

# **Statement for the examination of the Cranbrook DPD**

Response to the Inspectors Matters Issues and  
Questions

Matter 9: Infrastructure Delivery

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## Issue 12: Is the Infrastructure Delivery envisaged by Policy CB6 justified and realistic?

Response	Inspectors Question(s)
<p>1.1 <b>What is the Council’s rationale for infrastructure delivery in the manner set out in the plan; which elements are negotiable, and which are fixed? What is the cumulative impact of the infrastructure requirements on viability?</b></p>	<p><b>Q125 - Rationale for infrastructure delivery</b></p>
<p>1.2 Background and update</p>	
<p>1.3 Through extensive consultation with stakeholders and other interested parties, the Council has identified a number of elements of infrastructure which are necessary in order to deliver sustainable development and a planning process that delivers on Policy CB1, embedding positive health and well-being outcomes into the expanded community of Cranbrook.</p>	
<p>1.4 Items listed within the allocations policies (CB2 – CB5 inclusive) and those in the IDP have been assessed against the tests set out in paragraph 56 of Framework and are considered:</p> <ul style="list-style-type: none"> <li>a) Necessary to make the development acceptable in planning terms;</li> <li>b) Directly related to the development;</li> <li>c) Fairly and reasonably related in scale and kind to the development.</li> </ul>	
<p>1.5 All items have been fully costed, including an update to a number of the Devon County Council costs which reflect the latest evidence and the</p>	

concerns raised by the County Council in their pre-submission consultation response. The original costs have been used in the full viability testing work that has been undertaken, and with the plan read as a whole, found to be viable. This work has been evidenced in Cran063 and 64. While the increases by the County place an additional £2.09M onto the total S106 obligations sought, this is a relatively small proportion of the overall costs sought and within the headroom previously identified through the viability testing work.

- 1.6 The Viability Study (paragraph 6.4.5) recognises that the permitted development at Cranbrook has benefited from significant investment from the public sector in past and the Council remain committed to drawing in such funding going forward to support delivery of the identified infrastructure. The table set out in appendix 2 demonstrates where funding has successfully been obtained from the public sector for infrastructure delivery in Cranbrook and the wider 'West End' of the district since 2011. The total public sector investment set out within the table amounts to some £125m, mostly from grants but also through some loans.
- 1.7 In addition, and as an example of such proactive approach going forward, the Council has already approached the Department for Business, Energy and Industrial Strategy (BEIS) and secured a grant to undertake an energy study which addresses how District heating can be rolled out going forward (see Matter 2, Appendix 2).
- 1.8 Currently the allowance for district heating within the obligations budget amount to some £20M which is a significant proportion of the overall ask. Subsequent to the study concluding in the spring of 2020, the expectation is that the Council will be in a position to seek a significant capital contribution from BEIS to support the roll out. This would

significantly reduce the S106 burden that is currently identified through the IDP.

1.9 Distribution

1.10 For Cranbrook Phase 1 there has been no need to devise a mechanism whereby costs are spread across different expansion areas and different developers due to the existence of a formalised developer consortium. However it is apparent that such a consortia will not exist for Cranbrook going forward. This has the potential to present huge challenges and has necessitated the consideration of different methods for infrastructure delivery.

1.11 The most traditional method would simply be to proportion all costs associated on a unit by unit basis, collect these as a S106 off site contribution and then procure delivery of the various assets. However with such a complex development process spanning in excess of 10 years this results in significant risk to delivery and unless forward funding arrangements can be secured by one of the Local Authorities, may result in much of the infrastructure being delivered late in the plan period when sufficient monies had been collected.

1.12 The framework for the alternative method which is proposed for the expansion area categories all infrastructure identifying those components which are evenly spread across the whole plan area and required by all development, those which are site specific (for which there is an expectation that the host developer will deliver) and a third category which comprises off-site development/obligations and which are used to balance the requirements associated with category 2.

1.13	<p>The transfer of the infrastructure requirements into the three categories within Policy CB6 does not rank them by their level of importance but the mechanism for delivery. It is the means by which the Policy approach and IDP work together to ensure delivery and importantly allows the equalisation approach which is advocated. Essentially it provides a framework to find a fair and proportionate method of delivering the identified infrastructure while maximising the chances of early delivery.</p>	
1.14	<p>Across the plan area, all items up to the total amounts set out (noting that some items are not fully funded through the Cranbrook expansion) should be achievable. However in the event of changes to the viability for the town's expansion and if reductions became necessary then consideration would have to be given first to those items identified as desirable rather than those which are critical or important. In this regard the labelling of projects is a means by which prioritisation is ascribed.</p>	
1.15	<p><b>Is the Cranbrook Infrastructure Delivery Plan justified and effective? To what extent are the 'strategic' infrastructure projects identified in the IDP necessary for the delivery of the Plan? Is the infrastructure proposed deliverable?</b></p>	<p><b>Q126 - Justification and effectiveness of the IDP</b></p>
1.16	<p>The Cranbrook IDP is the working document that facilitates the three categories of infrastructure identified within Policy CB6. It is considered to be effective in categorising each of the infrastructure requirements and is clear for all to understand the contributions to which they would be beholden and ultimately is the means by which timely delivery of infrastructure can occur. As set out within the response to Q125, it is again considered that the items identified are necessary, directly related to the development and fairly and reasonably related in scale and kind - the tests set out in paragraph 56 of Framework. To clarify, the identified</p>	

	<p>infrastructure is only that needed in respect of the expansion area housing i.e. there is no attempt to make up previous shortfalls from either Cranbrook phase 1 or elsewhere in the district.</p>	
<p>1.17</p>	<p>One short coming of the IDP which has been identified within the consultation responses last year is the concern that while there is an equalisation of costs associated within the delivery of the infrastructure it failed to take into account the cost of the land take. This is considered a fair criticism and therefore an updated version of the IDP January 2020 (appendix 1) is appended to this statement. This builds into the equation a cost for equivalent land take associated with category 2 infrastructure, a cost for the land take associated with land only requirements and includes the DCC update referenced in Q125.</p>	
<p>1.18</p>	<p><b>The IDP recognises that Treasbeare and Cobdens have higher burdens re. infrastructure delivery. How will this policy ensure that these costs are balanced to equate the burden between the remaining expansion areas?</b></p>	<p><b>Q127 - Balancing costs of infrastructure between expansion areas</b></p>
<p>1.19</p>	<p>It is recognised that Treasbeare and Cobdens have higher on-site cost burdens associated with Section 106 obligations. In addition it is recognised that this has the potential to affect cash flow for the developers building out these two areas and therefore the Council will be working with these developers on their phasing and delivery plans.</p>	
<p>1.20</p>	<p>However while the developers have a higher on-site cost burden, they would proportionally contribute far less to off-site infrastructure – e.g. that found within the town centre. In this regard development of Bluehayes and Grange would pay a much higher off-site contribution to</p>	



	<p>balance their limited on-site infrastructure requirements. Policy CB7 is structured in such a way that this approach is facilitated.</p>	
<p>1.21 <b>How might infrastructure provision/requirements be better balanced between Cobdens and the Grange?</b></p> <p>1.22 Based on the Infrastructure Delivery Plan and Policy CB7 which shares costs equally between all four expansion area the Council do not consider a revised balance in Infrastructure delivery between Cobdens and Grange is required.</p> <p>1.23 However if the Inspector is minded it might be possible to transfer requirements for serviced land for a place of worship and parsonage, together with serviced land of least 1ha for the cemetery from Cobdens to Grange. Such uses could work with the community hall that the Grange is already required to deliver and maintain the place making approach that is advocated throughout the plan. Beyond this limited rebalancing it is considered that to try to split up or transfer other uses would undermine the co-location of uses and the strategy that underpins the clustering of uses.</p>		<p><b>Q128 - Balancing infrastructure between Cobden's and the Grange</b></p>
<p>1.24 <b>How will a fair allocation of costs/responsibilities be achieved?</b></p> <p>1.25 The fair allocation of costs is set out within the Cranbrook IDP and the principles for this established through Policy CB6 which would part of the Development Plan. It represents a transparent clear and logical approach that demonstrates equity for developers of all allocations.</p>		<p><b>Q129 - Achieving a fair allocation of costs/responsibilities</b></p>

1.26	<p>In terms of the responsibilities for delivery, these would lie with the respective developers for onsite infrastructure and the Council/Town centre developers for offsite contributions collected towards off site infrastructure – which in this case is primarily focussed on the town centre.</p>	
1.27	<p><b>Is Policy CB6 justified and effective? Are the infrastructure requirements consistent with national policy?</b></p>	<p><b>Q130 - Justification and effectiveness of Policy CB6</b></p>
1.28	<p>Policy CB6 puts in place a transparent mechanism which allows the delivery of important infrastructure across the Cranbrook Plan area in a fair and equitable manner.</p>	
1.29	<p>Tests with National Policy are set out in paragraph 56 of the Framework and requires that obligations are:</p> <ul style="list-style-type: none"> <li>a) Necessary to make the development acceptable in planning terms;</li> <li>b) Directly related to the development;</li> <li>c) Fairly and reasonably related in scale and kind to the development.</li> </ul>	
1.30	<p>In this instance it is considered that the approach set out within Policy CB6 and upon which future Section 106 agreements would meet these tests.</p>	
1.31	<p>In essence the delivery of in excess of 4,000 houses requires significant infrastructure and investment to support the future resident population and all obligations contained within the IDP have been checked for necessity. This has been further broken down into three levels of priority</p>	

– critical, important and desirable. While desirable is seen as the lowest tier of priority, they nevertheless remain necessary where viability permits.

1.32 The obligations identified relate to the development of Cranbrook and where for instance it is not considered that the development across all four expansion areas should support the full delivery of a particular item only a proportionate contribution is sought. This is most readily noted for the Special Education Needs development within Cobdens where only the land and a partial development cost (itself offset against an otherwise over provision of land) is recorded within the IDP.

1.33 The Third test focusses on the need for obligation to be fairly and reasonably related in scale and kind. It is the application of this part of the test that allows for the cost equalisation method proposed, to be employed. Over a relatively small geographic area (that of a single town) it is a method that ensures that infrastructure can be delivered across the town to which all residents of the expansion areas would benefit and the costs for which would be shared equally. On this basis, it is considered the Policy CB6 is justified and effective.

1.34 **What is the purpose of the Built-Up Area Boundaries (BUAB) reference in Policy CB6? Why would the allocation boundaries in CB2 to CB5 and the stand-alone policy CB8 be insufficient?**

**Q131 - Built-Up Area Boundaries**

1.35 The reference to the Built Up Area Boundary within CB6 is not required.

1.36 It is suggested that this should form a modification to the plan and the term replaced with the “Plan Area”. Such an approach would ensure that any windfall development or departure development that was

permitted outside of the BUAB still was liable for appropriate obligations. In addition the boundary would match that being put forward to the CIL examination in February 2020.

1.37 **How will the Council ensure that the town centre uses are delivered in a manner which would be able to sustain additional homes. What would be the implications of additional phases progressing in the absence of the town centre facilities?**

**Q132 -  
Delivery of  
town centre  
uses**

1.38 In terms of the Town Centre delivery there are already a number of triggers found within the existing Section 106 agreement that is linked to Cranbrook Phase 1. These require amongst other things 500sqm of retail floor space, the delivery of a Town Council Building and Devon County facilities comprising a children’s centre and youth services provision. As such the delivery of these is not beholden upon the delivery of the expansion areas and vice versa.

1.39 Currently there are no triggers for such things as the sports centre or the health and well-being centre although for the latter, land is already secured as part of the existing Section 106 agreement. In addition there are ongoing discussions with the current owners of the Town centre land about the securing of additional land for future Town Centre uses including the sports centre. Delivery of these assets can only be achieved once funding is secured through the expansion areas themselves and therefore such areas need to be progressed anyway.

<p>1.40 <b>How will the increased demand for school places arising from the development be accommodated prior to the completion of the new school? How will this impact on surrounding schools (particularly Whimple Primary School)?</b></p> <p>1.41 The current phasing requirements note that a new school needs to be available prior to the first occupation of the 30<sup>th</sup> dwelling within the expansion area. As such this would effectively mean a new school from day one and therefore there should be only a very small number of pupils who need school places ahead of the opening of a new school. It is understood that Devon County Council may look favourably on a temporary classroom approach where there are certainties that a new school would be coming forward which could further help to bridge any potential gap between new housing and a new school. As such with an early trigger and the potential to provide interim measures it is not considered that there should be significant impacts on the existing local schools including Whimple Primary School.</p>	<p><b>Q133 - Increased demand for school places</b></p>
<p>1.42 <b>Additional Question: Are any Main Modifications proposed in relation to Issue 12?</b></p> <p>1.43 Based on the answers provided above, it is suggested that there is one modification to the plan</p> <p>1. Policy CB6 – First Line to be amended:</p> <p>Residential development that is proposed within the Cranbrook <del>Built Up Area Boundary</del> <b>Plan Area</b> must demonstrate...</p>	<p><b>AQ12 - Main Modifications</b></p>

## **Appendices**

**Appendix 1: Cranbrook Infrastructure Delivery Plan - January 2020**

**Appendix 2: Evidence of funding**