forward maintenance schemes which could make a real difference to road users.</li> <li>• The Fund is designed to help maintain existing local highways infrastructure. The types of project that will be eligible for funding include: <ul style="list-style-type: none"> <li>○ Major maintenance, strengthening or renewal of bridges, tunnels retaining walls or other structures</li> <li>○ Major maintenance or renewal of carriageways (roads)</li> <li>○ Major maintenance or renewal of footways or cycleways</li> <li>○ Major maintenance or renewal of drainage assets</li> <li>○ Upgrade of street lighting</li> <li>○ A scheme which primarily covers one of the above categories but also includes some enhancement to the network to provide better access to housing and/or employment.</li> </ul> </li> <li>• To ensure strong local commitment, promoters will need to contribute at least 10% of total scheme costs.</li> <li>• The DfT's assessment of the bids will be consistent with the Transport Business Case process covering strategic, financial, economic, commercial and management cases.</li> <li>• Value for Money will form part of our assessment of the bids but will not be the only factor.</li> <li>• For smaller schemes and if available, promoters should provide a robust estimate of the Benefit Cost Ratio (BCR) of the scheme.</li> <li>• For larger schemes costing over £20 million, the Department would expect any bid to include a BCR aligning with the requirements set out in WebTAG</li> <li>• Bidders will be expected to commit to monitor/evaluate the impact of the scheme once implemented.</li> </ul>

Funding sources (Highways)	Value	Who can bid?	Key criteria (as at October 2017)
Department for Transport – National Productivity Investment Fund for the Local Road Network – 2018/19 and 2019/20	TBC – based on previous guidance <ul style="list-style-type: none"> <li>• small projects requiring DfT funding of between £2m and £5m; and</li> <li>• By exception, larger projects requiring DfT funding above £5m but no more than £10m.</li> </ul>	Local highway authorities outside London	<ul style="list-style-type: none"> <li>• NPIF is for investment in areas that are key to boosting productivity: transport, digital communications, research and development (R&amp;D), and housing</li> <li>• The purpose of the Local Road Network Fund is to increase and rebalance productivity, by relieving congestion and delivering upgrades to local roads and public transport networks.</li> <li>• The Department proposes setting a cap of two on the number of bids from an individual LHA</li> <li>• Where appropriate, DfT will take the endorsement of a LEP &amp; local MP into account as part of the bid assessment.</li> <li>• As a result bids for NPIF Local Road Network projects will be required to promote or facilitate one or more of the following aims:               <ul style="list-style-type: none"> <li>○ to ease congestion and provide upgrades on important national, regional or local routes</li> <li>○ to unlock economic and job creation opportunities; or</li> <li>○ to enable the delivery of new housing developments.</li> </ul> </li> <li>• Bids should not be limited to traditional “pinch-point” schemes. With the pace of change in technology DfT are particularly interested to receive bids that: a) avoid simply unlocking latent demand, b) improve the efficiency of the existing space allocated to transport and c) use smart technology to ease congestion and to provide a service to road users. Bids that are primarily focussed on congestion will be particularly welcome if they are about improving the efficiency of the existing space allocated to transport, or congestion that affects the productivity of areas.</li> </ul>

Funding sources (Highways)	Value	Who can bid?	Key criteria (as at October 2017)
			<ul style="list-style-type: none"> <li>Investment need not be restricted to those that directly benefit car or goods vehicle users. It can include investment in road-based public transport networks, such as those for the use of buses where these also help reduce congestion on road networks and/or can demonstrate a clear link to growth. Similarly it could be that a project limiting or removing conflicts between motorised traffic and other roads users, i.e. pedestrians and cyclist. Or it could be used to optimise the existing data that is collected on the performance of transport networks more effectively.</li> <li>DfT envisage that potential projects will be delivered quickly</li> <li>To ensure strong local commitment, promoters will be encouraged to contribute something in the order of <u>30% of the total project costs.</u></li> <li>The Department's assessment of the bids will be consistent with the HMT Business Case process based on the 5 case model covering the strategic, financial, economic, commercial and management cases</li> <li>Bids will be considered in the round, and our assessment will pay attention to the impacts on air quality, CO<sub>2</sub> emissions and how the promoter intends to incentivise skills.</li> <li>The deadline for submitting bids is 5pm on 30 June 2017. Decisions on successful bids will be made as soon as possible, with a target of autumn 2017 to allow work to start in spring 2018.</li> </ul>



Description	Cost estimate	Funding sources	Key criteria (as at October 2017)
<b>North:</b> Education Early Years Education Primary Basic Education Secondary (inc. sixth form) Education Further	£ 479,377 £ 1,042,123 £ 874,105 £ 291,368 £ 2,686,973	Basic Need Capital Allocation, DfE - Free school/academy my funding (Education funding Agency), Paris h/Neighbourhood.	(GCC) via email: "My understanding is that there is basic need funding which LEAs apply for based on on-going need, and reach a settlement annually. This is used to increase some school sizes or maintenance. There is an expectation that new housing will contribute towards school expansion through planning obligations where justified. Obviously s106 funding only deals with the immediate impact, and a new school or facility will need access to basic need funding in future years, once the population in the area is no longer 'new'. There aren't really government pots any more (for County Council building). Applications to open new Free Schools go through a process where they can be justified..."
<b>Mid:</b> Education Early Years Education Primary Basic Education Secondary (inc. sixth form) Education Further	£ 645,155 £ 1,402,512 £ 1,176,389 £ 392,130 £ 3,616,186		
<b>South:</b> Education Early Years Education Primary Basic Education Secondary (inc. sixth form) Education Further	£ 737,715 £ 1,603,729 £ 1,345,165 £ 448,388 £ 4,134,997 £ 10,438,156		

IDP proposal type	Description	Cost estimate	Funding sources	Value	Key criteria (as at October 2017)
Healthcare	<b>North:</b> Healthcare GPs Healthcare Dentists Healthcare Acute	£ 124,342 £ 67,891 £ 112,877 £ 305,110	All - s106, NHS/CCG /Private practice South a. (Tetbury & Chesterton) NHS / CCG / Private Practice 4.2 funding gap analysis	£4,830,000	
	<b>Mid:</b> Healthcare GPs Healthcare Dentists Healthcare Acute	£ 167,342 £ 91,369 £ 151,913 £ 410,624			
	<b>South:</b> Healthcare GPs (Tetbury Surgery £2,030,000) (Chesterton Surgery £2,800,000) Healthcare Dentists Healthcare Acute	£ 191,350  £ 104,477 £ 173,708 £ 469,535  £ 1,185,269			

IDP proposal type	Description	Cost estimate	Funding sources	Value	Key criteria (as at October 2017)
Flood Risk Management	<p><b>North</b></p> <p>Flood alleviation bund in the northwest of Moreton in Marsh and a new flood alleviation channel to the south.</p>	<p>£ 650,000</p>	Thames RFCC	£50,000	
	<p><b>Mid:</b></p> <p>N/A</p>	<p>N/A</p>			
	<p><b>South</b></p> <p>SUDs and soft measure interventions to manage flood risk in Cirencester. Currently at options testing and feasibility. Future projects to arise towards end of plan period.</p>	<p>£ 250,000</p>	GCC Flood Risk Thames Water Community Fund	£50,000	
		<p>£ 900,000</p>			