

MAIDSTONE BOROUGH COUNCIL
RECORD OF DECISION OF THE CABINET

Decision Made: 24 February 2014

MAIDSTONE BOROUGH LOCAL PLAN PUBLIC CONSULTATION
DRAFT (REGULATION 18)

Issue for Decision

To seek approval to undertake public consultation (Regulation 18) on the draft Maidstone Borough Local Plan.

Decision Made

- a) That the draft Maidstone Borough Local Plan, as attached at Appendix A to the report of the Head of Planning and Development, be approved for public consultation (Regulation 18) subject to:-
 - i) The deletion of the following housing sites:-
 - H1(18) Cross Keys, Bearsted
 - H1(19) Fant Farm, Maidstone
 - H1(51) Cripple Street, Loose
 - H1(58) Ware Street, Thurnham
 - ii) That Yalding and Coxheath be reclassified as larger villages;
 - iii) That paragraph 14.10 be revised to reflect the top priority for Community Infrastructure Levy (CIL) resources being transport;
 - iv) That paragraph 1 of SP5 be amended to read "Provided *proposals do not* harm the character.....";
 - v) That under H1(7) paragraph 13, v. be amended to read "widening Gore Court Road to a suitable width to accommodate contra-flow traffic and a footway on the eastern side of the carriageway between White Horse Lane and *the access into the north of Sutton Road site*" and this be repeated in each of the site allocation policies for the South East sites, as well as the removal of paragraph 11 from H1(7);
 - vi) That H1(17) be amended to include a landscaping and buffer zone to protect the amenity of residents to the South and to retain the character of the lane itself as a country lane; and
 - vii) That paragraph 11 of Key Local Issues (top of Page 9 of the Local Plan) be amended to read:-

"Ensuring that applications for development adequately address:-

- (a) the impact of climate change;
 - (b) the issues of flooding and water supply; and
 - (c) ensure dependable infrastructure is included for the removal of sewage and waste water"
- b) That further transport modelling will be undertaken in the near future be noted;
 - c) That the designation of land at Junction 8 of the M20 motorway as a strategic location for employment use be rejected;
 - d) That a further call for housing sites and sites for Gypsy and Traveller pitches, as part of the public consultation on the Maidstone Borough Local Plan, a review of the currently rejected housing sites and further consideration of additional housing in the town centre, be agreed;
 - e) That the recommendations set out in the Urgent Update circulated at the meeting be agreed; and
 - f) That the responses to the SCRAIP (attached as Appendix A) be agreed.

Reasons for Decision

The report of the Head of Planning and Development was considered by the Planning, Transport and Development Overview & Scrutiny Committee on 18 February 2014 and their recommendations were considered by Cabinet and responses were agreed and are set out in Appendix A to this decision.

The Cabinet considered the report of the Head of Planning and Development seeking approval of the preparation draft of the Maidstone Borough Local Plan for public consultation (Regulation 18 consultation), together with the Urgent Update circulated at the meeting. It was not seeking approval of all of the policies and site allocations in the plan, but an agreement that the local plan is fit for purpose so that the community's views on the plan can be sought to assist officers and Members in shaping the publication draft of the local plan for subsequent consultation (Regulation 19).

The consultation is due to commence on Friday 21 March 2014 and close on Wednesday 7 May 2014 at 5pm. A number of events are being planned in accordance with the consultation strategy (agreed by this Committee and the Cabinet Member¹) to encourage as many people as

¹ August 2013

possible to tell the council their views on the document. Comments submitted during previous public consultations on the core strategy in 2011 and 2012 have helped to develop the policies in this draft local plan and, in the same way, all representations made during this new consultation will be considered and appropriate amendments to the local plan will be recommended.

Cabinet has given consideration to several groups of local plan policies over the past year. The report of the Head of Planning and Development brought those policies together in a single document.

New to Members are:

- updated introductory chapters to the plan which reflect the passing of time;
- an amended Maidstone Borough Spatial Strategy (policy SS1) that rolls forward the plan period to 2011-2031 and sets development targets that are based on an updated evidence base. The policy also confirms the distribution strategy for site allocations;
- the balance of land allocations for housing, in addition to the core strategy strategic site allocations (policy H1 and Appendix A in the draft Local Plan document);
- Identification of broad locations for new housing for the latter period of the Local Plan (policy H3 and Appendix F in the draft Local Plan document);
- site allocations for Gypsy and Traveller pitches (policy GT1; Appendix D in the draft Local Plan document); and
- economic development land allocations for offices, industry and warehousing and mixed use allocations (policies EMP1 and RMX1; Appendices B and C in the draft Local Plan document). The strategic location for medical and retail use at Junction 7 of the M20 and the retail/residential allocation at Maidstone East Station and the Royal Mail sorting office was reviewed by this Committee and Cabinet in December 2013.

At its meeting on 27th January Cabinet decided to defer the consideration of policies SP3 (Rural Services Centres) and SP4 (larger settlements) until information on the proposed housing allocations were available. These proposed site allocations are now included as part of the draft Local Plan. The recommendation on the designation of settlements were unaltered from previous reports; it was advised that Yalding and Coxheath be designated as two of the seven Rural Services Centres and that Boughton Monchelsea, Sutton Valence and Eyehorne Street (Hollingbourne) be designated as Larger Settlements. However, Cabinet felt that it was not appropriate for Yalding and Coxheath to be designated Rural Service Centres (RSCs) as their facilities/services were not in line with other RSCs.

The consultation draft Maidstone Borough Local Plan contains:

- Introductory chapters that highlight the documents that have helped to inform the local plan, identify key local issues which the plan needs to address, and set out the council's spatial vision and objectives for the plan period;
- The borough wide spatial strategy which sets development targets and explains the factors that influence the distribution of development;
- Spatial policies that focus on the town centre, Maidstone urban area, rural services centres, larger settlements and the countryside;
- Site allocation policies that list the site specific allocations for housing (including future locations growth), retail and mixed use, employment, Gypsy and Traveller pitches, and park and ride;
- Development management policies that apply across the borough, within the town centre and in the countryside focus on delivering the spatial strategy and set criteria against which planning applications for development are determined;
- Infrastructure delivery policies which explain what infrastructure is required to support new development; and
- The housing trajectory which demonstrates how the council will deliver its housing provisions.

There were a number of appendices that contained individual policies for site allocations and future locations for growth, which clearly set out the infrastructure requirements and mitigation measures that are crucial for each site's development. Other appendices included information on monitoring, and matrices showing how plan policies will deliver the priorities of the Maidstone Community Strategy and the objectives of the Maidstone Borough Local Plan.

Housing needs and the Strategic Housing Land Availability Assessment (SHLAA)

The Strategic Housing Market Assessment 2014 confirmed the objectively assessed housing need for the borough as 19,600 dwellings (980 dwellings per annum). The Committee and Cabinet agreed this figure in January 2014. The next step for the council is to determine whether this need can be fully met, which is a requirement of the National Planning Policy Framework (NPPF) unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits when assessed against the policies in the NPPF taken as a whole, or specific policies in the NPPF indicate development should be restricted.

The Strategic Housing Land Availability Assessment (SHLAA) process commenced with a widely advertised call for sites on 7 December 2012. The call for sites period was initially scheduled to conclude on 25 January 2013, but the deadline was extended to 31 March 2013 because of the number of sites that were submitted after the initial closing date. The call for sites invited the development industry, landowners and members of

the public to submit sites to be considered for allocation in the local plan. An important consideration at the outset of the process was how to assess all submitted sites for housing in a consistent manner. A detailed pro forma (approved by the Cabinet Member for Planning, Transport and Development) was used to build consistency into the process².

As part of the SHLAA assessments, site visits were undertaken and key stakeholders and service providers were consulted on all sites. The results were fed into the pro forma, and officers engaged with parish councils, landowners and the development industry to gather further information on the submissions. The pro forma incorporated a broad range of criteria against which sites were assessed, and included detailed comments on topics such as planning history, landscape, flood risk, highways and ecology.

The assessment process allowed officers to draw initial conclusions on the potential development of sites in an open and consistent manner, examining the availability, locational suitability, achievability, and viability of each site. Locational suitability has influenced the recommended selection of sites: brownfield sites were prioritised first, and then recommended sites were selected for allocation in accordance with the borough's settlement hierarchy. Those sites situated in the urban area, edge of urban area³ or at rural settlements forming part of the council's settlement hierarchy were considered more suitable and sustainable than those removed from settlements and essentially in the open countryside. The exception to this rule is Syngenta, which is a large brownfield development site in Yalding parish.

Completed site pro forma were the subject of an independent sustainability appraisal (SA) by the expert consultants appointed to undertake the SA on the local plan. The sustainability of each site was appraised against a selection of key assessment criteria and advised on issues to be addressed and potential mitigation and enhancement measures. The SA also assessed the cumulative impact of the draft allocated sites on their immediate locations and at a strategic level.

As part of the SHLAA process, the site assessment exercise has assisted with the selection of recommended site allocations for the draft local plan (54 housing sites in total, out of 190 sites submitted), but it has also informed site allocation policies. For example, consultation with statutory undertakers and infrastructure providers has highlighted on-site and off-site constraints, and the need for additional surveys to fully understand the mitigation measures required to make development acceptable. This has resulted in the inclusion of criteria for mitigation measures in a number of the site allocation policies. The mitigation measures are wide ranging but in a number of cases include structural landscaping, junction improvements and the identification of site areas where development will be restricted.

² A similar pro forma was used in the assessment of potential Gypsy and Traveller sites, and for economic development sites, both of which were part of the call for sites.

³ As defined in the Maidstone Borough Wide Local Plan 2000. Settlement boundaries will be amended to take account of new land allocations once the local plan is adopted.

The SHLAA process has ensured that the proposed site allocation policies are robust, and SHLAA sites will contribute approximately 10,000 dwellings⁴ towards the borough's objectively assessed housing need over the plan period. The pro forma for accepted and rejected sites will be available (as part of the council's evidence base) to support the published SHLAA during public consultation.

Future locations for housing growth

The council does not need to allocate land to meet all of the borough's objectively assessed need of 19,600 dwellings because approximately 4,100 homes have already been built since 2011 or have been granted planning permission on sites that are not yet completed, resulting in a net need for 15,500 homes. The land allocations that are the subject of this consultation total a further 10,000 dwellings, leaving a balance to find of 5,500 dwellings.

The NPPF directs local authorities to identify deliverable⁵ housing sites for the first 5 years (it is implied this starts from the date of adoption of a local plan). For years 6 to 10 and, where possible, years 11 to 15 following adoption (i.e. the last 10 years of the Maidstone Borough Local Plan period), sites should be developable⁶. The greater the number of dwellings on sites that are specifically identified as deliverable/developable, the more robust the local plan will be. However, the NPPF also allows for the identification of broad locations for housing in this latter period.

Recommendations received from the Planning, Transport and Development Overview & Scrutiny Committee included the removal of some of these site allocations. Cabinet felt it was appropriate to remove the following sites from the Local Plan:-

H1(18) Cross Keys, Bearsted
H1(19) Fant Farm, Maidstone
H1(51) Cripple Street, Loose
H1(58) Ware Street, Thurnham

Three broad development locations yielding a potential 3,000 dwellings have been identified and included in the consultation draft for the latter years of the local plan period. This will offer the opportunity to review the locations in detail at the first point of regular review of the local plan in 2026.

Invicta Park Barracks

Invicta Park Barracks covers a substantial area (41 ha) to the north of the town centre. It comprises a range of military buildings, including army accommodation, set within expansive parkland. The site is currently home to the 36 Engineer Regiment. The MoD has categorised the site as a 'retained' site in its most recent estates review (2013); there are no

⁴ Including strategic site allocations to the north west and south east of the urban area.

⁵ Deliverable sites must be available, offer a suitable location, be achievable (with a realistic prospect of being delivered within those 5 years), and be viable.

⁶ Developable sites must be suitably located, and available and viable at the point of release.

immediate plans to vacate this site. The MoD keeps its property portfolio under regular review. It has been confirmed that, in the longer term, there could be some prospect that the site may be declared surplus and so become available for alternative uses.

In recognition of this potential, and the need to plan positively for it, the draft Local Plan identifies Invicta Park Barracks as a broad location for future housing growth for towards the end of the Local Plan period (post 2026). The Barracks site covers is an extensive area and includes expansive undeveloped open and wooded areas. Development will need to be planned to reflect the site's arcadian nature and the role it could have in providing additional accessible green space in the urban area. Primarily focused on the redevelopment of existing developed areas, the site has the potential to deliver in the order of 1,300 new homes.

Town Centre

It is acknowledged in the local plan evidence base that there is an oversupply of poorer quality office stock in the town centre which is no longer fit for purpose. This has the effect of suppressing the town centre office market and thereby inhibiting new development which could better meet modern business needs. A route to tackle this is to rationalise the supply of the poorest stock through conversion to alternative uses. Over the timeframe of the plan it is expected that the value of the lowest quality office stock, in terms of rents, will fall further making redevelopment for alternative uses increasingly viable. With a corresponding uplift in the market for town centre apartments, this trend could see the delivery of significant new housing in and around the town centre. In view of the market shifts needed, delivery is likely to be phased towards the end of the plan period. The town centre broad location was originally considered to have the potential to deliver in the order of 200 additional homes. However, due to emerging proposals for The Mall, which would see substantial new residential development coming forward as part of a comprehensive redevelopment of the shopping centre, it was felt appropriate to increase this number to 600.

Lenham Rural Service Centre

Lenham is a compact settlement surrounded by flat, arable land. The village benefits from a good range of infrastructure and facilities, including a primary school, secondary school, train station, village hall, local shops, and a medical centre. The village has access to employment opportunities locally, and good rail and bus links to Maidstone and Ashford towns. The village has easy access to the A20 which leads to Junction 8 of the M20 motorway.

There is potential for the village to expand. There are no known major constraints to the provision of additional housing development, although further studies are likely to be required to assess the impact of development on the environment and to identify the mitigation measures necessary for any proposals to proceed. Impacts on the setting of the AONB will need careful assessment. There are no known flooding issues in the location. Land is available to the east and west of the village that has potential to deliver in the region of 1,500 dwellings recognising the need

to avoid the coalescence of the village with neighbouring Harrietsham.

Unmet housing need

The borough's objectively assessed housing need is 19,600 dwellings. Since 2011, approximately 4,100 units have been built or are in the pipeline. The recommended housing land allocations in the draft local plan yield a further 10,000 homes, and broad locations 3,000 dwellings. The balance of unmet need is therefore in the region of 2,500 dwellings.

At examination, the council will have to demonstrate why its full housing need cannot be met. Constraints to development will have to be robustly defended⁷ and evidence produced to demonstrate what measures have been taken to address unmet need.

It was recommended that a further call for sites be undertaken as part of the public consultation exercise, to establish whether there are additional sites suitable for development that have not yet been subject to the SHLAA process. At the time of the deadline for the Call for Sites, the agreed 'working' housing target was some 14,800 dwellings (2011-31)⁸, appreciably below the 19,600 objectively assessed needs figure now in place. A further call for sites exercise will ensure that sites are submitted in full knowledge of the up to date evidence-based needs figure. Alongside this exercise, an appraisal of reasons why SHLAA sites were rejected should be undertaken to establish whether additional mitigation measures could release rejected sites for development.

Ultimately, if objectively assessed need is not met, then a strong case of constraints, substantiated with evidence (for example of infrastructure capacity) must be made and, under the duty to cooperate, the council must demonstrate whether unmet need can be satisfied by neighbouring authorities. It was important to note that some adjoining authorities are likely to be more constrained than Maidstone, particularly by national designations such as the AONB and Green Belt. Also, to be aware that those authorities may in fact look to Maidstone to accommodate their unmet housing need.

A similar position arises with the provision of sites to accommodate Gypsy and Traveller pitches and Travelling Showpeople plots. Allocations are proposed for some 23 Gypsy and Traveller pitches in the draft Local Plan. With the addition of the 57 pitches granted permanent consent since October 2011, and the potential 15 pitches which the Homes and Communities Agency-funded new public site would deliver, there is a shortfall of some 92 pitches against the total requirement for 187 pitches (2011-31). A further call for sites to address the needs of these communities should be undertaken in tandem with a call for market housing sites.

⁷ A section on development constraints was included in 27 January 2014 Cabinet report.

⁸ Cabinet, 13th March 2013.

	Need	Supply	Unmet need
Gypsy & Traveller pitches	187	95	92
Travelling Showpeople plots	11	0	11

Employment land needs and Junction 8

Background

The draft Core Strategy (2011) published for public consultation in September 2011 identified Junction 8 of the M20 motorway as a strategic location for employment. At that time, based on the scale of employment land requirements (Employment Land Review Partial Update 2011) it was considered that land at Junction 8 would be required in addition to a dispersed pattern of smaller sites to accommodate industrial and warehousing floorspace.

In July 2012 Cabinet considered the main issues raised in the public consultation on the Core Strategy. As reported at the time, there was support from the public and the development industry for the identification of Junction 8 of the M20 motorway as an employment location (22 respondents or 5%). There were also suggestions that this location could accommodate housing or mixed use development for housing and employment. There was a high level of opposition to development at Junction 8 from local residents (254 respondents or 52%), who objected on the grounds of the KIG appeal decision, the impact on the landscape, the loss of Special Landscape Area protection, increased traffic congestion, and the provision of low skilled jobs in this location. Alternative employment sites were proposed by respondents (but not the landowners) at Detling Airfield Estate, Park Wood and Hermitage Lane.

The same Cabinet report concluded that Junction 8 would be the best location for a critical mass of employment uses, including premier office development, industry and warehouse uses, of a quantity that would enable the delivery of the necessary supporting infrastructure whilst also providing for a qualitative scheme in a parkland setting to help mitigate the impact of development on the landscape. The location also has transport capacity.

Cabinet resolved to retain Junction 8 of the M20 motorway as a strategic location for economic development to address qualitative and quantitative employment needs and the aspirations of the Council (as set out in the Economic Development Strategy 2008), pending further consultation as part of the Strategic Site Allocations consultation in August/September 2012, to enable a more informed decision to be made on the allocation of strategic site(s) at this location.

In March 2013 the outcomes of the strategic sites public consultation were reported to Cabinet. The issues raised in connection with Junction 8 were wide ranging and, to a large extent, focused on public opposition to the principle of development in this location. The main issues raised included the questioning of the need for the development, the availability of alternative sites within and outside the borough, impact on the AONB, impact on the highway network, the loss of countryside, the sustainability

(or otherwise) of the location, precedent and concerns over the quality of jobs which would be generated.

In the same report Cabinet was presented with an update of the borough's employment land demand (based on delivering interim housing provisions of 14,800 dwellings up to 2031). The updated evidence pointed to a more modest requirement for employment land overall than previously, with a particular emphasis on office uses. Based on this updated evidence, the justification to release employment land at Junction 8 became less clear cut than it had been previously.

Cabinet took the decision to retain Junction 8 as a strategic development location for employment until such time as the work identifying employment land demand (employment land forecasting) and supply (the Strategic Economic Development Land Availability Assessment) was completed.

Employment land requirements

As reported to Cabinet on 27 January 2014, a further employment land forecast has been undertaken to cover the plan period (2011-31). As well as the basis for employment land forecasting, this work was also the starting point for the 'economic-led' housing projection in the SHMA, enabling consistency across the Council's evidence base.

This forecast was stemmed from a sectoral analysis of the economy, critically analysing which sectors are likely to grow and which are contracting. The analysis specifically tries to identify sectors where the potential for growth at above a 'business as usual' level. In this respect the forecast is ambitious. The analysis also allows for the direct and indirect jobs that will be created as a result of the specific Kent Institute of Medicine and Surgery and Maidstone Medical Campus development. This was a specific proposal which will provide a wider catalyst to growth.

The analysis looks across all the sectors in the local economy. This growth is then translated into an employment land demand figure for just those sectors which will require office, industrial/manufacturing and warehouse/distribution premises in the future (i.e. B use classes).

The total floorspace demand figure for the whole Local Plan period is shown in the first line of the table below. Whilst the greatest amount of floorspace will be needed for distribution/warehousing uses, these are land hungry uses. Office based development will actually be far more significant in terms of the number of the new jobs generated.

2011-2031	Offices	Industrial	Warehousing	TOTAL
Total floorspace requirement (m ²)	39,830	20,290	49,911	110,030
Jobs	3,053	226	453	3,733
% B class jobs	82%	6%	12%	100%

Table: Total floorspace requirements and jobs (excluding KIMS/Medical Campus)

This requirement is for the full 20 year period of the Local Plan. The net requirement to be addressed in the Local Plan results when the following supply factors are deducted:

- Completions achieved in 11/12 and 12/13
- Sites with planning permission⁹
- Vacant premises¹⁰

The net floorspace/land forecast is set out in the bottom row of the table below. This requirement is additional to the land already identified and granted permission for the KIMS/Maidstone medical Campus proposals.

	Office	Industrial	Warehousing
Total floorspace Requirement (m ²) 2011-31	39,830	20,290	49,911
Supply (m ²)	24,247 ¹¹	16,595	36,964
Net floorspace requirement (m ²) 2013-31	15,583	3,695	12,947

Table: Net employment land requirement 2013-2031

Strategic Economic Development Land Availability Assessment (SEDLAA)

The SEDLAA has been undertaken in parallel with the SHLAA. Some 37 sites were assessed for their potential for employment, retail or mixed use. The submitted sites included two sites at Junction 8: land at Woodcut Farm and Waterside Park.

The sites were assessed following the agreed criteria in the SEDLAA assessment pro forma¹². As for the SHLAA, the expert input of key statutory consultees was sought (Kent Highways; EA; KCC ecology; KCC archaeology).

Based on the SEDLAA assessment, the new industrial and warehousing floorspace required could be delivered in a dispersed pattern of new employment allocations. This would include the expansion of the existing successful industrial estates at Pattenden Lane, Marden and at Barradale Farm, near Headcorn. Mixed employment and residential allocations would be made at Syngenta, Yalding, helping to bring forward a brownfield site previously in employment use, and at Clockhouse Farm, Coxheath. This dispersed selection of sites would meet and indeed exceed the floorspace needs for industrial and warehousing space in the borough across a number of locations, providing some flexibility and choice and enabling the local expansion of firms. Further, the sites at Marden for example could be used for manufacturing type uses or distribution and it would be appropriate to allocate such sites for either use, again to allow

⁹ This figure excludes two sites where the extant planning permissions for offices (= 23,150sqm) are unlikely to be implemented because of alternative proposals; the site at Eclipse with permission for Next and the site at Springfield which is proposed to be allocated in the draft Maidstone Borough Local Plan for housing

¹⁰ Includes deduction of 5,000sqm for the poorest quality vacant town centre office stock

¹¹ Includes CIA adjustments at Eclipse Park

¹² Pro forma agreed by Cabinet Member for Planning, Transport and Development 22 March 2013

for flexibility. It was recommended that all these sites are appropriate for allocation in the draft Maidstone Borough Local Plan, with necessary mitigation measures set out in the site specific allocation policies.

Either of the two sites submitted at the Junction 8 location could accommodate the full requirement for industrial and warehousing floorspace.

Junction 8 is currently a countryside location, removed from the built up area of Maidstone. Development of either of these candidate sites would substantially alter their established character. The existing urban influence in the vicinity of the Woodcut Farm site is slightly greater, provided by the residential and small commercial development along the A20 and the road interchange itself. However its development would significantly alter the immediate rural character of the site and the inherent attractiveness that these fields have as an area of undeveloped countryside located on key routes into, and past, Maidstone.

The vicinity of the Waterside Park site is more rural in character. The site appears as a component of the rolling countryside to the south, particularly in views from the south and from the public right of way which crosses it.

The Woodcut Farm site forms part of the setting of the Kent Downs Area of Outstanding Natural Beauty (AONB) and represents a continuation of the landform of the North Downs. It is also visible, at a distance, from points in the AONB. Development would have an adverse effect on the setting of the AONB. Views from the AONB of Waterside Park are comparatively more limited whilst, in views from the south, the site is clearly seen as part of the foreground to the scarp slope of the AONB.

Officers have previously advised that the size and characteristics of the Woodcut Farm site do offer an opportunity for the landscape impacts of development to be mitigated¹³. This could be achieved by ensuring the existing topography of the site is respected through minimal site levelling, through significant additional structural landscaping and through careful design in terms of the buildings' scale, siting, orientation and materials. The context for this advice was a substantive and over-riding need for additional industrial and warehousing development which could not be met on alternative sites.

To develop the Waterside Park site would require extensive excavation which would be a substantial and unavoidable alteration to the prevailing form of the landscape. There is significantly less opportunity on this site to soften the impacts of development through enhanced landscaping.

Development of either site would cause substantial landscape harm. Further, Junction 8 is removed from the existing built up area from Maidstone. The sites are in a relatively unsustainable rural location. An allocation here would create a new employment destination in a location poorly served by public transport and relatively removed from centres of population and the attendant workforce. These sites are within walking

¹³ Cabinet report 25 July 2012

and cycling distance of few residential areas and development of either is likely to particularly attract car-borne workers.

Qualitative need and market considerations

The NPPF directs that local planning authorities need to assess both the qualitative as well as the quantitative need for employment land when drawing up their Local Plans (para 161). Qualitative considerations are set out below.

Connections to the strategic road network: The Junction 8 location clearly has very close access to M20 and thereafter the wider strategic road network. This is an attractive factor for businesses for business efficiency reasons, and HGV movements on local roads would be more limited. The dispersed selection of sites are located at a distance from the strategic road network. Their development is likely to result in more/longer HGV movements on local roads although it is of note that KCC Highways has not objected to their potential allocation. Key routes to the M20 from Marden (A229) and Headcorn (A274) require HGVs to pass through Maidstone town centre which is a constraint. The Syngenta site has a more direct connection to J4 of the M20 via the A228. Experimental Traffic Regulation Orders have been made around Marden and Yalding with the aim of directing lorries in excess of 7.5 tonnes away from this area and on to the main road network. The Joint Transportation Board has recently recommended that this order be retained¹⁴. If made permanent, this risks reducing the attractiveness of the area for businesses as it increases journey times and adds fuel and driver time costs for some deliveries and exports.

Price: Premises at Junction 8 will be more expensive to purchase/let because of their motorway location. In contrast with a dispersed pattern of development, sites are likely to be more affordable for a wider range of firms.

Range of sites: A site at Junction 8 will be in a single ownership but could be delivered in phases to help stagger supply. The dispersed pattern offers a choice of sites in different locations. It offers a wider geographical spread of potential sites, in different ownerships which could come forward at different times over the plan period in response to demand.

Site capacity: A site at Junction 8 will be capable of meeting larger scale needs, as well as smaller scale requirements. The dispersed sites are less likely to be able to accommodate a single, large end user.

Market Interest: there is clear, current market interest to deliver and occupy new employment floorspace at Junction 8. The site is likely to be more attractive to inward investors than the dispersed sites. Market demand analysis in the Employment Land Review (2013) however suggests that demand for both industrial and warehousing is more likely to be locally generated (existing firms expanding) or of a sub-regional nature.

¹⁴ Maidstone Joint Transport Board 22nd January 2014

Existing/new business locations: Development at Junction 8 would create a brand new business location and could provide a prestigious, business park form of development and a new business 'offer' for the borough. The dispersed pattern provides for the localised expansion of existing successful business locations. It could better enable the expansion of firms in situ, and potentially better serve established, local firms.

Promotion of the borough as a business location: A single large site at Junction 8 (in addition to Junction 7) will bring a significant marketing opportunity to promote the borough as a business location. A diversity of smaller sites is likely to be much less marketable.

Conclusion

Junction 8 as a location for new employment floorspace has some significant, qualitative advantages. Key is its location immediately adjacent to the strategic road network. This helps to drive its market attractiveness and will serve to control HGV movements on local roads. It is the case that a site at Junction 8 is much more likely to be attractive to an inward investor and would be a more prestigious site for the promotion of the borough. This is a significant consideration; one of the council's three key objectives is for Maidstone to have a growing economy.

However, it is considered that the harm caused by development in the location of Junction 8 would be substantial, in particular in terms of impacts on the AONB and the wider landscape. Local Planning Authorities have a duty to have regard to the conservation and enhancement of the natural beauty of AONB landscapes. This duty equally applies to development proposals outside the boundary of an AONB but which may impact on the designated qualities of the AONB¹⁵. Coupled with the relative unsustainability of Junction 8 as a new employment location, the harm caused by development here is not considered to be over-ridden by the acknowledged qualitative benefits.

Office requirements

There is a net requirement for some 15,583m² of new office space over the plan period. The NPPF directs a town centre first approach to new office development. There has been no significant new office development delivered in or close to the town centre since the County Gate scheme in the late 1990s, despite planning permissions being granted. In contrast there is over-supply of poorer quality stock. In the first instance this oversupply needs to be rationalised through the conversion of offices to alternative uses. To this end the draft Local Plan seeks to protect only the better quality office locations as 'economic development areas' (Policy DM18).

There is the opportunity to allocate land at Mote Road, Maidstone to provide substantive new town centre offices over the timescale of the Plan. Clockhouse Farm at Coxheath can also provide for an element of

¹⁵ Draft National Planning Practice Guidance (August 2013)

office space as part of its mixed use allocation.

With these allocations confirmed, there is a shortfall in of some 5,483m² on measured requirements (equating to 14% of the total requirement or 39% of the net requirement).

As set out, there is a lack of current demand for speculative office development. As and when market demand returns, there is considerable immediate capacity at Eclipse Park (some 7,071m² permitted plus 3,500m² additional capacity). Some general office space (24,750m²) will also be delivered as part of the Maidstone Medical Campus which has outline permission. The market analysis in the Employment Land Review (2013) highlights that as demand picks up sites such as Eclipse Park, coupled with the rationalisation of the town centre stock, will be able to deliver new flexible, modern floorspace. There is therefore considerable short term (pipeline) and future planned supply of new, modern office space.

Additionally, the ancillary office space provided as part of industrial/warehousing development will contribute to the identified requirement.

The Spatial Strategy (Policy SS1) and Sustainability Appraisal

There have been a number of iterations of the Sustainability Appraisal as the local plan has developed. These iterations have produced recommendations which have, in turn, helped to shape the local plan policies. The following examples show some instances where this has been the case:

- Policy DM2 (sustainable design standards) was amended following a recommendation from the SA that the wording could be strengthened in relation to the Code for Sustainable Homes, BREEAM and stress on water resources;
- Policy DM4 (principles of good design) was amended following a recommendation from the SA that the policy would be enhanced through explicitly identifying the need for development proposals to be designed to ensure that the borough's biodiversity and geodiversity features are protected and enhanced; and
- The SA highlighted the fact that that a number of employment sites fell within flood zone 3b, and recommended that policies be amended to emphasise the need to avoid new development within areas at risk from flooding, or to mitigate any potential impacts of new development within areas at risk from flooding.

The local plan sets out a clear settlement hierarchy for determining which locations are the most sustainable for allocating new development sites. Following the redevelopment of brownfield sites within settlement boundaries, the most sustainable location for greenfield development is adjacent to the currently defined¹⁶ urban boundary, where access to

¹⁶ Maidstone Borough Wide Local Plan 2000

services is greatest and best use can be made of existing infrastructure. Rural service centres are the most sustainable villages and form the second tier in the settlement hierarchy because they act as a focal point for trade and services for wider communities, providing a concentration of public transport, employment and community facilities. Larger settlements form the third tier of the settlement hierarchy and can accommodate limited development, where appropriate, having a smaller range of services than rural service centres, but still meeting the day-to-day needs of local communities.

Within this settlement hierarchy there are options for the distribution of development, and alternative strategies must be considered as part of the local plan process.

The emerging sustainability appraisal (SA) has appraised various housing options that follow the settlement hierarchy, but has also assessed the impact of the Golding Homes' proposal for a new settlement¹⁷, which was submitted during the call for sites. The SA appraised three targets for housing: 19,600 dwellings (objectively assessed need), 17,100 dwellings (draft capacity to date including broad locations for development), and 14,100 dwellings (draft capacity to date excluding broad locations for development). The targets were assessed against the various distribution options for development: a dispersed pattern of development, with and without broad locations for development and/or the new settlement. This compares the local plan strategy of development dispersal with an alternative of a new settlement together with a reduced dispersal of development. These options were tested against their ability to deliver the objectively assessed need for housing, but were balanced by sustainability indicators including flooding, health, poverty, education, congestion, climate change, biodiversity, countryside, heritage, waste, energy and economy.

Table 3: Sustainability Appraisal of housing development options		
1	19,600	Dispersed and broad locations
2	19,600	Dispersed, broad locations and a new settlement
3	17,100	Dispersed and broad locations
4	17,100	Dispersed and new settlement
5	14,100	Dispersed only
6	14,100	Dispersed and a new settlement

The emerging results show that, on balance, alternatives 5 and 6 would fail to meet the housing need for the borough, leading to negative impacts on the economy, health and wellbeing in the longer term. Alternatives 1 and 2 would have a more pronounced positive impact on housing and economic factors, but adverse impacts on levels of congestion would be more likely. Options 1 and 2 could also lead to an oversupply of housing compared to the level of jobs planned for. In combination, these factors could have negative implications for the wider local economy, health and wellbeing. Alternatives 3 and 4 may not quite meet the identified housing need, but would be likely to have a less severe impact in terms of congestion and other environmental impacts. These two options are also

¹⁷ Proposal for a freestanding garden suburb, accommodating 3,000 to 5,000 new homes on greenfield sites located to the south east of the urban area.

likely to be more suitably matched to the number of projected jobs. However, due to the constraints and uncertainties associated with the delivery of a new settlement, the SA concludes that alternative 3 is more favourable than alternative 4.

Based on all known sites at this point, the SA supports the local plan strategy of providing for 17,100 dwellings in a dispersed distribution pattern of development supported by the identified broad locations for future housing growth.

Additionally, the SA has examined two employment distribution options: the local plan dispersed strategy and one of concentration at Junction 8.

Table 4: Sustainability Appraisal of employment development options		
Option	Employment provision (m²)	Distribution pattern
A	Office – 39,830 Industrial – 20,290 Warehousing – 49,911 Medical – 98,000	Concentrated (town centre, J7 and J8)
B	Office – 39,830 Industrial – 20,290 Warehousing – 49,911 Medical – 98,000	Dispersed (town centre, J7 and RSCs)

The emerging results show that both alternatives would have a significant positive impact by increasing the quantity and quality of employment opportunities. There would also be benefits in terms of increased opportunities to develop skills in the health sector in particular.

Both options would help to tackle deprivation by providing jobs in close proximity to areas of need. This is particularly the case for alternative A. However, there is a danger that increased movements into the Maidstone urban area could exacerbate existing congestion and air quality issues, having an effect on the wider local economy and health. These effects would be less pronounced for alternative B, which would disperse an element of employment to a number of settlements to the south of the urban area. This dispersal strategy would also support the local economies in a number of service centres, but might not attract high-profile development.

Alternative A could have a significant negative impact on landscape character due to the location of the Junction 8 site in relation to the Kent Downs AONB. Although alternative B could still lead to localised impacts on character around a number of settlements, the impacts are considered less significant. Both alternatives make little use of previously developed land and would lead to the loss of grade 2 and 3 agricultural land.

The SA concluded that, on balance, alternative B (the local plan strategy) has fewer impacts on congestion, countryside and heritage

The SA highlighted the fact that proposed mixed use development at Syngenta, Yalding, is within areas at significant risk of flooding. This has

been recorded as a negative impact for alternative B, but mitigation measures can be implemented to avoid negative impacts.

The spatial strategy (policy SS1) sets housing provisions of 17,100 dwellings, to be delivered in a dispersed distribution pattern of development. Employment provisions are also met through a dispersed strategy. Both options are supported by the interim sustainability appraisal, including the balance of new jobs and homes.

The sustainability appraisal will continue to evolve with the local plan, and the interim SA will be published as part of the evidence base during public consultation.

Affordable Housing (Policy DM24)

The 2014 Strategic Housing Market Assessment (SHMA) identifies the affordable housing need in the borough, for the period 2013 to 2031, as 322 per annum. It is important to note the reasons for the change in affordable housing need arising from the new study compared to the need identified in 2010.

The 2010 SHMA identified an annual affordable housing need of 1,081 homes. This change in need can be attributed primarily to the methodology used. The 2010 methodology sought to address affordable need in a five year time period, rather than across the period of the local plan. Where the need is significant, as was identified in the 2010 SHMA, this approach causes difficulties in attempting to meet that need through policy targets. The 2010 SHMA did recognise this and offered an alternative approach that addressed needs across the plan period – based on the then housing target of 11,080 [for the period 2006-2026], it recommended a target of 38%.

In the four years between the studies, the baseline conditions in the borough have also changed, each affecting the affordable need figure. The 2011 Census showed that the population of the borough has increased further than the Office for National Statistics had previously estimated. The list of people on the housing register has changed, mainly through a change in the housing allocation policy, which has restricted access to the register (April 2013). The amount of affordable housing stock has increased in the intervening period as a result of development in the borough. Consequently, the 2014 SHMA recommends that a 30% target across the borough would be appropriate to meet affordable need.

The 2013 Local Plan Viability Testing identified that the following affordable housing targets were achievable in viability terms:

- Previously developed land (urban) – 15%
- Greenfield and private residential land (urban and urban periphery) – 30%
- Countryside, rural service centres and larger villages – 40%

This viability information means that if the targets for these areas were set higher, affordable housing could still only be delivered at these rates.

Using this information in conjunction with capacity based potential development splits to these broad geographical areas, 4,144 affordable units could be expected to be delivered for the period 2013-2031. In addition to the 427 units in the pipeline, this equates to 254 units per annum, a shortfall of 68 units against the identified annual affordable need. It is reasonable to expect that this shortfall could be addressed by the private rented sector, based on current estimated lettings levels.

Drawing on the evidence in the 2014 SHMA, the proposed tenure split in Policy DM24 has been amended, with agreement from the council's housing department, to seek not less than 65% affordable rented housing, social rented housing, or a mixture of the two. The balance of up to 35% of affordable dwellings delivered will be intermediate affordable housing (shared ownership and/or intermediate rent

Countryside (Policy SP5)

Policy SP5 (Countryside) has been amended to include a map that identifies the borough's landscapes of local importance, namely the Greensand Ridge, Medway Valley, Loose Valley and Len Valley. These landscapes were highlighted as areas of local importance by the public through previous consultation. The council will, where possible, protect its most sensitive landscapes that are in good condition, in accordance with the Landscape Character Assessment.

Alternatives considered and why rejected

Alternative courses of action have been included in the reasons above.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Policy and Communications by: **5 March 2014**.

MAIDSTONE BOROUGH COUNCIL

**RECORD OF DECISION OF THE PLANNING, TRANSPORT AND
DEVELOPMENT OVERVIEW & SCRUTINY COMMITTEE**

CABINET

Decision Made: 24 February 2014

INFRASTRUCTURE DELIVERY PLAN (IDP)

Issue for Decision

The purpose of the IDP is to identify the infrastructure required to meet the spatial objectives and growth anticipated in the Local Plan and thus demonstrate that the Plan is both realistic and deliverable.

Decision Made

That the draft Infrastructure Delivery Plan, as attached at Appendix A to the report of the Head of Planning and Development, be approved for public consultation alongside the Maidstone Borough Local Plan.

Reasons for Decision

The National Planning Policy Framework (NPPF: 156) requires local planning authorities to demonstrate that the policies in the local plan will be delivered in a sustainable way. To this end, there is now an increased emphasis on the need to identify infrastructure required to support future growth resulting from additional housing and employment during the Plan period to 2031.

The Infrastructure Delivery Plan was considered by the Planning, Transport and Development Overview and Scrutiny Committee on 18th February and their recommendations were considered in conjunction with the report of the Head of Planning and Development.

The Infrastructure Delivery Plan (IDP) identifies the infrastructure required to meet the spatial objectives and growth anticipated in the council's emerging local plan. It includes not only infrastructure schemes that will be provided by the council but also those for which other bodies (public and private) are responsible. As such, it is closely linked to objectives set out in the council's Integrated Transport Strategy and takes account of Kent County Council's infrastructure and investment finance model, which determines the infrastructure required for areas such as education, community learning and adult social care services.

The IDP is an evidence base which supports the local plan and helps to demonstrate that the local plan is both realistic and deliverable, and can therefore be successfully implemented. This is of particular relevance to

the housing and employment site allocations included in the draft local plan. The IDP identifies:

- **What** infrastructure is required and **where** it is required to deliver the local plan (particularly the housing site allocations);
- **Who** is responsible for delivery;
- **How** the infrastructure will be delivered through the identification of delivery mechanisms and funding sources; and
- **When** infrastructure will be delivered, with phasing and estimated costs in broad terms.

The NPPF requires councils to work together to address strategic priorities across boundaries and to consider development requirements which cannot be wholly met within their own areas. The council has exercised its duty to co-operate during the formation of the local plan by discussing and negotiating with neighbouring district councils, Kent County Council and a number of other infrastructure service providers and public bodies to update and amend the previous draft IDP that went out for Regulation 18 public consultation with the then Core Strategy in August/September 2011.

The revised IDP (attached as Appendix A to the report of the Head of Planning and Development) has taken account of a range of programmes which impact on spatial planning and includes revised infrastructure schemes and estimated costs for the areas of transport, education adult social care, health and open space. The total cost of new infrastructure considered necessary to support anticipated growth in the local plan is estimated in the IDP as £75m. As is reflected in the number of transport schemes included in the IDP, congestion is a major issue in the borough and represents one of the council's greatest challenges in ensuring a deliverable local plan. It is likely that the full transport package will total approximately £30m, which is a large percentage of the overall infrastructure cost to the borough council.

It is difficult to make a more accurate estimate of infrastructure costs at present because the objectively assessed housing need (19,600 dwellings) for the borough has only recently been approved by Cabinet (January 27 2014). The total estimated cost of the infrastructure delivery plan is based on information received from service providers and stakeholders during informal consultation in the summer when the estimated housing need for the borough was approximately 14,000 dwellings, and also recent informal consultations with respect to a provisional supply figure of 17,100 dwellings, based on the proposed accepted SHLAA sites. Further amendments to the IDP are therefore inevitable as it is an evolving document and requires input from numerous stakeholders, both internal and external. The IDP will be rigorously reviewed and monitored regularly going forward to ensure that it includes the most up to date information.

The forthcoming public consultation on the draft local plan affords another opportunity to consult with stakeholders and service providers to update the IDP based on an agreed housing target and spatial distribution of development for Maidstone Borough. Stakeholders and service providers are particularly interested in this stage of the plan process because there is a greater degree of certainty to the council's planning strategy when it

is consulting on an approved draft plan. Consultation at this stage also affords an opportunity to gather more information on public realm schemes that the council intends to take forward in the future. Officers are currently working on scheme designs and estimated costings for a number of these schemes.

The IDP enables the council to identify possible mechanisms for delivering infrastructure. One of the most important mechanisms is the community infrastructure levy (CIL), which was the subject of a separate report at the meeting. CIL does not have to fully fund all the infrastructure schemes listed in the IDP. The infrastructure schemes that will be funded through CIL originate in the IDP and are listed in a Regulation 123 list.

Based on residential development with a deliverable housing target of 17,100, the potential income from CIL could be in the region of £42m, with potentially £10m of this being passed to local (parish) councils, leaving around £32m for the council to fund infrastructure with. This is a calculated scenario and the final figures are subject to change as is considered in the CIL report. Further funding streams (such as New Homes Bonus, land asset sales, Local Enterprise Partnership funding and other central government grants) will also go towards closing the gap between the total estimated costs of infrastructure in the IDP and the capital and funding that the council can put towards meeting these costs.

Government expects that there will be a funding gap between what the CIL and other funding streams can realistically provide for and the total costs of identified infrastructure schemes in the IDP. Where the total estimated costs cannot be met, it is likely that the council will have to prioritise infrastructure schemes in order of importance and cost effectiveness. This exercise will have to be undertaken in collaboration with Elected Members once more detailed information is available following public consultation on the local plan.

The Planning, Transport & Development Overview and Scrutiny Committee considered the Infrastructure Delivery Plan at their meeting on 18th February 2014 and endorsed it.

Alternatives considered and why rejected

The Council has a duty to produce an infrastructure delivery plan, which forms an important part of the evidence base underpinning the delivery of the local plan.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Policy and Communications by: **5 March 2014.**

MAIDSTONE BOROUGH COUNCIL

**RECORD OF DECISION OF THE PLANNING, TRANSPORT AND
DEVELOPMENT OVERVIEW & SCRUTINY COMMITTEE**

CABINET

Decision Made: 24 February 2014

**COMMUNITY INFRASTRUCTURE LEVY - PRELIMINARY DRAFT
CHARGING SCHEDULE**

Issue for Decision

Preliminary draft charging schedule document approval for consultation alongside the Maidstone Borough Local Plan.

Decision Made

That the Maidstone Community Infrastructure Levy Preliminary Draft Charging Schedule, as attached at Appendix A to the report of the Head of Planning and Development, be approved for consultation alongside the Maidstone Borough Local Plan. The consultation will run from 21 March 2014 until 5pm on 7 May 2014.

Reasons for Decision

The report of the Head of Planning and Development was considered by the Planning, Transport and Development Overview and Scrutiny Committee on 18th February 2014 and endorsed it.

On 16 May 2012, the Maidstone Borough Council Cabinet agreed to pursue the introduction of a Community Infrastructure Levy (CIL) in Maidstone for future infrastructure provision.

The Maidstone Community Infrastructure Levy Preliminary Draft Charging Schedule (PDCS), attached at Appendix A to the report of the Head of Planning and Development, is the first stage of consultation in the process of adopting CIL.

To be able to prepare a CIL for adoption, there must be an up to date local plan, which is the reason this has not been progressed sooner. The emerging Maidstone Borough Local Plan contains proposed land allocations, primarily for residential uses, but also for non-residential uses i.e. employment and retail. The infrastructure delivery plan (IDP), which has been developed alongside the local plan, is an up to date inventory of which infrastructure is needed to support the proposed allocations. The

total cost to date of the infrastructure identified in the IDP is approximately £75m.

The CIL does not have to fully fund this entire infrastructure. Government expects that there will be a funding gap between what the CIL can realistically provide for and what the total of infrastructure identified in the IDP costs. The gap can be addressed by alternate funding sources e.g. pinch point funding in relation to transport, other funding initiatives, section 106 obligations (where they meet the tests included in the 2010 CIL Regulations), and where possible by prioritisation of schemes/resources.

To date in Maidstone Borough, the primary funding source for infrastructure has been section 106 obligations. The New Homes Bonus, which provides another planning related funding source, is not ringfenced for spending on infrastructure, unlike CIL. Maidstone Borough Council currently has no set procedure to use New Homes Bonus receipts towards infrastructure funding.

Evidence base

In July 2013, the council provided member training on the Local Plan Viability Testing (2013) evidence document, which was prepared by Peter Brett Associates. This provided the viability element of the local plan evidence base. This document was prepared to support the production of the Core Strategy, but provides the same necessary support for the Maidstone Borough Local Plan and the CIL.

Local Plan Viability Testing contains a series of high level viability assessments, based on realistic development scenarios in the borough during the life of the local plan. These are residential and non-residential assessments, which have enabled the proposed CIL rates included in the appended PDCS. The development scenarios included residential sites, in particular those in the north west of the urban area and those in the south east of the urban area, as well as number of more generic development scenarios, based on the information in the 2009 Strategic Housing Land Availability Assessment (SHLAA). Non-residential development scenarios were based on national generic development assumptions, which were considered valid to be applied in Maidstone. The types of non-residential development that were tested are listed at paragraph 4.9 in the preliminary draft charging schedule, attached at appendix A to the report of the Head of Planning and Development.

The basis of these assessments is the residual land valuation model that takes into account all development costs to determine if there is any residual land value. The starting point is the potential development value from which costs are subtracted. Development costs will include typical build costs, marketing costs and local planning policy associated costs such as affordable housing, the Code for Sustainable Homes/BREEAM and infrastructure costs (for the purpose of viability testing a combined CIL/s106 figure is used to incrementally test what infrastructure charge a site might be able to support). The residual land value i.e. after all costs have been subtracted, is what is left to pay to the landowner. If the

residual value is not sufficient, then the landowner will not sell their site for development.

Proposed levy

The proposed residential levy follows the format of policy DM24 – Affordable housing, which was also underpinned by the Local Plan Viability Testing.

The residential levy, as proposed, is:

Urban – previously developed land	£35 per m ²
Urban and urban periphery – greenfield and private residential gardens	£84 per m ²
Countryside, rural service centres and larger villages	£126 per m ²

The proposed non-residential levy solely relates to retail uses outside of the town centre and is based on the results of viability testing, that shows that these developments are the best performing non-residential development type. Traditional employment uses (B classes) are all shown to be unable to support a CIL charge.

The retail levy, as proposed, is:

Out of town centre – local convenience retail (up to 750m ²)	£189 per m ²
Out of town centre – supermarket/superstore and retail warehouse (above 500m ²)	£260 per m ²

Superstores (2,500m² to 5,000m²) were shown to be able to support a CIL charge significantly higher than £260 per m² (up to £434 per m²). However, for the purposes of administering CIL and retaining simplicity in the proposed charging schedule, all out of town centre retail uses above 750m² (as per Valuation Office Agency categorisations) are proposed to be charged the same rate – which all are shown to be able to support.

Potential CIL income

Based on residential development with a deliverable housing target of 17,100, the potential income from CIL could be in the region of £42m, with potentially £10m of this being passed to local (parish) councils, leaving around £32m for the council to fund infrastructure with. This is a calculated scenario and the final figures are subject to change e.g. if the rural part of the levy were set lower, at £105 per m², this would change the potential income from CIL to around £36.5m with £9m being passed to local councils, leaving around £27.5m for the council to fund infrastructure with. Factors that could vary the outcome include what the agreed final housing target is, how much development is permitted before the adoption of CIL (this would therefore not be subject to the levy), which local councils adopt a neighbourhood plan and when, and the strength of the economy i.e. developers might yet be able to prove that some parts of the proposed levy are too onerous.

List of relevant infrastructure (Regulation 123 list)

At the meeting of the Planning, Transport and Development Overview and Scrutiny Committee (PTDOSC) on 15 October 2013, members recommended that the proposed criteria for including infrastructure on the list of relevant infrastructure i.e. the infrastructure projects and infrastructure types which will be funded by CIL, be approved.

The criteria, later approved by the Cabinet Member for Planning, Transport and Development, were used to determine which infrastructure projects and infrastructure types from the IDP would be included on the list of relevant infrastructure within the PDCS.

The known costs of infrastructure projects and infrastructure types included on the list of relevant infrastructure currently total around £28.2m. This is with the recognition that some costs are yet to be confirmed.

It should be recognised that the infrastructure projects and infrastructure types on the list are subject to different degrees of risk. Where infrastructure is required to open up a site (although this is most likely to be covered by section 106 obligations) or is in itself unlikely to be controversial then the degree of risk attached could be seen as low to medium. Other infrastructure projects on the list, in particular some of the bigger transport items, are subject to agreement with relevant infrastructure providers and can carry a larger degree of risk, dependent on that agreement. Maidstone Borough Council has scoped the necessity of some of these schemes through the IDP and is confident of their inclusion on the list of relevant infrastructure, however, the specifics of some of these schemes have since been disputed by the relevant infrastructure providers.

Review of the list of relevant infrastructure

The list of relevant infrastructure will be reviewed annually as part of the CIL monitoring. The council can use this process to decide if the list is still appropriate or needs to be amended, as infrastructure is delivered, new infrastructure requirements identified or new priorities decided. If the list needs to be amended it will need to be consulted on, however, the council can decide what it considers appropriate consultation for this task, related to the degree of proposed changes.

If the council proposes changes to the list of relevant infrastructure that would adversely affect the viability, and deliverability, of the local plan, it must then review the charging schedule and not just the list – meaning new evidence and a new consultation process. Worth noting with this point was that infrastructure costs tend to rise with time due to inflation, yet the CIL charge when set, will not be able to rise at an equivalent rate. Each year the purchasing power of CIL will diminish slightly in real terms.

Relationship between CIL charge and the list of relevant infrastructure

The CIL charge is dependent to some degree on the list of relevant infrastructure. As discussed at the meeting of (PTDOSC) on 15 October 2013, some infrastructure types can more easily be delivered with CIL funding than they can be delivered through section 106 obligations, and vice-versa. What this means is that depending on the projects included in the IDP and subsequently which of those projects are more suited to CIL funding or section 106 obligations, the CIL charge needs to be set so that there is sufficient funding to meet an IDP balanced towards either CIL delivery or section 106 delivery – bearing in mind that payment of CIL is non-negotiable.

It is possible that a CIL charge set too high, combined with an IDP intended for delivery primarily through section 106 obligations, would mean that developers cannot afford to deliver section 106 obligations and that they might seek to renegotiate on viability terms. In this case, it might be that the council would then seek to include more infrastructure projects or infrastructure types on the list of relevant infrastructure because those that had been intended for continued delivery through section 106 were now being renegotiated. It is important to recognise, however, that this does not mean there would be more money available to fund infrastructure, because in effect there is only one contributions pot available. In such a situation, the council might need to seek alternate funding, in addition to what the developer could pay, and potentially re-prioritise which infrastructure it considered essential to deliver.

The PDCS consultation will be a necessary gauge of where this balance lies.

Next steps

The stages of consultation necessary to develop and adopt a CIL charging schedule are listed below. For the Maidstone CIL these stages have been synchronised with the Maidstone Borough Local Plan, because of the need for an up to date local plan.

Community Infrastructure Levy	Maidstone Borough Local Plan	Expected date
Preliminary draft charging schedule consultation (PDCS)	Regulation 18 (Preparation) consultation	March 2014
Draft charging schedule consultation (DCS)	Regulation 19 (Publication) consultation	Nov/Dec 2014
Submission to Secretary of State	Submission to Secretary of State	April 2015
Independent examination	Independent examination	Summer 2015
Adoption by Maidstone Borough Council	Adoption by Maidstone Borough Council	Autumn 2015

Alternatives considered and why rejected

The alternative action that could be taken is to not produce a community infrastructure levy for Maidstone. The reason that this was not thought appropriate is that the primary alternative funding mechanism that remains is the use of section 106 obligations. Maidstone is proposing to use section 106 obligations alongside CIL, but the council needs to determine the appropriate balance between the funding mechanisms. It might be possible to rely primarily or even wholly on section 106 obligations to deliver necessary infrastructure, however, with the introduction of the 2010 CIL Regulations the use of section 106 has been restricted.

By the Government restricting the use of section 106 obligations, it might be that the council, if it chose not to develop a CIL, would not be able to fund/facilitate infrastructure delivery (as identified in the IDP) to the same degree as it could with CIL.

The flexibility that CIL provides in terms of funding also means that infrastructure can be included on the list of relevant infrastructure that is not necessarily related to a development but is still worthy of funding. An example of this could be a public realm improvement scheme.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Policy and Communications by: 5 March 2014.
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MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 24 February 2014

BUSINESS RATES - RETAIL RELIEF

Issue for Decision

To consider the award of additional rate relief following announcement in the autumn statement.

Decision Made

- a) That delegated authority be given to the Director of Environment and Shared Services, in consultation with the Cabinet Member for Corporate Services, to agree and implement a scheme for the award of retail relief in line with the guidance provided by the Department for Communities and Local Government (as set out at Appendix A to the report of the Director of Environment and Shared Services); and
- b) That the scheme is to operate in 2014-15 and 2015-16 only, with no provision for awards to be backdated after 31st March 2016.

Reasons for Decision

As part of the Autumn Statement released on 5 December 2013 the Government announced that it would provide business rate relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less during 2014-15 and 2015-16.

The aim at a national level in making such relief available is to support town centres and retailers as they adapt to changing consumer preferences in how people shop.

At a local level it will enable the Council to gain national funding to reduce the rates liability of local retailers, supporting the High Street, business sector and local economy more generally.

The relief is to be awarded at the discretion of the Council and can be made available to those businesses wholly or mainly being used as shops, restaurants, cafes and drinking establishments. A full list of the types of businesses that will and will not be included were set out in Appendix A to the report of the Director for Environment and Shared Services.

It was estimated that up to 820 businesses would be eligible for the relief, the cost of which would be borne by Central Government.

The businesses would receive a reduction up to £1,000, reduced if the amount of rates payable is less than £1,000 due to the award of other forms of relief e.g. small business rates relief, or the relief is awarded for less than a full year.

A paragraph will be included in all business rate bills stating that the rate payer should inform the Borough Council if it receives state aid in excess of the permitted limit and the relief will then be removed. The current state aid limit is €200,000 (cash grant equivalent) over a 3 year fiscal period. It is likely that national chains with smaller hereditaments could reach this limit, however until billing authorities start to award this relief they may not fall under the state aid rules.

Alternatives considered and why rejected

The council could decide not to implement a scheme or introduce a restricted scheme to only apply in certain parts of the borough, fewer categories of properties or provide a lower level of reduction. This was not thought appropriate as in doing so it would limit the level of central government funding that is being brought into the borough to support retailers.

Equally the council could expand the scheme but the additional cost would need to be met by the Borough Council.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Policy and Communications by: 5 March 2014.
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MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 24 February 2014

FLOOD SUPPORT SCHEMES

Issue for Decision

To consider adopting a series of schemes announced by the government proposals to support flood effected business and residential properties.

Decision Made

- a) That participation in each of the schemes set out in the urgent report of the Head of Finance & Resources be approved, in line with the criteria set by government; and
- b) Cabinet delegate authority to set up the administration for each scheme and set the local criteria for each scheme to the Director of Regeneration and Communities, in consultation with the Cabinet Member for Corporate Services.

Reasons for Decision

On 17 February 2014 the Prime Minister announced a series of measures aimed at assisting homeowners and businesses to recover from the adverse weather since 1 December 2013. Attached at Appendix A to the report of the Head of Finance & Resources was the government's guidance on this matter, published on 20 February 2014.

The support proposed by the Prime Minister is for the impacts of flooding between 1 December 2013 and 31 March 2014 and not, for instance, from the failure of a water main, internal water systems or the failure of a sewerage system (unless the failure was itself caused by the adverse weather conditions). A full definition of flooding to be used in relation to these schemes is set out in Annex A to the guidance attached at Appendix A to the report of the Head of Finance & Resources.

This support is in addition to other support schemes already announced by the government including the Bellwin Scheme, the Severe Weather Recovery Scheme and the Farming Recovery Fund. The support is not mandatory as the government has chosen not to legislate for these schemes but has confirmed that they will reimburse local authorities for any payments made or discounts allowed under the schemes through s31 of the Local Government Act 2003.

The four schemes proposed by the Government are:

- a) The repair and renewal grant
- b) Business rates flooding relief
- c) Council tax discounts
- d) Business support scheme

Full details of the government's principles for each scheme are set out in the guidance attached at Appendix A to the report of the Head of Finance & Resources. The detail of how the schemes will operate locally will need to be in accordance with the principles set out by government and the council will be required to have robust administrative processes in place. A summary of the principles of each of the schemes is set out below.

The Repair and Renewal Grant

The key principles of the scheme are as follows:-

- a) Scheme is for businesses and homeowners alike;
- b) Maximum grant £5,000;
- c) To provide additional flood resilience and resistance measures;
- d) Must not replace existing legislation or other schemes to provide support;
- e) Must not replace insurance;
- f) Businesses and Homeowners must apply to the local authority;

Local authority schemes are required to comply with the following:

- a) Validate the fact that homeowners and businesses suffered from flooding during the period;
- b) Ensure properties are not already eligible to benefit from planned community level schemes;
- c) Not claim for insurable costs;
- d) Develop criteria at a local level and decide on each individual case whether a grant is payable or not;
- e) Identify the package of works to be completed following a survey by a competent professional (further details expected but will apply the "standard property level protection template").

Business Rates Flooding Relief

The key principles of the scheme are as follows:-

- a) The Government will reimburse local authorities that use their discretionary relief powers (under section 47 of the Local Government Finance Act 1988 (as amended by the Localism Act)) to grant relief in line with the eligibility criteria;
- b) 100% rate relief for 3 months subject to:-
 - the hereditament has been flooded in whole or in part as a result of adverse weather conditions; and
 - on that day, as a result of the flooding at the hereditament, the business activity undertaken at the hereditament was adversely affected; and
 - the rateable value of the hereditament on that day was less than £10 million.
- c) Full impact of flooding must be considered, very small or insignificant impacts should be ignored;
- d) Flooding must be as defined in Annex A to Appendix A attached to the report of the Head of Finance & Resources;
- e) The scheme does not apply to premises occupied by the billing authority or to empty property.

In order for this scheme to operate local authorities must agree a local discretion under section 47 of the Local Government Finance Act 1988 (as amended by the Localism Act) and comply with the following:-

- a) Agree any additional period of discretionary exemption above the three month period prescribed in the guidance. At this time it is not recommended that additional discretionary periods should be granted as the impact and cost of the currently proposed discretion is not clear;
- b) Apply all other available relief before applying this discretion.
- c) Set up processes for administration of the scheme including evidence of flooding and application process.

Council Tax Discount

The key principles of the scheme are as follows:-

- a) While discounts should be locally funded, the Council can reclaim costs on this occasion from a £4m provision set aside by the Department for Communities and Local Government;
- b) Similar arrangements to those for businesses, to allow 100% discount for a period of 3 months, are proposed for eligible properties.

In order for this scheme to operate local authorities must agree a local discretion under section 13A of the Local Government Finance Act 1992 comply with the following:-

- a) Agree any additional period of discretionary discount above the three month period prescribed in the guidance. At this time it is not recommended that additional discretionary periods should be granted as the impact and cost of the currently proposed discretion is not certain;
- b) Apply all other available discounts before applying this discount.
- c) Set up processes for the administration of the scheme including evidence of flooding and application process.

Business Support Scheme

The key principles of the scheme are as follows:

- a) The Government will reimburse local authorities under s31 of the Local Government Act 2003 and has made a provisional allocation as part of the announcement. The fund is £10m and around £5m was allocated at this initial stage with a £290,000 allocation being made to Maidstone Borough Council;
- b) Support will be to small and medium sized enterprises (SMEs) to develop and implement business recovery plans. Such costs as clear up and temporary accommodation will be eligible;
- c) Only businesses affected by coastal and inland flooding since 1st December 2013 will be eligible for funding;
- d) Eligible businesses are those that have sustained hardship and significant loss of trade as a result of the floods;
- e) Costs recoverable elsewhere are not eligible;
- f) Can be used to support businesses which have been indirectly impacted by the floods;
- g) In considering whether the business activity has been adversely affected, local authorities should consider the impact of the flooding in the full context of all business activities undertaken at the hereditament. Very small or insignificant impacts should be ignored;
- h) The scheme applies to all types (other than those occupied by the Billing Authority) and uses of non-domestic hereditaments.

In order for this scheme to operate local authorities must agree a local discretion under section 47 of the Local Government Finance Act 1988 (as amended by the Localism Act) and comply with the following:

- a) Agree a system to identify qualifying businesses within the parameters of the guidelines at Appendix A to the report of the Head of Finance & Resources. Schemes can include:
- Non-recoverable business insurance excesses;
 - Extra staff costs;
 - Replacement of stock lost or damaged;
- b) Work with LEPs and BIS Local to ensure that existing business support schemes are targeted at businesses in most need;
- c) Keep a list of businesses assisted through the fund;
- f) Validate the fact that businesses suffered as a consequence of flooding during the period;
- g) Ensure properties are not already eligible to benefit from planned community level schemes;
- h) Ensure businesses are not claiming for insurable costs;
- d) Develop criteria at a local level and decide on each individual case whether a grant is payable or not;
- e) Ignore very small or insignificant flooding impacts.

Alternatives considered and why rejected

The Cabinet could have chosen not to approve the recommendations in part or in whole as the proposals remain at the discretion of the local authority and have not been legislated by central government. Funding for the proposals is provided by special grant from central government and a decision not to provide the support available from these schemes would disadvantage local businesses and homeowners.

Background Papers

None.

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Policy and Communications by: 5 March 2014.
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