

From: Matthew Balfour, Cabinet Member for Environment and Transport

Barbara Cooper, Corporate Director of Growth, Environment and Transport

To: Cabinet

Subject: Kent and Medway Growth and Infrastructure Framework

Classification: Unrestricted

Past Pathway of Paper: Information item for Environment and Transport Cabinet Committee, 9 April 2015

Future Pathway of Paper: Information item for Environment and Transport Cabinet Committee, 21 July 2015

Electoral Division: Countywide

Summary:

The objective of a Growth and Infrastructure Framework for Kent and Medway is to set out the growth planned across Kent and Medway to 2031 along with infrastructure that will be needed to facilitate this growth. The framework will also provide the associated infrastructure costs, an assessment of available funding and identify the funding gaps faced by KCC and partners in delivering sustainable growth.

The purpose of the work is to provide an evidence base for the start of a dialogue with the new Government on how we begin to close this infrastructure funding gap. It will also provide a valuable tool in the forthcoming debate with London on how the capital plans to meet its future growth requirements. This report provides an update on the current work for information and comment.

Recommendation:

That Cabinet note the progress being made to establish a Growth and Infrastructure Framework for Kent and Medway and provide comment.

1. Introduction

1.1 KCC commissioned AECOM in December 2014 to carry out the first stage of developing the Kent and Medway Growth and Infrastructure Framework (GIF). This work was completed within a very short timescale of less than 8 weeks and presented an overarching baseline of growth patterns, infrastructure projects and cost requirements and gaps. It was produced drawing upon information obtained through Kent County Council officers in a short time-scale. It was completed as a starting point for wider engagement with Medway, the district local authorities and infrastructure providers and is now subject to further review in order to gain a greater level of accuracy drawing upon different sources of

information.

- 1.2 Through the project process, a number of ‘Stage 2’ workstreams were identified that will assist in ensuring the framework is completed to a greater level of detail and accuracy. The completion of these tasks will ensure that the GIF is developed into a comprehensive and robust framework that fully represents the infrastructure requirement to support growth across the County. An update on the second stage of this work is provided below.
- 1.3 Stage 2 has been scoped by AECOM and KCC to ensure the Framework complements the work being undertaken by all partners including the 12 district local authorities and Medway. The areas of work are currently being finalised in order to complete the document by early May 2015. The workstreams include:

| Stage 2 Workstreams | Overview of Tasks |
|-----------------------------------|--|
| Partner Validation and Engagement | 13 x Local Planning Authority (LPA) verification meetings KCC Departments and Officers to review Topic Specific Details Wider Infrastructure partners: NHS, Highways England, Network Rail etc.) |
| Data Documents Verification | Data gathering completion Integration of latest Integrated Development Plans and Integrated Development Strategies from Local Plans Housing and employment trajectories and specific sites verified to match latest LPA position and sense checked. |
| Population Forecast Review | Baseline Population forecast Update – Integrated Infrastructure Funding Model (IIFM) Forecast to be re-run based on latest verified housing trajectories and sense checked Review of latest Office for National Statistics population forecasts and Communities and Local Government household forecasts at LPA and County level. Forecast comparisons with rest of South East Counties (Total population growth / migration / age profile change etc.). |
| Migration and Wider Growth Review | Historic Growth pattern and planning policy review (South East Plan, 2006 Structure plan etc.) Greater London Authority Further Alterations to the London Plan Review and potential impacts on growth across Kent. Options for a ‘green belt’ type policy for Kent to protect countryside from urban sprawl. Commercial space planned for each district. |
| Infrastructure Analysis Review | Detailed Scrutiny of KCC Strategic Project Update Database (SPUD) to sense check and remove duplications / inapplicable / delivered projects. Identification of gaps in project list for all services and districts. Modelling for longer term infrastructure requirements. |
| Infrastructure Cost Review | Continuation of stage 1 costing approach of projects where possible. High level costing sense check exercise across topics and districts based on typical development benchmark costs. |
| Viability Consideration | Consideration of potential developer contributions across Medway and Districts (where data allows) and geographical variation in land values / developer costs. |

| | |
|-----------------------------------|---|
| Infrastructure Funding & Delivery | Review existing project funding assumptions (differentiating developer contributions and other funding sources). Present the existing delivery/funding landscape and emerging changes. Set out the potential funding sources outside developer contributions to bridge the funding gap. Highlight alternative / emerging infrastructure delivery models. |
| Document Finalisation | Draft Document production and review by client group. Local Authority specific spreads to be shared for review and comment. Document finalisation. |

2 Financial Implications

- 2.1 The work to produce the Kent and Medway Growth and Infrastructure Framework is funded through existing revenue budgets. This work is important as it will identify future pressures for KCC funding of essential infrastructure such as schools and transport.

3 Policy Framework

- 3.1 The Kent and Medway Growth and Infrastructure Framework is relevant to all 3 strategic outcomes in KCC's Strategic Statement 2015-2020: Increasing Opportunities, Improving Outcomes, but in particular Strategic Outcome 2: Kent communities feel the benefit of economic growth by being in work, healthy and enjoying a good quality of life.
- 3.2 In addition, the work contained within the GIF will be integrated and aligned with the emerging Kent and Medway Growth Strategy.

4 Next steps

- 4.1 Once completed, the document will paint a strategic picture of the price of, and risks to, growth. It aims to:
- Collate and summarise population / housing growth projections across districts within Kent
 - Set out a combined understanding of capacity within current infrastructure provision and pipeline infrastructure projects being taken forward by KCC and other infrastructure providers
 - Highlight cumulative costs, funding streams and gaps in infrastructure funding
- 4.2 The GIF has been produced for the following audiences:
- Officers and Members within KCC.
 - Government and infrastructure providers – to demonstrate the requirement and distribution of growth, infrastructure requirements and funding gaps
 - Medway council, district and parish councils and communities to provide a countywide view of development and infrastructure requirements and the opportunities and challenges in delivering infrastructure across the county
- 4.3 In addition, the GIF takes into consideration external factors affecting growth and infrastructure provision in Kent in relation to the wider London and south

east growth requirements.

- 4.4 Of particular relevance is the recent Inspector's Report on the Further Alterations to the London Plan which highlighted the lack of capacity in Greater London to meet growth requirements with some of the identified 6,300 homes per annum shortfall likely to be met in areas outside London, including Kent and Medway.

5 Conclusions

- 5.1 The objective of a Growth and Infrastructure Framework for Kent and Medway is to set out the growth planned across Kent and Medway to 2031 along with infrastructure that will be needed to facilitate this growth. The framework will also provide the associated infrastructure cost, an assessment of available funding and identify the funding gap we face in delivering sustainable growth.
- 5.2 The purpose of the work is to provide an evidence base for the start of a dialogue with the new Government on how we begin to close this infrastructure funding gap. It will also provide a valuable tool in the forthcoming debate with London on how the capital plans to meet its future growth requirements.

6. Recommendation:

That Cabinet notes the progress being made to establish a Growth and Infrastructure Framework for Kent and Medway and provide comment.

7. Background Documents

- 7.1 Kent and Medway Growth and Infrastructure Framework discussion draft
February 2015, AECOM

8. Contact details

Report author:
Paul Crick, Director of Environment, Planning and Enforcement
03000 413356
Paul.Crick@kent.gov.uk