

## Melton Infrastructure Structure

### 1. Introduction

1.1 This document contains the proposed schedule of infrastructure necessary to support growth proposals in the Draft Melton Core Strategy. It makes comment on how the process has developed and may be taken forward in the future.

1.2 Government policy requires Local Planning Authorities to plan positively for new infrastructure to ensure provision keeps pace with the needs of communities. Planning Policy Statement 12 'Creating Strong, Safe and Prosperous Communities through Local Spatial Planning' states that core strategies should:

*...be supported by evidence of what physical, social and green infrastructure is needed to enable the amount of development proposed for the area, taking into account its type and distribution. This evidence should cover who will provide the infrastructure, and when it will be provided. The core strategy should draw on and in parallel influence any strategies and investment plans for the local authority and other organisations. (para 4.8)*

1.3 The new Draft National Planning Policy Framework, which will replace PPS12, continues to emphasise the importance of infrastructure delivery planning noting that:

*Local planning authorities should set out the strategic priorities for the area in the Local Plan. This should include strategic policies to deliver:*

- *the provision of infrastructure for transport, minerals, waste, energy, telecoms, water supply and water quality*
  - *the provision of health, security, community infrastructure and other local facilities.*
- (NPPF para 23)

### 2. Infrastructure Schedule

2.1 The Schedule has been informed by a suite of evidential studies and consultation with a wide range of stakeholders including:

- All utility companies;
- All emergency services;
- The Primary Care Trust;
- Leicestershire County Council services (including Highways, Education and Waste in particular);
- The Environment Agency; and
- Melton Borough Council services.

2.2 This has informed the items which appear in the schedule, their suggested timing for delivery and an indication of whether they may be regarded as essential or desirable.

- 2.3 Potential funding sources are also identified. The proposed Melton Mowbray Sustainable Urban Extension (SUE) is a significant source of infrastructure requirements and many items will be charged against this proposal and the monies secured through planning obligations. Other items may be funded through the proposed Community Infrastructure Levy (CIL). The provisions for CIL indicate the fund will provide the Authority with a regular income to fund its own infrastructure priorities. There is also the provision in the Localism Act that a 'meaningful proportion' of CIL monies should be devolved to neighbourhood level to meet very local priorities. The capital programmes of the Council and other infrastructure delivery agencies are still expected to make a significant contribution to identified infrastructure requirements which are consistent with Regulation 14 of CiL guidance.
- 2.4 Notwithstanding the current climate surrounding the availability of public money it is anticipated that opportunities to bid for prioritised capital funding programmes that support growth will arise from time to time over the life of the Core Strategy.

### **3. Assumptions**

- 3.1 Whilst most of the items on the schedule are self-explanatory there are a series of assumptions around transportation which warrant clarification.
- 3.2 Advice from Leicestershire County Council Highways Authority suggests a preferred solution for Melton Mowbray SUE of a half northern link road from Leicester Road A607 (link 4 in the Transport Model) to Thorpe Road A606 (link 9). The central section of this (link 6, Nottingham Road to link 8, Melton Spinney Road) is considered by the Highways Authority to be necessary to mitigate the impact of the SUE development on the wider road network. In the Schedule, this section of road is charged to the SUE. The sections to the east and west are of wider benefit and are proposed to be funded by CIL and other funding opportunities which may present themselves. In practice a flexible, pragmatic approach should be taken along with opportunities to pursue other funding streams.
- 3.3 Other transport items include junction improvements to the existing road network; a quality transport corridor (improvement works to existing roads to provide better footways, lighting and public transport and cycling infrastructure); Modal shift support (a subsidy to bus operators to run bus services through the SUE site in the early years of the scheme when the limited population will mean these services will be loss making); External footpath and cycle links (to facilitate connections between the SUE and the existing network of foot and cycleways).
- 3.4 A number of items are listed as nil-cost noting they will be a charge on development, for example affordable housing and compliance with the Code for Sustainable Homes. It should be recognised that these will be additional costs on development but they are not regarded as 'infrastructure'.

### **4. Delivery**

- 4.1 Currently the infrastructure costs attributable to support growth across the Borough total £31.74M of which £21.3M will be required to support the SUE. £19.9M of this is regarded as essential. In practical terms the delivery of a sustainable urban

extension has significant costs for a scheme of 1,000 homes. Financial appraisals for the SUE suggest its viability is challenging with even minimal levels of affordable housing provision in the current climate. Delivery of the proposal therefore will demand a flexible approach with robust processes and mechanisms to phase delivery over time, seek to reduce costs further through procurement and risk management and establish processes to capture future value.

4.2 The UK economy and housing market are at a particularly low ebb and this should be borne in mind at the present time. However, the Core Strategy provides for a plan period to 2026 during which time the UK economy will have gone through several economic cycles.

4.3 Options to consider for improved delivery prospects at the current time include:

- Reviewing the list of essential infrastructure and identifying further elements as desirable. This would have the effect of postponing delivery of those items until such time as the scheme or other funders can deliver them;
- Allocating more items from the SUE funding stream to the CIL funding stream. This would spread the cost burden over a larger number of arguably more profitable development sites. This does however present a cash-flow problem, as CIL monies will not start to accrue until later in the Plan period, possibly after the infrastructure provision is required in practical terms. Recent initiatives such as the Government's Growing Places Fund may be able to assist with this issue;
- Making a case for public investment. This may include income streams, such as New Homes Bonus or (proposed) retained rates income, or by making a case to bodies such as the Leicester and Leicestershire Local Enterprise Partnership for national funding streams such as the Growing Places Fund; and
- Investing capital receipts or utilising public sector prudential borrowing to help with infrastructure delivery and reduce significant finance costs. This could see a charge being made against future development at the time land is drawn down and/or a CIL charge.

4.4 All these matters need to be proactively managed and reviewed on a regular basis. The Publication Draft Core Strategy recognises this and propose a Melton Infrastructure Delivery Group to manage these activities and formally report on an annual basis through the Core Strategy Monitoring Framework.

## Infrastructure to Support Growth

Melton Infrastructure Schedule October 11	Comments	Total Cost (£x.xx m) (excludes land)	Essential/Desirable	Attributed to Melton North SUE Development (£M)	Attributed to Borough Wide Proposals	Commuted sum for adoption by MBC (15-years)	PROPOSED PHASING			Possible Funding Package	Policy
							2011-16	2016-21	2021-26		
<b>TRANSPORT</b>											
Link Road - 6-to-8	AECOM Study identified links 6-to-8 as essential to mitigate the impact of the SUE. Cost £9M. Note a dependency on link 8-to-9, which although not required for the SUE, if not delivered will generate a requirement for significant improvement works to Melton Spinney Rd, estimated cost £3M		Essential	9.00				X	X	PO/CIL/LTP/LEP/LAs	CS2, CS12, CS24, CS25
Link Road - 8-to-9	AECOM Study identified links 8-to-9 as desirable but not directly attributable to the SUE. Propose to fund through CIL and other funding opportunities which may arise. Note dependency with Melton Spinney Road above		Desirable		4.00			XX		PO/CIL/LTP/LEP/LAs	CS2, CS12, CS24, CS25
Link Road - 4-to-6	AECOM Study identified links 4-to-6 as desirable but not directly attributable to the SUE. Propose to fund through CIL and other funding opportunities which may arise. Note potential contributions from Employment Land Allocation.		Desirable		4.00			XX		PO/CIL/LTP/LEP/LAs	CS2, CS12, CS24, CS25
Junction Improvements to support SUE,	Subject to detailed TA			1.60						PO/CIL/LTP/LEP/LAs	CS2, CS12, CS24, CS25
Quality Transport Corridors	Off site		Essential	2.30				X		PO/CIL/LTP/LEP/LAs	CS11, CS21, CS24
Modal shift support	Contributions		Essential	0.50				X		PO/CIL/LTP/LEP/LAs	CS11, CS24
External footpath networks and cycle routes	On site as part of normal development construction costs and masterplan process		Essential	0.15				X		PO/CIL/LTP/LEP/LAs	CS12, CS21, CS24
<b>HEALTH</b>											
Primary-Extension to existing facility 180 sqm	Expansion of the existing surgery premises.	0.6	Desirable	0.60				X		PO	CS24
<b>EDUCATION</b>											
Secondary	Further Investigations required towards end of plan period may become an essential item . 2ha land extension/Safeguarding to John Feamley further contribution may be required	land cost only	Desirable						X	Masterplan safeguard only	CS24
Primary	Primary School and Community Centre combined	5.50	Essential	5.50				X		PO Opportunity to reduce costs through private sector procurement	CS24
<b>EMERGENCY SERVICES</b>											
Police/Fire/Ambulance	Police Service, no capital investment required, Fire service no capital investment required, Ambulance Service no capital investment required		Desirable								CS24, CS26
<b>COMMUNITY FACILITIES</b>											

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							2011-16	2016-21	2021-26		
											CS26 applies to all
Melton Country Park	10ha extension - including Local Nature Reserve - 50% attributable to the SUE	0.4	Desirable	0.20	0.20	0.4		X		PO/CIL/LA	CS16, CS17, CS24
SUE Specific Local open space	2.85ha/1000 pop	0.08	Essential	0.08				X		PO	CS16, CS24
Flood mitigation/SUDS	Possible mitigation required, can be reduced as part of master plan approach and overall drainage strategy	Estimate £0.25m - Part of Development cost	Essential				X	X		PO	CS20, CS22, CS24, CS11
Rights of Way	As part of development costs	All internal RoW to be maintained and	Essential	0.05			X	X			CS11
Children's Play - LEAPs (SUE)	Subject to Masterplan process, 1 per 400m walk, 5 piece play equipment, estimated £100k per unit (4)	0.40	Essential	0.40		0.4	X	X	X	PO	CS17
Children's Play - NEAP (SUE)	Subject to masterplan process 8 piece play play equipment, per 1000m walking distance. Estimated £150k per unit (2)	0.20	Essential	0.20		0.113		X	X	PO	CS17
Children's Play - LAPs (SUE)	Include as part of development cost		Essential								CS17
SUE to Leicester Road Ind Estate Green link on dismantled rail corridor	Priority link of wider Newark to Market Harborough rail corridor project	MBC/LCC/Groundwork/Sustrans - £400k	Desirable	0.00	0.40			X		PO/CIL	CS24, CS11
Strategic Green Infrastructure East West Link	Strategic links East/West across SUE site	MBC/LCC/Sustrans/Town Estate -£250k	Desirable	0.13	0.13			X		PO/CIL	CS11, CS16, CS24
Playing Pitches	Evidence of existing surplus	0.47	Desirable	0.47							
<b>BOROUGH-WIDE PROPOSALS</b>											
Grantham Canal	Ongoing restoration by local groups	Costs Not Known	Desirable					X			CS15, CS16
Watercourse Improvement and buffering - various incl. River Wreake River Corridor	Local Groups	Costs Not known	Desirable					X			CS15, CS16
Children's Play - LAPs	Wymondham, Great Dalby, Frisby on the Wreake and Stonesby	0.2 x 5	Essential		0.20	0.275		X		DC/CIL/LA	CS17
Jubilee Way Long Distance Path	Subject to further investigation, funding programme to be confirmed	Costs Not Known	Desirable						X	LA Capital Programme DEFRA/Natural England	CS16
Improvements to the Wolds Escarpment	Priority Habitat Area, woodland planting and habitat creation required. Subject to further investigation, funding programme to be confirmed	Costs not known	Desirable						X	LA Capital Programme DEFRA/Natural England	CS15, CS16
Improvement to Burrough-on-the-Hill Iron Age Fort	Habitat enhancement. Subject to further investigation, funding programme to be confirmed	Costs Not Known	Desirable						X	LA Capital Programme DEFRA/Natural England	CS15, CS16
Park - Bottesford	2ha Facility of formal parkland	£84k	Essential		0.08	0.13		X		PO/CIL/LA	CS17
Greenspace- Harby	0.5ha Green recreation space facility	£30k	Essential		0.03	0.03		X		PO/CIL/LA	CS17
Allotments	2ha facility associated with SUE	£40k	Essential	0.04		0.05		X		PO/CIL/LA	CS17
<b>WASTE DISPOSAL; and Recycling and Household Waste Site</b>											
Waste Disposal; and Recycling and Household Waste Site	Provision of extension to existing site or expansion of site to be relocated. £79.82 per dwelling but subject to indexation and review	0.08	Essential	0.08				X		PO	CS24

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							2011-16	2016-21	2021-26		
											CS26 applies to all
<b>AFFORDABLE HOUSING</b>											
Affordable Housing	Subject to review; currently assumed cost neutral		Essential				X	X	X	PO	CS6
Life time homes	As part of development costs-economies of scale	£500 per Lifetime Homes unit extra/over cost - where applicable	Essential				X	X	X	PO	CS6
Gypsies and travellers	Transit site required - land transfer, cost neutral no cash contribution needed.	cost of land	Essential							LA Capital Programme	CS7
<b>BUILDING PERFORMANCE</b>											
Code Sustainable Homes	Level 4 applies from 2013 DCLG Cost Review (March 2010) indicates a 8-9% extra-over cost over baseline cost to achieve this ( plus£7,790 for a 3b-semi); level 6 from 2016 (plus £30,000-to-£40,000/unit LESS zero rated SDLT equivalent to £7,500 LESS Feed-in Tariff from on-site renewable surplus production	Level 4 as part of build costs	Essential				X	X	X	Incorporated into build costs estimates and scale of development	CS20
Renewable On Site	Min 10%	not known	Essential					X			CS20, CS21
<b>UTILITIES (abnormal only)</b>											
Electricity	local network reinforcement only as part of normal development costs		Essential					X	X	Linked to masterplan and phasing	CS26
Gas	local network reinforcement only as part of normal development costs		Essential					X	X	Linked to masterplan and phasing	CS26
Sewage & drainage	local network reinforcement only as part of normal development costs		Essential					X	X	Linked to masterplan and phasing	CS26
<b>TOTAL COSTS</b>				<b>21.30</b>	<b>9.04</b>	<b>1.40</b>					
			Total Cost of Essential Items Only	19.90							

## Asset Management and Funding Programmes

Proposed Infrastructure		Lead Agencies	Total Cost	Project Completion Period	Funding Sources	Activity
<b>Education</b>						
Primary Schools	Long Clawson - extension to replace mobile classrooms	Local Education Authority	£350k	2011/12	Local Education Authority	Works are on site
Secondary Schools	John Fearnley - extension to provide Enrichment Centre	Local Education Authority	£3.7M	2011/12	Local Education Authority	Works are on Site
	Longfield School - extension to replace mobile classrooms	Local Education Authority	£1.6M	2011/12	Local Education Authority	Works are on site
Post-16	Melton Vale Post-16 Centre - New Build post-16 education resource with capacity to meet Melton areas existing needs and forecast growth-related needs.	Local Education Authority	£12M	2011/12	Local Education Authority	Works are on site due to open Autumn 2011
Special School	Birchwood Special School, Harris Building - refurbishment and extension	Local Education Authority	£180k	2011/12	Local Education Authority	Works are on site
<b>Transport</b>						
Rail	Station refurbishment and passenger capacity improvement - Melton Station / Birmingham-to-Stanstead Route	Network Rail	£1.9M	2011/12	Network Rail	Works are on site
	Bridge replacement to enhance freight access to routes going through Melton. Unlikely to impact on demand for distribution infrastructure in Melton.	Network Rail	£2.7M	2011/12	Network Rail	
	Journey Time Improvements - Birmingham-to-Stanstead route	Network Rail	TBC	2014/15	Network Rail	TBC

Highway	General Network maintenance, surface improvements and route signing. LCC Capital Programme runs to March 2012. New schemes for 2013/13 onwards to be identified Q4 2011/12	Local Highways Authority	TBC	2011/12	Local Highway Authority	Works are scheduled for completion by March 2012
<b>Other</b>						
Flood Mitigation	Thorpe Brook East of Melton - potential flood risk management works subject to cost benefit analysis and competitive bidding process	Environment Agency	£TBC	2012/13-onwards	Environment Agency/DEFRA	Subject to cost benefit analysis and competitive bid process
Emergency Services	Police - co-located at new MBC offices, capacity to accommodate new neighbourhood team to service housing growth	Leicestershire Constabulary	£TBC	2011/12	Leicestershire Constabulary	MBC Offices are nearing completion
Leisure	Waterfield Pool - refurbishment of pool and provision of new dry facilities	MBC	£2.5M	2012/13	MBC	Project has commenced and works are on site
Waste	Relocation of existing civic amenity site - this is under consideration by LCC although a final decision has yet to be made	LCC	Unknown		LCC	



