

RICS Practice Standards, UK

Spatial planning and infrastructure delivery

Information paper – 1st edition



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Spatial planning and infrastructure delivery

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Published by the Royal Institution of Chartered Surveyors (RICS)

under the RICS Books imprint

Surveyor Court

Westwood Business Park

Coventry CV4 8JE

UK

www.ricsbooks.com

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ISBN 978 1 84219 545 1

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Typeset in Great Britain by Columns Design Ltd, Reading, Berks

Acknowledgments

This information paper has been produced by the RICS Planning and Development Professional Group, and is endorsed by the Royal Town Planning Institute. RICS would like to express its thanks to the following for their contributions:

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This publication is one in a series of information papers and guidance on delivering development. Other titles include:

VIP 12 – *Valuation of development land* (2008)

Planning Act 2008: delivering infrastructure (2009)

Valuation of land for affordable housing (forthcoming, 2009)



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Contents

RICS information papers	1
1 Introduction	2
1.1 What is the spatial planning system?	2
2 What is different about spatial planning?	3
2.1 How do local authorities work now?	4
3 Spatial planning as a delivery mechanism	5
3.1 How do spatial plans work with other plans?	5
3.2 Regional Spatial Strategies (RSSs) and housing	6
3.3 Area Action Plans (AAPs)	6
3.4 How do AAPs deliver?	6
3.5 Using public sector assets	6
4 Spatial planning and regeneration	7
4.1 Transport planning	7
4.2 How spatial planning relates to the HCA's single conversation process	7
4.3 New and existing infrastructure to support new housing	7
4.4 Deliverability	8
5 Developing a delivery strategy	9
5.1 How much public sector finding is available for investment at the local level?	9
6 Who has the role of joining up the funding?	10
6.1 Which public bodies are involved?	10
6.2 How are local infrastructure requirements assessed?	11
6.3 Can I get any more detailed information?	11
6.4 How does this work in areas where there are counties and districts?	11
6.5 How does this work at sub-regional level?	11
6.6 Are there any examples?	11
7 Who is spatial planning important to?	12

RICS information papers

This is an information paper. Information papers are intended to provide information and explanations to RICS members on specific topics of relevance to their practice. The function of this paper is not to recommend or advise on professional procedures to be followed by surveyors.

It is, however, relevant to professional competence to the extent that surveyors should be up-to-date and should have informed themselves of information papers within a reasonable time of their promulgation.

Members should note that when an allegation of professional negligence is made against a surveyor, the court is likely to take account of the contents of any relevant information papers published by RICS in deciding whether or not the surveyor has acted with reasonable competence. Also, in any case of disciplinary action the panel or board is likely to take this into account.

1 Introduction

Spatial planning has a central role in the planning and delivery of infrastructure. It is concerned with all investment and includes the private, public and community sectors. This extended role in infrastructure planning and delivery now sits within the whole governance structure at the local level, which is increasingly being joined up and coordinated. Spatial planning also extends to the use of all public sector assets and the location of services and facilities. It is concerned with all public sector mainstream budgets, as well as funding from agencies such as the Homes and Communities Agency (HCA), private investment and developers' contributions.

1.1 What is the spatial planning system?

In 2004, the *Planning and Compulsory Purchase Act* introduced a new approach to planning at the local level in England. To recognise the step change from the old system of development planning, this was called spatial planning. Spatial planning differs from what went before in the way that it is primarily concerned with the delivery of physical, social and green infrastructure through all sectors.

At local level, spatial planning is rolled out through the Local Development Framework (LDF) that now has to include a delivery plan and an evidence base of infrastructure requirements. This delivery approach applies as much to the public sector as to the private sector. Much of the early work for LDFs will involve the development of a delivery plan for the considerable and continuing volume of public sector investment still going forward in health, education, university, transport, local and central government capital programmes.

This is not just about the infrastructure that will support new development; it is about coordinating available investment at the local level in order to improve value and places.

Other information on infrastructure planning and delivery:

Communities and Local Government:

PPS 12 (2008)

Creating Strong Safe and Prosperous Communities (2008)

Planning Together (2009)

Planning Advisory Service

Steps Approach to Infrastructure Planning and Delivery for Local Strategic Partnerships and Local Authorities (2009)

*Resource pack and introduction to infrastructure planning and delivery
LDF Manual*

RICS

Valuation of development land (2008)

Planning Act 2008: delivering infrastructure (2009)

Valuation of land for affordable housing (2009)

Valuation of local authority assets (forthcoming)

Homes and Communities Agency

Single conversation

ATLAS

2 What is different about spatial planning?

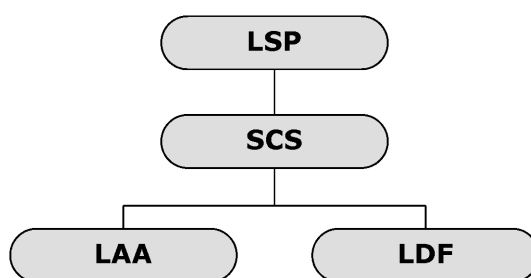
'This timely guide will provide an essential resource for everyone involved in providing the new infrastructure and investment Britain needs. It will also make an important contribution to helping ensure a genuinely spatial approach is taken to infrastructure planning and delivery.'

Martin Willey, President, Royal Town Planning Institute.

The introduction of a new approach to planning in 2004 was part of a wider set of reforms to improve the use of assets to benefit places all over the country. This has been happening at all spatial scales – local, sub-regional, regional and national. At the local level, local authorities and their partners have increasingly been encouraged to work together through the Local Strategic Partnership (LSP), a non-statutory group which has had increasing leadership roles placed upon it. Spatial planning is a central part of this new process.

Up to 2009, this joining up at local level has primarily been focused on service delivery. As a consequence there has already been considerable development of the integration of targets and indicators for localities. This has led to the alignment and pooling of revenue budgets for staff and services between organisations such as local authorities, health, police and further education. All of this work has been set out in Local Area Agreements (LAAs).

In 2009, a new set of LAAs was agreed for each local authority; for the first time they include local targets which affect places and planning. The LAA relates to the Sustainable Community Strategy (SCS) that has been developed in each local area as statutory requirement based on evidence and consultation. Each LAA has a set of up to 35 targets chosen from a national indicator set of 198.



These targets include a number which will be of interest, e.g.:

- NI.154: Net number of homes built
- NI.155: Gross number of affordable homes
- NI.159: Availability of housing sites
- NI.171: New business registrations
- NI.175: Access to services
- NI.186: Per capita reduction in CO₂ emissions rates.

Within each LAA, each target indicator has a number attached to it which needs to deliver by 2011. All local authorities in England have one of the three housing targets in their LAA.

A summary of LAAs for each local authority can be viewed on www.localpriorities.communities.gov.uk.

The details of each of the LAAs, including the delivery figures for each target and which organisations are responsible for this delivery can be found at www.idea.gov.uk

2.1 How do local authorities work now?

Since 2000, local authorities in England have fundamentally changed the way in which their governance structures are organised. In all but a few councils, the old committee system has gone. The power is now distributed in three ways. Most power is now with the executive – frequently called the cabinet – in which there are up to ten councillors. Each cabinet member has a portfolio. It is the executive’s responsibility to deliver for the local authority and its area in proactive ways, and increasingly with partners. The executive can be involved in promoting change through development. The LDF is the responsibility of the executive to lead and deliver.

The second group of councillors has the responsibility for regulation and scrutiny. This group will be the one from which members of the planning regulation committee are drawn, and they will take decisions on specific planning applications. They have no plan-making role.

Most councillors fulfil these roles. In some local authorities, councillors in this group act on advisory groups or panels to support executive members, although they take no formal part in decisions.

The last group is the full council of all members. This has some specific responsibilities such as approving the budget, the SCS and the LDF. Those local authorities which retain a version of the pre-2000 system (smaller district councils) are changing to be like the rest.

3 Spatial planning as a delivery mechanism

'We need consultants and advisors who understand the central role of spatial planning in creating and maintaining value for communities and landowners. Our long-term investment focus demands that we develop buildings and places that are well integrated into healthy and sustainable communities. Spatial planning enables public and private sectors to coordinate the balance of infrastructure, environment, development, economy and society to leave a sustainable pattern of development for future generations.'

Sarah Cary, British Land

The role of spatial planning in infrastructure planning, delivery and investment is not something that has only just emerged as part of the government's response to the credit crunch, as is popularly thought. This more joined-up approach to planning and delivery was identified from the outset in the 2001 Planning Green Paper and the subsequent legislation. It was also identified in the first version of Planning Policy Statement 12 (PPS 12), published in 2006. The Planning Inspectorate identified this role in their *Tests of Soundness* (2005), now called the deliverability test.

It has been difficult for those engaged in all sectors to appreciate the scale that this shift represents. The government therefore produced more clarity on the role of spatial planning and how it works within this new wider system, in the revised PPS 12 (June 2008).

PPS 12 stated that the LDF has to:

- deliver the vision set out in the SCS
- deliver the targets identified in the LAA
- show how public sector land and buildings are being used to deliver change
- demonstrate how public sector services have been transformed to release further assets.

PPS 12 also identified how the LDF undertakes this delivery role through:

- a delivery strategy
- an evidence base of infrastructure requirements, including funding and delivery responsibility
- identification of infrastructure requirements not yet funded
- identification of infrastructure requirements on strategic sites.

3.1 How do spatial plans work with other plans?

One key question is how do all the plans work together? The LDF delivers the SCS and the infrastructure requirements of all other plans:

- master plans for city development companies
- local transport plans (LTPs)
- multi-area agreements (MAAs)
- regional strategies
- economic strategies
- strategic housing plans

- sub-regional strategies (including MAAs).

3.2 Regional Spatial Strategies (RSSs) and housing

RSSs form the context for LDFs, particularly for the provision of housing at the local level. However, this system is now changing.

All local authorities in England have one of three measurable housing targets in their LAA contracts. The local housing numbers to be included in the LDF are now contracted between central and local government in LAAs, in most cases, prior to adoption of the LDF.

The current system of RSSs is due to be replaced in 2010 with Integrated Regional Strategies that will be economic in focus, including housing and a delivery plan.

3.3 Area Action Plans (AAPs)

AAPs form part of the LDF and play an important role through delivery. They can be used to:

- deliver planned growth areas
- stimulate regeneration
- protect areas particularly sensitive to change
- resolve conflict in areas of development pressure.

3.4 How do AAPs deliver?

- Bringing together major landowners.
- Undertaking public sector asset reviews.
- Allocating resources.
- Identifying specific sites for development.
- Proactive land assembly, including CPOs.

3.5 Using public sector assets

In every locality, there are important public assets managed by different organisations. Unless there is a specific scheme, there are no drivers to ensure that these assets are examined on a common base to review their potential to deliver spatial planning objectives.

The LDF is now required to review all the public sector land and buildings in the area, and review how services can be made more accessible and efficient through co-location and potential asset release.

In the public sector, it is estimated that two-thirds of the assets are owned by local authorities and one-third by central government and its agencies. The role of local authority asset planning and management is critical to the success of spatial planning.

4 Spatial planning and regeneration

‘When procuring consultancy and agency services from property professionals, we are looking for skills and knowledge that can add value to our activities, based on a genuine understanding of the content of spatial planning, and its potential to create excellent places and secure the optimal use of land to meet social, economic and environmental needs.’

Dinah Roake, Homes & Communities Agency

The role of spatial planning in setting out infrastructure planning and delivery requirements is significant in relation to a more target-driven approach to regeneration. Regeneration is now set within wider place-based objectives. Success is being measured by national and local indicators as set out in the LAA. Regeneration programmes will need to show how they are working with others to support place-based delivery.

Economic development and regeneration strategies need to work with the spatial planning process in order to achieve the requirements set out in the local delivery plan. This will include all the funding commitments. The HCA will be expecting these linkages at the local level. For transport projects, the Department for Transport (DfT) will expect schemes to be included in the LDF delivery schedule before funding is agreed.

4.1 Transport planning

‘It will be essential for LTPs to be aligned with LDFs. In two-tier areas, counties should work closely with districts to ensure alignment with LDFs’

(DfT LTP Guidance 2009 (consultation version))

4.2 How spatial planning relates to the HCA’s single conversation process

Spatial planning is an evidence-based approach to infrastructure planning and housing delivery which demonstrates how private and public investment are being used effectively. Local plans aligned with the single conversation process will provide a strong basis for attracting more investment from the HCA through jointly agreed local investment agreements (LIAs).

4.3 New and existing infrastructure to support new housing

Spatial planning has a central role in identifying the infrastructure requirements that accompany new housing development. Through LDFs, this is being done by a process which takes into account existing facilities and their capacity, including those crossing administrative boundaries, before considering new provision.

Any infrastructure planning and delivery will need to take into account available public sector funding, including any which might be triggered through population growth. Where there is capacity elsewhere in the local authority areas, this will need to be used first, to meet any shortages created by new housing, before new investment is considered.

All existing facilities, for example swimming pools, need to be included in the assessment, and in this instance the baseline assessment would include those in schools, universities, business and the private sector.

Provision of new facilities will need to contribute to the achievement of wider local objectives, rather than only being focused on the new development.

4.4 Deliverability

All parts of the LDF must meet the deliverability test, as one of the ‘tests of soundness’. This requires that:

- there are reasonable prospects of funding
- all public sector funding and assets have been included
- the providers of services have been part of the process
- facilities in neighbouring areas have been taken into account.

Where developers are asked for contributions, this will need to pass a viability test. This is a new approach, and planners may need assistance in developing their approach to viability.

RICS is supporting the Planning Inspectorate through a panel of experts to examine viability as part of the LDF examination process.

5 Developing a delivery strategy

Delivery strategies need to demonstrate to the Planning Inspectorate a sound approach to delivery which is underpinned by evidence, joint working and funding agreements.

Surrey Strategic Partnership

In Surrey, all the major infrastructure providers have met to discuss how they can work together in supporting infrastructure planning and delivery across the county area. This is not confined to new development but will review existing shortages in capacity in specific locations and for types of infrastructure.

The delivery strategy could include:

- annual monitoring reports
- a common evidence base
- appointment of an infrastructure delivery manager
- a local delivery group (see below)
- a local landowners group (see below)
- a single public sector delivery programme
- identification of the role of developers' contributions
- the potential use of the Community Infrastructure Levy (CIL) when available.

PPS 12 suggests having a local delivery group set up as part of the LSP to consider and develop local approaches to delivery as a practical way forward. A wide group of local organisations would need to be involved, including:

- public bodies – whether operating at local, regional or national level
- private sector bodies – particularly utilities, chambers of commerce, TOCs, independent schools, major employers
- voluntary sector bodies – particularly environmental trusts, community services, hospices, sports and social clubs.

Thurrock

Thurrock Council has undertaken a full review of the capacity of its baseline facilities, to identify where new investment is needed now and in the future. It has used a 'traffic lights' system to identify where facility capacity or quality are at a red/amber/green state. This assessment is being used to underpin funding bids and wider discussions on investment with all sectors.

PPS 12 also proposes a local landowners group for the joint consideration of the most effective use of all available assets for sustainable development. The group could include:

- private sector
- voluntary sector
- public sector including MoD, local authorities, universities, health, schools.

5.1 How much public sector funding is available for investment at the local level?

No one knows how much capital investment there is locally, until the current capital programmes are put together on a single schedule as part of this

process. This is essential, to determine appropriate and realistic s. 106 contributions and the Community Infrastructure Levy.

Reading town centre

As part of its consideration of what is required to maintain and enhance the future of Reading town centre, the Council commissioned an infrastructure requirements assessment which accompanies the Area Action Plan. This infrastructure assessment informs the council, its partners and investors about what is needed and how all the investment in the town centre can play a role in its future.

In smaller district councils, this could be up to £100m p.a. from registered (housing) providers, regeneration, further education, universities, or the Environment Agency. In larger authorities, it could be £1bn over one to two years, to include hospitals, building schools for the future, universities, courts, prisons, highways and clinics.

6 Who has the role of joining up the funding?

In 2007, LSPs were given oversight of the use and alignment of resources in their area. This responsibility will be assessed by the Audit Commission in the Comprehensive Area Assessment (CAA) which started in April 2009. LSPs also have responsibility for:

- developing and maintaining a common evidence base
- consultation
- performance management
- scrutiny.

6.1 Which public bodies are involved?

The delivery of the spatial planning process, including infrastructure investment, can be supported through contributions from the HCA. The HCA has stated that it will hold 'single conversations' with local authorities about investment projects and that there should be a strong link between the projects identified in the LDF and those put forward for HCA funding support.

All other public bodies in the local area have a responsibility to be involved in the process. They now have a legal duty to cooperate with each other. These bodies include:

- all local authorities (must work with each other)
- parish councils where appropriate
- health
- police, fire and rescue, ambulance
- further education
- universities
- Environment Agency
- Highways Agency
- Ministry of Defence
- courts
- prisons
- ports

- National Parks
- any others that have land and buildings in the local area.

6.2 How are local infrastructure requirements assessed?

There are three important features of assessing the requirements for infrastructure investment. The local requirements will be based on a careful assessment of all three and how they relate to each other:

- Population – current, demographic trends in current, intensified and growth/new
- Facilities – location, how well used, condition, access, potential for intensification, shared use, facilities across local authority boundaries
- Standards – what standards are used locally for open space and green infrastructure provision, access to facilities such as schools and libraries, building life, whole life costing, energy, parking etc.

6.3 Can I get any more detailed information?

The Planning Advisory Service has commissioned a wide variety of supporting materials for infrastructure planning and delivery (<http://www.pas.gov.uk>). This will be of use to all sectors, and includes examples of:

- infrastructure categories
- infrastructure schedules
- stepped approach to infrastructure planning and delivery
- relationship to CIL.

6.4 How does this work in areas where there are counties and districts?

District councils are responsible for the LDF, and therefore the delivery process set out here.

County councils must work with district councils, particularly in planning their own infrastructure requirements for the services they manage.

6.5 How does this work at sub-regional level?

At sub-regional level, there are new MAAs, which are contracts between a group of local authorities, their partners and government. The basis of the MAA will be a combined approach to delivering planning, housing, planning and transport. MAAs will be delivered through these delivery plans at the local level.

6.6 Are there any examples?

At local level there are now some examples emerging:

- Swindon
- Surrey
- Allerdale
- Lewisham
- Thurrock.

7 Who is spatial planning important to?

Development surveyors and valuers, because they will want to:

- advise and represent their clients in the infrastructure planning and delivery process
- understand the future infrastructure programme and delivery plan for the area and understand the standards applied locally
- know about land and development opportunities created by identification of public sector assets, asset reviews and site allocations as part of the LDF process
- programme investment and delivery for their clients, which seeks to maximise links to public sector investment, public sector funding and development identified in the delivery plan
- understand the spatial planning objectives and requirements in order to evaluate their impact upon the value of development land and other property assets, particularly the effects of climate change mitigation and adaptation
- know the key parties involved in infrastructure planning and delivery, including members of the LSP, the infrastructure planning local delivery group, and the local landowners group
- act on behalf of the public sector to identify potential asset release and opportunities for development partnerships
- understand the capacity of existing infrastructure and the condition of existing facilities
- know the trends in population change that are expected and its effects on current and proposed infrastructure
- ensure that the provision of facilities in the LDF and the delivery plan is included in development proposals of clients
- assess whether there are any infrastructure deficits that their client may be able to fill, e.g. leisure facilities

Planners in the private sector, because they will want to:

- advise and represent their clients in the infrastructure planning and delivery process
- advise on the use and provision of existing and proposed infrastructure facilities
- ensure that the provision of facilities in master plans are also included in the LDF infrastructure delivery schedule
- be aware of infrastructure standards
- advise public sector clients on the integration between master plans and LDF delivery strategies and schedules.

Planners in the public sector, because they will want to:

- ensure that infrastructure planning and delivery is being appropriately developed and managed
- develop the engagement with the LSP
- establish a local delivery group and a local landowners group
- understand the scale of investment available to be used locally

- identify what is required currently and in the future, based on populations now and as they change
- ensure that any current infrastructure deficits are dealt with
- ensure that service providers have a sound evidence base for infrastructure requirements
- ensure that services and delivery are integrated, e.g. health services and fitness, schools and lifelong learning
- ensure that facilities are used to their capacity before new facilities are funded.

Charities and voluntary bodies, who will want to:

- be engaged in the infrastructure planning and delivery process
- see if their facilities can be used more widely or can attract funding
- assess if there are any infrastructure deficits that they may be able to fill, e.g. day nurseries, communities meeting places, sports activities.

Public sector organisations, who will want to:

- ensure that they are involved in the process
- have their own standards in order
- have a complete list of the land and buildings in their ownership, e.g. on a GIS
- be sure of future service requirements and opportunities for combined delivery
- identify where service or site remodelling might release land for development with other agencies and organisations
- demonstrate to their inspectors and auditors that they are working with other public bodies.



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ISBN 978-1-84219-545-1



9 781842 195451