

Additional supporting report for CIL Examination on:
Proposed infrastructure requirements for the Cranbrook expansion areas

This evidence has been prepared for the Council by Graeme Thompson MA, (BA (hons))

The East Devon New Community Partners (NCPs) have produced their costed evidence on infrastructure requirements (CIL and/or S106) to support development of Cranbrook. This evidence forms part of their case to the CIL Examination.

This document sets out the updated EDDC case on infrastructure required for the delivery of the Cranbrook East and West expansion areas (2,500 homes). The assumed net : gross area calculations are shown first, followed by the assumed opening up costs, infrastructure required by S106 and then the list of infrastructure proposed to be delivered through CIL.

Using these assumptions, EDDC officers consider that the proposed CIL rate of £68/sqm for the East and West Expansion areas strikes an appropriate balance. This update on costs reflects the fact that since production of the Draft Charging Schedule, and indeed the EDDC evidence paper for the CIL Examination Hearing Session, considerable extra information has become available. The work updates on previous work on infrastructure requirements for the expansion areas in the light of ongoing negotiations regarding the S106 Deed of Variation for the current application to provide an additional 587 dwellings within the approved area of Cranbrook and the introduction of the latest 2014 Amendment CIL Regs. Whilst there is a difference between the Council and the NCPs on where the CIL/S106 balance should fall, both parties have calculated very similar overall infrastructure total costs for the delivery of Cranbrook from 3,500 homes to 6,000 homes.

The costs in the tables that follow have been discussed internally by EDDC officers and with Devon County Council officers. The NCPs have also been made aware of these discussions and calculations. The 2014 Amendment Regulations were formally “made” on 23 February 2014. These amendments allow provision of infrastructure to be made in-lieu of CIL payment. EDDC officers consider this to be an appropriate way for some infrastructure at Cranbrook to be delivered.

Net : Gross

EDDC officers have carried out an assessment of the likely demands on the gross site area which will reduce the net developable area. The following table sets out the constraints and the estimated land take they may require.

Table1

Item	Area (ha)
<u>TOTAL GROSS ALLOCATED AREA</u>	<u>139.5 ha</u>
<u>Floodzone 2</u> Areas within the site that are covered by floodzone 2 and therefore assumed not developable.	13.00 ha
<u>Powerlines</u> Areas underneath high voltage powerlines. Assumed 20m wide buffer zone not developable. Areas under powerlines but within floodzone 2 not double counted.	2.51 ha
<u>Open Space</u> Compliance with Strategy 43 – allotments, amenity open space, outdoor sport, parks and recreation grounds, play space – children, play space – youth. Natural and semi-natural greenspace assumed to be within floodzone 2.	13.04 ha
<u>Land take for swimming pool / sports centre</u> Based on Honiton sports centre and swimming pool buildings, car park and landscaping.	0.86 ha
<u>Land take for 3rd primary school</u> Based on St Martins Primary School buildings, playing field, playground, car park and landscaping.	2.37 ha
<u>Land for additional allotments</u> Land for additional allotments to serve the shortfall of allotments provided within the 2,900.	1.1 ha
<u>Land for cemetery</u> Land for cemetery	0.90 ha
<u>MLR extension</u> Assumed ¾ length of MLR to meet 2,900 at 2.1km long and 6.5m wide.	1.3 ha
<u>TOTAL LAND TAKE FROM GROSS AREA</u>	<u>35.3 ha</u>
<u>NET DEVELOPABLE AREA</u>	<u>104.3 ha</u>
<u>NET:GROSS</u>	<u>75%</u>

Opening up costs

The table below provides a commentary on the assumed strategic infrastructure costs (opening up costs) for the allocated Cranbrook expansion areas. The table is an adaptation of that provided by the NCPs in “Response Number 2 17th July 2012” which forms part of Appendix 2 to their written statement prepared for the CIL Examination Hearing Session.

The NCPs suggest that the strategic infrastructure costs for the approved 2,900 could generally be considered suitable to be rolled forward for the expansion areas. The table below shows the elements that EDDC considered relevant to be rolled forward. The EDDC assumed strategic infrastructure costs total £225,000 per net hectare in comparison to the NCPs suggested range of £500,000 - £600,000 per net hectare. It should be noted that EDDC evidence does not rely solely on NCP information but is drawn from a number of sources and similar (or even lesser) figures have been found acceptable at other CIL examinations

A	B	C	D	E
Opening up cost item	Costs for approved 2,900 dwellings	NCPs cost per dwelling	EDDC cost per dwelling	EDDC comments
<u>Enabling works</u> (Demolition of buildings and roads, clearance)	£1.0m	£344	£344	Reasonable to expect similar or better circumstances for expansion areas and so the figure potentially an overestimate for the expansion areas.
<u>Clyst Honiton Bypass</u> (Civils, service diversions, signals, A30 slip roads, earthmoving)	£7.9m	£2,724	£0	Already provided – not relevant.
<u>Highway Infrastructure</u> (Former A30 improvements (footway/cycleway/lighting/refuges) Roundabout junctions into Cranbrook (inc drainage, excavation, formation, lighting).	£3.5m	£1,206	£0	Strategic transport infrastructure for the expansion areas to be dealt with through CIL.
<u>Landscaping</u> (Laying out of landscaping including informal open spaces, country park, ecology park, sports pitches, children’s play areas, other open space, landscaping of MLR. Laying out of urban spaces including squares and public realm)	£4.5m	£1,551	£1,000	S106 costs provide an allowance for laying out land for these uses. But is reasonable to make some allowance for strategic costs and therefore retain £1,000 per dwelling for this purpose (although still may represent double counting)
<u>Earthworks</u> (Cut, fill, storage, relay)	£3.0m	£1,034	£1,034	Reasonable to expect similar circumstances in the expansion areas.
<u>On site infrastructure</u>	£14.0m	£4,827	£0	Assume the extension of the Main Local Route (MLR) into

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Opening up cost item	Costs for approved 2,900 dwellings	NCPs cost per dwelling	EDDC cost per dwelling	EDDC comments
(Construction of MLR and PLL etc. Rockbeare stream crossing. Road to station. Adoptions.				the expansion areas will take the form of a normal development spine road. There is not expected to be an equivalent to the road to the station.
<u>Drainage</u> (Foul drainage for site. Attenuation basins. Drainage for primary infrastructure (MLR etc). Drainage adoptions.	£6.5m	£2,241	£2,241	Reasonable to expect similar circumstances in the expansion areas. However, some of the initial costs of provision will not be replicated in the expansion area and therefore there may be a further cost saving.
<u>Utilities</u> (Off site reinforcement of electricity and fould drainage. Diversions along former A30. On site distribution including civils for district heating and mains services. CHP pipes along the MLR)	£6.0m	£2,068	£2,068	Reasonable to expect similar circumstances in the expansion areas. However, some of the initial costs of provision will not be replicated in the expansion area and therefore there may be a further cost saving.
Planning and design fees, procurement and project administration, management and administration – those directly associated with delivery of site infrastructure etc outlined above.	£5.0m	£1,724	£0	These costs are accounted for by the scale of the professional fees used elsewhere in the Viability Study.
Contingency (@7.5%)	£3.9m	£1,344	£0	“Viability Testing Local Plans” (Harman guidance) does not require an allowance for contingency. Contingencies are there to allow for higher costs but costs could be lower – viability testing assumes a normal scenario.
TOTALS	£55m	£19,068	£6,687	
Total per net hectare @ 30dph (NCP) and 33 dph (EDDC)		£572,069	£220,000	£225,000 per net hectare allowed for in the Viability Study In terms of TOTAL contribution to infrastructure costs – with the additional 15% of build costs for externals works – the full amount allowed for is c £19,000 per plot - within the range of £17,000-£23,000 suggested by the Harman guidance.

S106 infrastructure

The table below sets out the proposed S106 requirements for the allocated Cranbrook expansion areas. The table is an adaption of that provided by the NCPs in “Response Number 3 7th August 2012” which forms part of Appendix 2 to their written statement prepared for the CIL Examination Hearing Session.

The NCPs suggest that the costs in the S106 for the approved 2,900 dwellings (column B) are likely to be rolled forward for the expansion areas with a few exceptions. This being the case, the costs recorded in column B have been divided by 2,900 to produce a per dwelling figure which is provided as the NCPs assumed S106 cost per dwelling for the expansion areas in column C. These costs do not take account of any indexation on payments.

EDDC has previously produced a similar table based on what it assumed would be rolled forward from the previous S106. In response to the NCPs written statement it has been deemed appropriate to look at the S106 requirements of the expansion areas in more detail and provide a response to the table in their Appendix 2 on an item by item basis (columns D and E). Further additional infrastructure items not referred to by the NCPs are listed in red at the end of the table. The table below is provided as a best estimate of what the S106 requirements might be at this moment in time and do not prejudice any future S106 negotiations regarding the expansion areas. The final S106 requirements will be based on a comprehensive assessment of infrastructure needs at the time the application for the East and West expansion areas is considered.

Table 3

A	B	C	D	E
S106 Item	Cost in approved S106 for 2,900 (not index linked)	NCPs assumed cost per dwelling (cost in approved S106 / 2,900)	EDDC assumed cost per dwelling	EDDC comments
Transferred Land				
Servicing of land to be transferred without being laid out etc (exc Education Campus)	£0.15m	£51.72	£0	Not required – assume no land to be transferred possibly with the exception of open space dealt with below.
Education				
First Primary School	£4.5m	£3,103.45 – Assumed 2 new primary schools	£0	Relevant education requirements funded through CIL

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S106 Item	Cost in approved S106 for 2,900 (not index linked)	NCPs assumed cost per dwelling (cost in approved S106 / 2,900)	EDDC assumed cost per dwelling	EDDC comments
		required		
Education Campus and Secondary School Contribution	£13.2m	£4,551.72	£0	Relevant education requirements funded through CIL
Servicing and delivery of site for secondary school	£0.2m	£68.96	£0	Not required – assume no extra land to service/deliver.
Transport				
Off site minor road improvements	£0.15m	£51.72	£0	Relevant strategic transport requirements to be funded through CIL . All other off-site minor road improvements for Cranbrook were frontloaded and have already been delivered.
Junction 29 and 30 (including second contribution towards Titebarn Lane Link)	£2.0m	£689.65	£0	Not required – Improvements to Junction 29 have already been delivered and those to Junction 30 have already been secured.
Monitoring, Travel questionnaire, ramp metering to monitor queues, mitigation contribution, Traffic Regulations Orders in relation to former A30	£0.4m	£137.93	£0	Not required – No major highways works expected so no reason to expect these elements to be required.
Crannaford Crossing Contribution	£0.2m	£68.96	£0	Relevant strategic transport requirements to be funded through CIL .
Bus Service Contribution	£1.7m	£586.21	£0	Relevant strategic transport requirements to be funded through CIL .
Other bus contributions (bus detection, wider interchange enhancements)	£0.1m	£34.48	£0	Not required – No further improvements necessary.
Other Travel Plan measures	£0.1m	£34.48	£41.39	Assumed £100,000 consultants costs plus £10,000 car club contribution across 3,500 dwellings index linked.
Station Contribution				
Station contributions	£3.1m	Perhaps not required	£0	Relevant strategic transport requirements to be funded through CIL .
Other Contributions				
Play area contribution (for EDDC to provide all	£0.7m	£241.38	£0	See Strategy 43 compliance below

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S106 Item	Cost in approved S106 for 2,900 (not index linked)	NCPs assumed cost per dwelling (cost in approved S106 / 2,900)	EDDC assumed cost per dwelling	EDDC comments
NEAPS and LEAPS)				
Recycling contribution	£0.2m	£68.96	£79.02	Assumed £210,000 contribution across 3,500 dwellings index linked.
Public Art contribution	£0.06m	£20.69	£60.21	Assumed £60,000 art contribution and £100,000 10 year maintenance across 3,500 dwellings index linked.
Energy Strategy contribution	£0.02m	£6.90	£0	Not required – already produced.
Multi Purpose Building Contribution	£1.7m	£586.21	£0	Not required – building will already be built
Children’s centre contribution	£0.4m	Perhaps not required	£0	Not required – building will already be built
SUDS Contribution (payable to EDDC for maintenance of SUDS system)	£0.1m	£34.48	£29.35	Assumed 3 x SUDS Contribution @ £26,000 each (=£78,000) across 3,500 dwellings index linked.
Youth Centre Contribution	£0.04m	£13.79	£0	Not required – building will already be built
Town Council Contribution	£0.2m	£68.96	£0	Not required – will already be up and running
Other items (footway creation contribution, bus turning facilities, country park vehicle, off site landscaping contribution, Town Council contribution, mobile library contribution)	£0.2m	£68.96	£0	Not required – footways included in externals, bus turning facilities not required, country park vehicle already provided, off site landscaping not required, town council cont see above, mobile library not required.
Country Park Officer Contribution	£0.17m	£58.62	£65.85	Assumed £175,000 contribution across 3,500 dwellings index linked.
New Community Officer Contribution	£0.14m	£48.28	£48.54	Assumed £129,000 contribution across 3,500 dwellings index linked.
Youth Worker Contribution	£0.13m	£44.83	£49.67	Assumed £132,000 contribution across 3,500 dwellings index linked.
Community Development Worker Contribution	£0.08m	£27.59	£31.98	Assumed £85,000 contribution across 3,500 dwellings index linked.
Construction of S106 items				
Construction of Church Worker Accommodation	£0.2m	Perhaps not	£0	Not required – already built

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S106 Item	Cost in approved S106 for 2,900 (not index linked)	NCPs assumed cost per dwelling (cost in approved S106 / 2,900)	EDDC assumed cost per dwelling	EDDC comments
		required		
Construction of Country Park resource centre	£0.15m	£51.72	£0	Not required – will already be built.
Other S106 items EDDC will require				
Sports pavilion and changing rooms	£0.5m	Not required	£94	Assumed £250,000 for enhanced / small extra provision (approximately half costs of those in existing S106).
Car parking for sports pitches	£0.05m	Not required	£9	Assumed £25,000 for enhanced / small extra provision (approximately half costs of those in existing S106).
Open Space provision as per Strategy 43		See play area contributions above	£2,894.88	Assumes exact compliance with Strategy 43 at costs in published Appendix B to the Open Space Study. Costs include provision of equipment and laying out of land but not actual land costs. Some costs for laying out of open space may possibly be double counted within the assumed opening up costs, however, it is not possible at this moment to drill down to how much double counting that might be. Costs are based on contributions to the Council for the Council to then provide the open space – a developer build scenario is likely to be far cheaper.
10 year open space maintenance		Not required	£851.20	Assumed all open spaces provided against Strategy 43 are transferred to EDDC (worst case scenario, in all likelihood only some open spaces would be).
Library fit out		Not required	£280	Assumed £1,000 per sqm fit out plus book stock of £250,000 across 2,500 dwellings total £700,000 = £280 per dwelling.
Health and wellbeing centre kickstart		Not required	£36.98	Assume contribution to get the Health and Wellbeing Centre up and running (3 years maintenance costs at £102/sqm). Total cost £147,900 spread across 4,000 dwellings = £36.98

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S106 Item	Cost in approved S106 for 2,900 (not index linked)	NCPs assumed cost per dwelling (cost in approved S106 / 2,900)	EDDC assumed cost per dwelling	EDDC comments
				per dwelling.
TOTALS		£10,720.65 per dwelling	£4,572.07per dwelling	£4,572.07 is not substantially less than the £4,661.72 assumed when the Charging Schedule was submitted. It does, however provide a slight extra buffer.

CIL

The 2014 Amendment CIL Regulations were officially “made” on 23 February 2014. These amendments allow for infrastructure to be provided by a liable party in-lieu of paying CIL.

Previously education requirements at Cranbrook had been considered a cost on the S106 because it was felt that this would be the best way to secure delivery in line with development and it had been successful for the first phase. However, through the process of looking at infrastructure requirements of Cranbrook in more detail, significant extra costs on the S106 have been identified. With this and the ability to now provide infrastructure in-lieu of paying CIL, it seems appropriate for education to be delivered through CIL. That said, any S106 would need to ensure that the transfer of land (to Devon County Council) occurred in a timely manner to allow provision at an appropriate time through CIL funding. In the absence of such a transfer there is no way of guaranteeing (prior to the grant of planning permission) appropriate / timely provision through CIL funding – in effect the NCPs could opt to simply make the appropriate CIL payment rather than provision in-lieu. If the land transfer was in the S106, then it would be open to any developer to subsequently enter into an agreement to secure provision of the education facilities by way of an agreement entered into pursuant to Regulation 73A of the 2010 Regulations with the S106 being modified accordingly.

Strategic transport infrastructure had previously been expected to have no (or at most minimal) cost, and so had been assumed to be taken account of via the 15% external works allowed for in the viability assessment and not a S106 or CIL requirement. However, through more detailed assessment of the requirements for the expansion areas and extra information from the Highway Authority it is considered that there may be certain aspects that may be in addition to those previously assumed. These things could be provided for through CIL.

Similarly, the Health and Wellbeing Centre had not previously been envisaged to be provided, however through more detailed assessment of the requirements for the expansion areas it is considered that CIL could pay for it / or it could be provided by the developers as payment in kind.

The table below sets out the infrastructure requirements of the Cranbrook expansion areas that will need to be provided through CIL (including potentially as an infrastructure payment in-lieu of CIL payment).

Table 4

Infrastructure Item	Funding required from expansion areas CIL income	EDDC Comments
SANGS / HRA mitigation	£1,231,550	Suitable Alternative Natural Green Space (SANGS) and contributions required to mitigate against impact of development on the Exe Estuary and Pebblebed Heaths as per Habitat Regulations Assessment (HRA). Assumed cross site measures at £123.89 per dwelling, monitoring at £11.38 per dwelling, Exe Estuary on-site measures at £20.59 per dwelling, Pebblebed Heaths on-site measures at £38.71 and SANGS at £298.05 per dwelling. Totals £492.62 per dwelling.
Education – 3 rd Primary School	£7,000,000	Assume one 630 place primary school required to serve East and West expansion areas at a total cost of £7million.
Education – Secondary School fit out	£2,000,000	Assume developer is building out Secondary School with a shell big enough to hold students from a total of 7,500 dwellings. Fit out of school to hold the additional capacity of students from 2,500 homes assumed to be £2million.
Strategic transport – New junctions required off of former A30, refuges, street lighting, enhanced footways	£1,300,000	Assume limited and minimal draw on CIL income for strategic transport infrastructure. Expect 2 new roundabouts off former A30 and minimal works to former A30 along frontages of expansion areas.
Strategic transport – Extension of the MLR into expansion areas	£0	Assume the extension of the Main Local Route (MLR) into the expansion areas will take the form of a normal development spine road. It will not be designed to have enhanced capacity and so are taken account of by the extra 15% for “external works” in the Viability Study.
Strategic transport – Enhanced rail station passenger interchange facilities	£250,000	Assume a small building with automated facilities required and possible public conveniences.
Strategic transport – Enhanced bus services up to 15 minutes	£780,000	Assume enhancement of existing services to increase frequency to every 15 minutes. Approach used recently for Skypark bus contributions.
Strategic transport – Station Road improvements	£500,000	Assume Station Road improvements may be required if a new access onto it is required (total £500k across 2,500 dwellings).
Community and Youth facilities – Health and Wellbeing Centre building	£1,500,000	Assume a building of a similar footprint to the Westbank Centre in Exminster (1,450sqm). Using mean BCIS build costs for general community centres between 500 and 2000sqm of £1,429/sqm plus 15% for externals = £1,643.35 gives a total cost of £2,382,857. Spread across 4,000 dwellings this equates to £595.71 per dwelling. Multiplied by 2,500 dwellings gives £1,489,285.94.
Capital build costs for indoor sport at Cranbrook	£754,627	Assume land for swimming pool/sports centre provided through S106

		(accounted for in net:gross calculations). Total expected cost of 50 station Fitness Gym and 2 Studios , 6 lane pool (25m) and Learner Pool in same facility £7.5million. Expansion areas demand is only part of this cost. The Sport England Sports Facility Calculator suggests 5550 people (2,500 dwellings at 2.22 persons occupancy) would require 1.02 lanes of a swimming pool at a cost of £754,627. Gym and studios to be funded by LED.
Crannaford Crossing	£1,000,000	Outstanding objection to the current application for 587homes by Network Rail. Potentially an upgraded level crossing or a bridge may be required, however, costs are currently only a ballpark figure and it may not be required.
<u>TOTAL</u>	<u>£16,316,177</u>	
<u>TOTAL per dwelling (Total / 2,500 dwellings)</u>	<u>£6,526.47</u>	

Regulation 123 List

The above assessments of infrastructure required of the Cranbrook expansion areas are premised on certain amendments to the Draft Regulation 123 List. As submitted, the Draft Regulation 123 List would not allow for CIL monies to be spent on strategic transport or community and youth facilities at Cranbrook, therefore it would need to be amended to allow this. An amended Draft Regulation 123 List is also being submitted alongside this report.

Total infrastructure bill

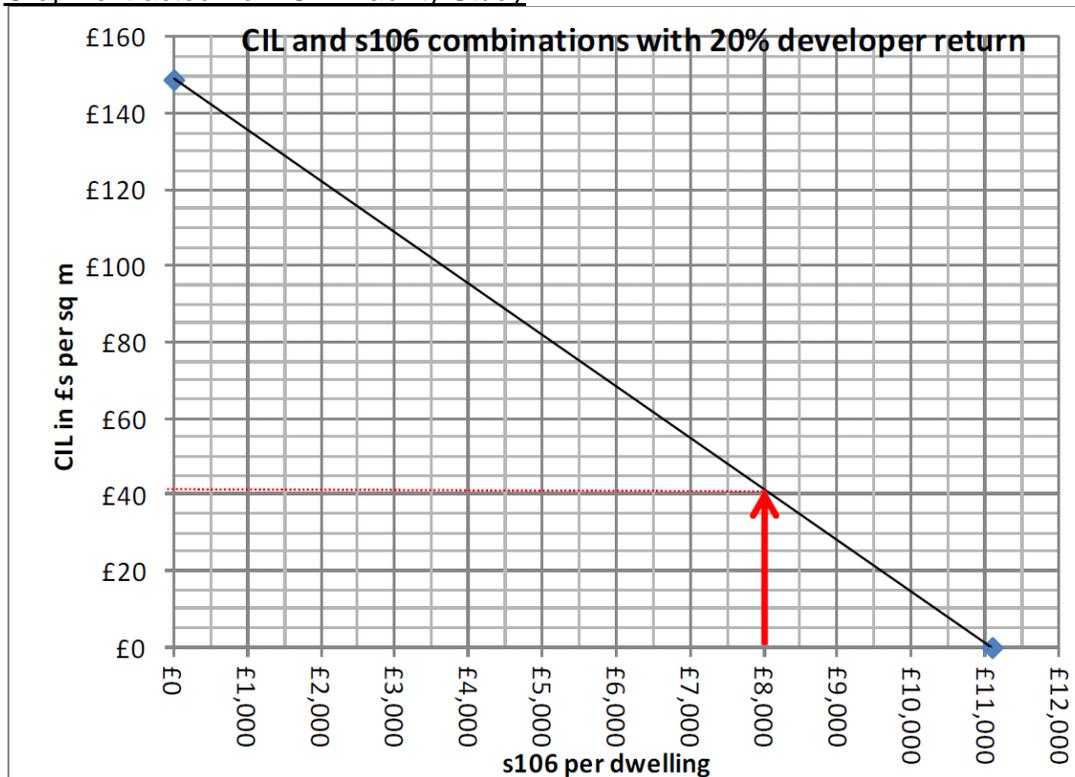
When the Council submitted the Charging Schedule for Examination the infrastructure assumptions used in calculating the rate for Cranbrook were based on the best appropriate evidence available at the time. The evidence submitted assumed £4,661.72 in S106 costs per dwelling as well as £302 per dwelling towards indoor sports and £492.62 per dwelling towards SANGS/HRA both to be funded by CIL. The total infrastructure bill was therefore £5,456.34.

The NCPs through the position explained above assume a total S106 cost of £10,720.65 per dwelling plus £302 per dwelling towards indoor sports and an average of £492.62 per dwelling towards SANGS/HRA both to be funded by CIL. Their total infrastructure bill is therefore **£11,515.27**.

Through the process explained above, Council officers have now undertaken a much more comprehensive analysis of the infrastructure requirements for Cranbrook specifically in response to the NCPs written statement for the CIL hearing and in the light of current negotiations on the Deed of Variation for the current 590 application. This means that the appropriate available evidence now promotes a slightly different case. EDDC officers now consider the S106 cost to be £4,572.07 per dwelling, plus the CIL funded infrastructure to total £6,526.47 per dwelling. This means a total infrastructure bill of **£11,098.54**. This would not require the CIL rate to be amended, although the Regulation 123 List would be.

The infrastructure bill assumed by EDDC officers is therefore now very similar to that assumed by the NCPs. The only real difference now between the two parties is whereabouts the split between S106 and CIL should be. The graph below is taken from the CIL Viability Study and has an example of what the CIL rate could be if the S106 bill was £8,000 per dwelling (note that the CIL rate shown by the graph would be subject to a 20% buffer).

Graph extracted from CIL Viability Study



Assumed residual S106 for development in the rest of the District

For elsewhere in the District (i.e. not the Cranbrook Expansion Areas) the Viability Study assumes a residual S106 of £3,500 per dwelling. By looking at the S106 table above it is possible to ascertain the items that might be expected on an average scheme elsewhere in the district. Very few of these items would be required. Education and highways items will be provided through CIL as will off-site open space, which leaves site specific costs only.

For larger schemes the main item would be on-site open space which assuming precise compliance with Strategy 43 would be £2,894.88 per dwelling plus possibly maintenance contributions at £851.20. These two items exceed £3,500 however, only the very largest schemes would actually comply precisely with Strategy 43 on-site and only some open space types could be assumed to be transferred to the Council and therefore require a maintenance contribution. Considering the Council's general policy to not take on any new open space assets it seems fair to generally assume that the average scheme will not be required to provide maintenance contributions at all. It is also important to note that smaller schemes would generally not be expected to provide open space on-site and so this would not apply.

In addition to open space it is reasonable to expect an average large scale scheme to be required to prepare a travel plan at £41.39, contribute to public art at £60.21 per dwelling and SUDS at £29.35 per dwelling. Again, these would generally not apply to smaller schemes.

It is therefore reasonable to suppose that on an average large scale scheme that is providing all open space requirements directly on-site the total S106 bill would be in the region of £3,025.83 per dwelling. Smaller scale schemes would be significantly less and schemes of less than 10 dwellings may in fact have a total S106 bill of £0.

