

## KENT COUNTY COUNCIL

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### KENT UTILITIES ENGAGEMENT SUB-COMMITTEE

MINUTES of a meeting of the Kent Utilities Engagement Sub-Committee held in the Medway Room - Sessions House on Wednesday, 12 April 2017.

PRESENT: Mr R J Parry (Chairman), Mr R L H Long, TD (Vice-Chairman), Mr I S Chittenden, Mr J A Davies, Mr G Lymer, Mr T A Maddison and Mr C Simkins

ALSO PRESENT: Mr M A C Balfour, Mrs R Baker, Mr R Bishop, Mr N Fenton, Mr C Hollamby, Mr P Kent and Ms M Willson

IN ATTENDANCE: Mrs K Stewart (Director of Environment Planning and Enforcement), Mr A Turner (Water Resources Manager) and Mr J Cook (Scrutiny Research Officer)

### UNRESTRICTED ITEMS

#### 14. Minutes of the meeting held on 27 February 2017

*(Item 4)*

RESOLVED that the minutes of the meeting held on 27 February were a correct record and that they be signed by the Chair.

#### 15. Review of progress and areas for improvement

*(Item 5)*

1. Alan Turner (KCC) provided an overview of the key issues and discussion points considered by the sub-committee so far. These were broken down by the different groups and agencies which had engaged with the sub-committee in previous meeting. Some of the key points included the following:

##### **OFWAT:**

- Water and wastewater companies had used planning conditions to push burden and costs on to developers.
- Water companies had a duty to develop their network to meet new demand and were best placed to judge the certainty of the development.
- Ofwat expected companies to engage with developers and local authorities at an early stage on development plans.
- Companies should manage expectations on infrastructure cost and timing.

##### **Developers:**

- Concerned that planning permission rules put unfair burden on developers.
- Advance charges for infrastructure work to ensure connections were in place within one year was a challenging risk for developers to take.
- 'Right to Connect' to sewers was strongly defended by developers.
- Charging regime was unfair and unfairly applied.
- Water utilities were not responsive to developers' needs.
- Network reinforcement and strategic infrastructure work was too slow.
- Poor development forecasting by the water companies.

- Lack of transparency around water company charges and decisions.
- Communication with water companies could be improved further (some progress already made)
- Highways process for utility corridors have increased costs for developers.
- 'First comer' for multi-developer sites faced disproportionate costs.
- Final invoices for charges could often be much higher than estimates.

#### **Water Supply Companies:**

- Not statutory consultees on Local Plans but had a duty to provide infrastructure services.
- Agree that the charging regime was too complex and caused misunderstandings with developers.
- Local plans did not provide enough assurance regarding infrastructure needs.
- Housing market fluctuations increased risk.
- Planned build out rates were unrealistic.
- Agree that early contact and discussion with developers was very helpful.
- Communication was often challenging.
- Progress had been made on improving communication and engagement through the use of case workers for each site, contact logging and planned meetings prior to and during development.

#### **Wastewater Companies:**

- Changing market conditions made keeping pace with development challenging.
- Large development programmes made engaging with correct developers more challenging.
- Recommended the use of intermediaries or broker agents between developers and utilities.
- Keen to find solutions for new developments that would also help solve existing sewer flooding problems.
- Looking at pilot arrangements for improved strategic planning.
- The planned new charging regime could overcome problems with Right to Connect and provide certainty for developer and utilities.

2. Mr Turner also advised the sub-committee regarding comments from Local Authorities and Highways which recognised that utility infrastructure provision was complex which made any disputes with any involved party more challenging and this was exacerbated by local planning authorities not always being made aware of discussions between developers and the water companies. In terms of Highways, Mr Turner commented that the streetworks restrictions and costs were unpopular with developers and water companies but were necessary. The works were supported by extensive engagement with the public, local business and other stakeholders.
3. Katie Stewart (KCC – Director of Environment, Planning & Enforcement) reminded the sub-committee of the key objectives relating to the work being undertaken; seeking to achieve better transparency through better use of the Growth Infrastructure Framework, improve communication and embed smoother planning and delivery processes and also maximise the effectiveness and efficiency of the new charging regime.

4. Members commented on the need to consider two other key outcomes which related to implementing a strategic framework to support high level planning and process arrangements and for consideration to be given a collective of developers lobbying government.
5. Guests from the Regulator, developer groups and water companies commented on the proposed outcomes as part of a discussion with Members. There was broad recognition that all parties would benefit from working together more smoothly in future and that it was inappropriate to lay blame for failings on any one group.
6. Members reviewed the proposed outcomes, which aimed to sum up the key findings of the Sub-Committee's work, taking into account the useful information provided by all those who had attended to answer questions.

RESOLVED that;

- a) the Sub-Committee recommend that all relevant parties (Local Authorities, Regulators, Water Supply and Waste Water companies and developers) work in partnership to contribute to the following objectives:
  1. Improve the relationship between local authorities, water supply and wastewater companies and developers.
  2. More accessible, up-to-date information on growth, development and water supply and wastewater infrastructure capacity.
  3. Delivering smarter, slicker, more transparent planning and delivery of strategic wastewater infrastructure.
  4. Making the most of the new charging regime opportunity.
- b) Kent County Council, via the Growth Infrastructure Framework and the Cabinet Member for Environment and Transport, support the following specific activities:
  1. Lobby Government for an improved framework to enable more coherent strategic planning of development.
  2. Encourage and support developer companies to co-ordinate effective lobbying of Government, utility companies and other strategic partners.

The Sub-Committee also expressed thanks to all groups for participating in the work of the Sub-Committee, praising the positive engagement. They were also grateful for the support of the Director of EPE, Alan Turner as the Lead Officer responsible for Water activity in KCC and Matthew Balfour as the relevant Cabinet Member.