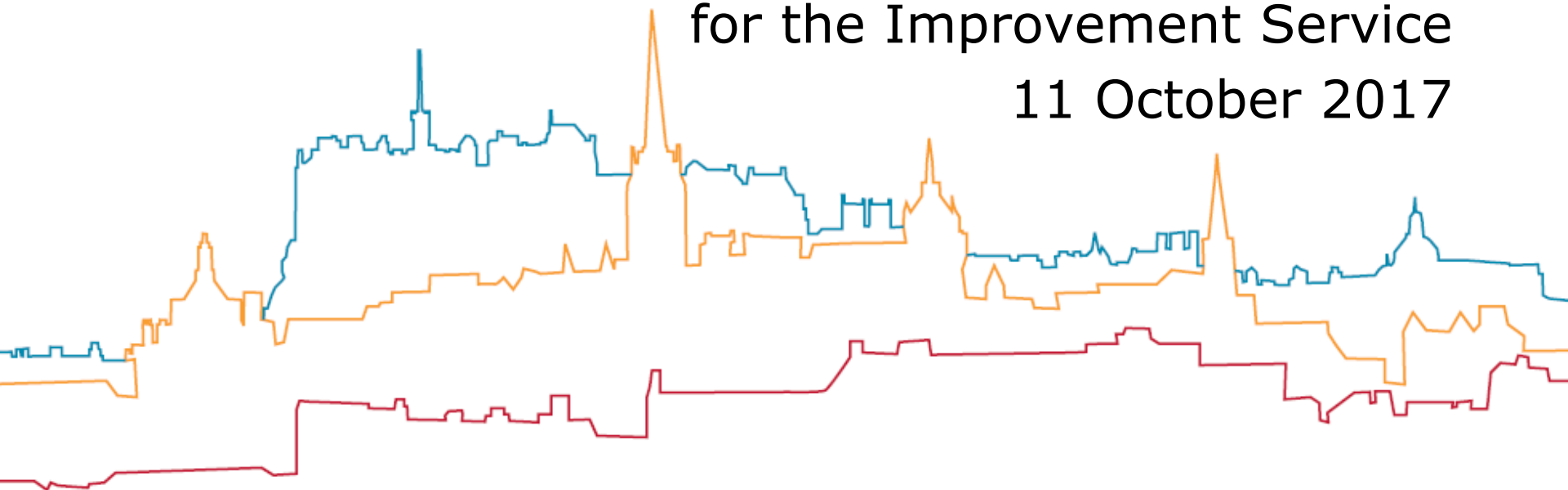


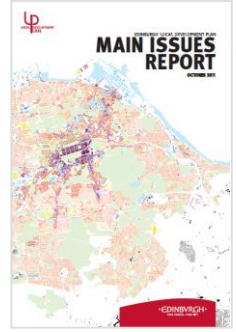
Edinburgh's Action Programme

Kate Hopper & Ben Wilson
for the Improvement Service
11 October 2017



Context

- Main Issue: Infrastructure Provision
- Drivers for change:
 - Inefficient contribution policies
 - Too much, too little, unsuited for 2 or more sites requiring a single action
 - Changed role of public sector (budgets not growth-oriented, complexity of providers)
 - Recession and its impact on viability
 - Developer interests ≠ landowner interests
 - Scale of growth vs infrastructure capacity
 - Council ownership of growth
- Inconclusive MIR responses
- ₂ Developed new approach



Edinburgh's Approach

Corporate, cumulative and credible

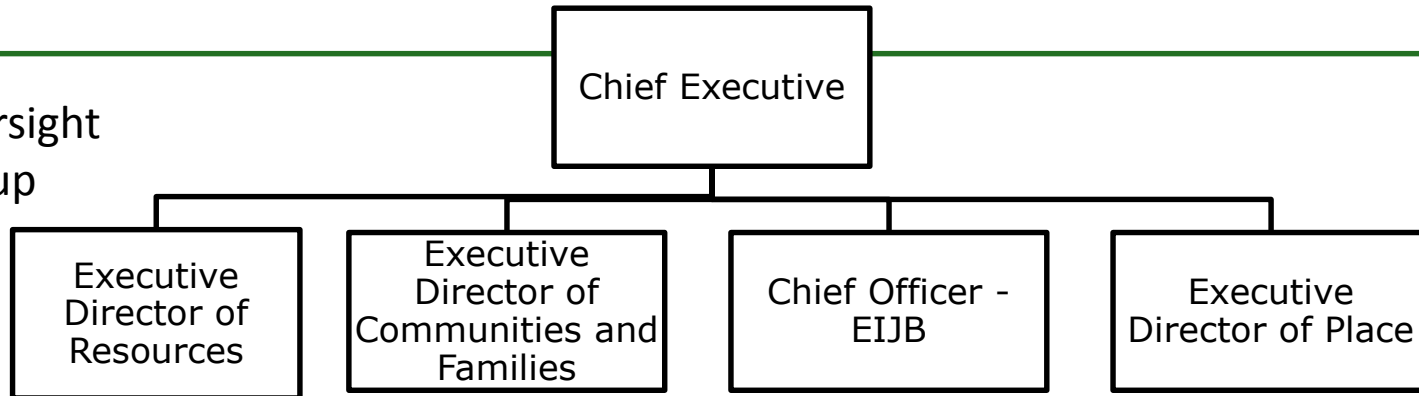
- Plan-led approach to support the growth set out in the LDP
- Identifies infrastructure actions, costings and timing
- Addresses cumulative impacts
- Links to Supplementary Guidance on Developer Contributions and Infrastructure Delivery
- Updated annually

Corporate

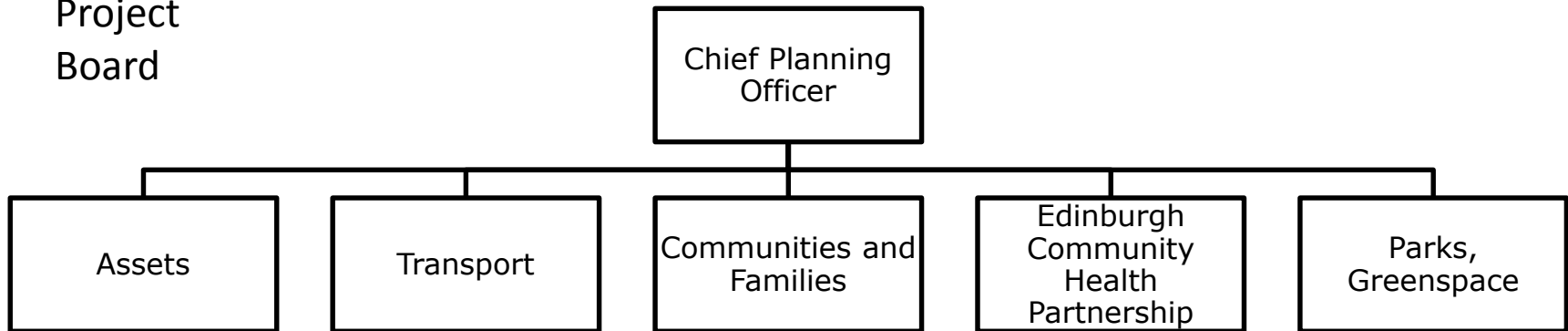
- Council and public sector required to support (and sometimes deliver) growth
- Significant public sector investment required to deliver infrastructure to support growth
- Requires clear governance for delivery
- Ensure that decisions on budgets, expenditure and projects are properly informed
- Identify the corporate and financial risks

Action Programme Corporate Governance

Oversight Group



Project Board



Corporate Governance

- **Supported by**
 - LDP Project Manager
 - Action Programme Project Manager
 - Development Plan support officer
 - Finance
 - Economic Development
 - Corporate Property
 - Additional reps from Planning Teams

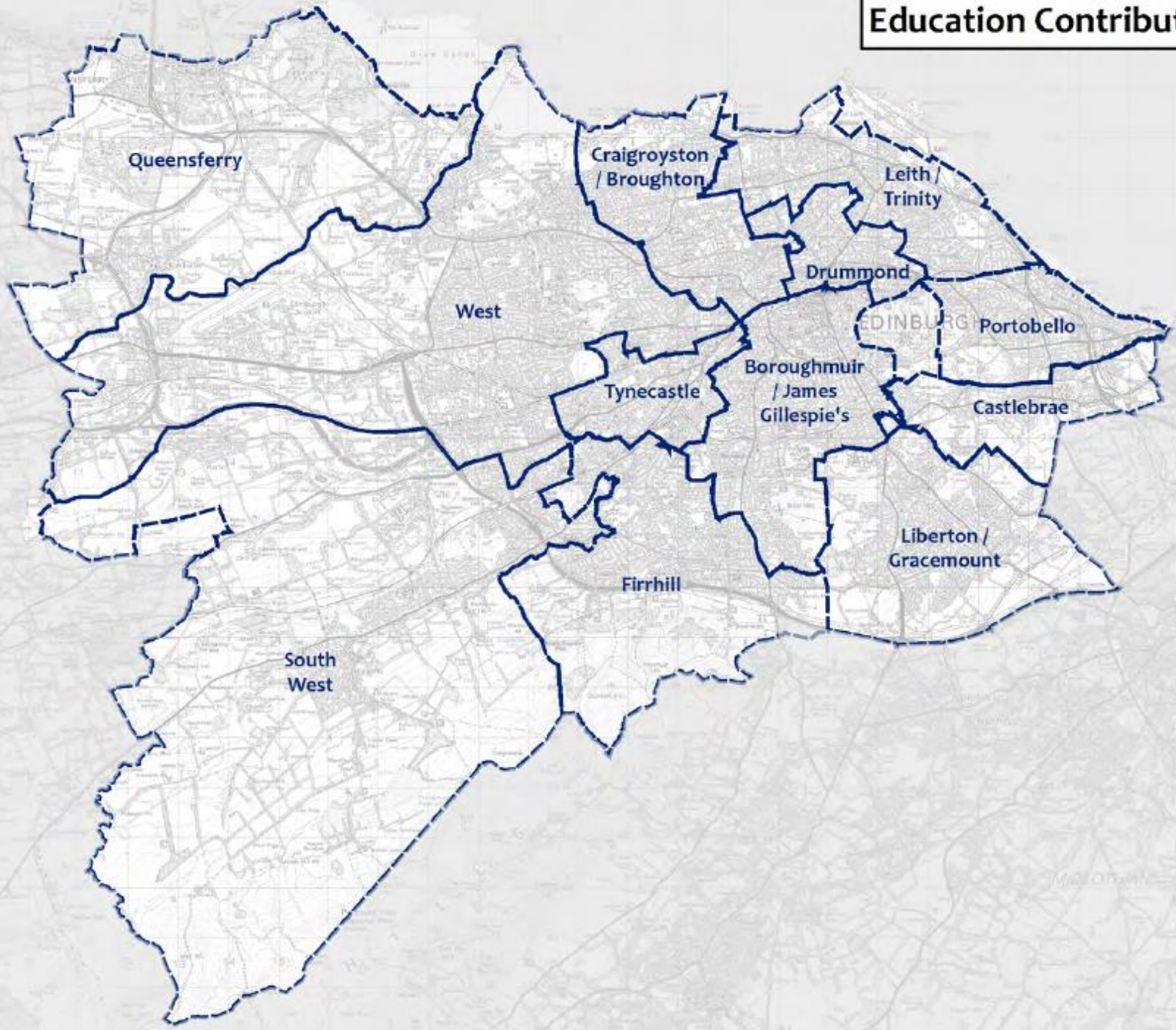
Cumulative

- Understand the true requirements to deliver city-wide growth
 - Education capacity, including new schools
 - Edinburgh Tram Project
 - Public transport
 - Public realm / pedestrian and cycle actions
 - Strategic infrastructure from the SDP / junction improvements
 - Green space actions
 - Primary healthcare infrastructure capacity
- Understand the true cost of growth to the public sector
- Allows for funding mechanism

Credible

- Infrastructure linked to impact of development
 - Transparent – set in public domain
 - Accurate & Justified – impact has been appraised
 - Costed
 - Deliverable – site specific actions
 - Dynamic - Action Programme to be updated annually
 - Financial impact and delivery reported

Education Contribution Zones



Education Actions

(December 2016)

- Costed
- Identified delivery date (HLA 2016)


Education Action	Capital Cost	Delivery date
3 Primary School classes (Currie PS)	£838,627	Aug-18
2 RC Primary School classes (St Margaret's RC PS)	£705,308	Aug-18
Additional secondary school capacity - 66 pupils (Boroughmuir HS, James Gillespie's HS)	£2,118,310	Aug-19
3 Primary School classes (Hillwood PS, Gylemuir PS, or other West Edinburgh ND PS)	£838,627	Aug-19
4 RC Primary School classes (St John Vianney RC PS or St Catherine's RC PS)	£1,052,144	Aug-19
Additional secondary school capacity - 275 pupils (Queensferry Community HS)	£8,826,290	Mar-20
Additional secondary school capacity - 273 pupils (Broughton HS, Craigroyston Community HS)	£8,762,098	Aug-20
New 14 class Primary School and 40/40 nursery (Broomhills)	£11,328,584	Aug-20
New 14 class primary school and 40/40 nursery (Leith Waterfront)	£11,328,584	Aug-20
4 Primary School classes (to be delivered by the new South Edinburgh PS)	£838,627	Aug-20
Additional secondary school capacity - 522 pupils (Gracemount HS, Liberton HS)	£16,753,902	Aug-21
Additional secondary school capacity - 251 pupils (Leith Academy, Trinity Academy)	£8,055,955	Aug-21
Additional secondary school capacity - 7 pupils (Firhill HS)	£224,669	Aug-21
New 14 class Primary School and 40/40 nursery (Granton Waterfront)	£11,328,584	Aug-21
New 21 class primary school and 60/60 nursery (Maybury)	£14,887,301	Aug-21
3 Primary School classes (Castleview PS)	£838,627	Aug-21
Extension to Castleview PS dining hall	£293,808	Aug-21
2 RC Primary School classes (St David's RC PS)	£705,308	Aug-21
Additional secondary school capacity - 261 pupils (Castlebrae Community HS)	£8,376,951	Aug-22
Additional secondary school capacity (St Augustine's RC HS)	£3,016,986	Aug-22
New 7 class Primary School and 40/40 nursery (Gilmerton Station Road)	£7,591,930	Aug-22
New 11 class Primary School and 40/40 nursery (Brunstane)	£10,794,776	Aug-22
2 Primary School classes (Dean Park PS)	£705,308	Aug-22
New Secondary School (West Edinburgh)	£28,272,962	Aug-23
New 14 class Primary School and 40/40 nursery (South Queensferry)	£11,328,584	Aug-23
2 Primary School classes (to mitigate the impact of development within Drummond CZ)	£705,308	Aug-23
2 Primary School class (Balgreen PS)	£705,308	Aug-23
4 RC Primary School classes (Fox Covert RC PS or St Joseph's RC PS)	£1,143,549	Aug-23

Legend


Housing Land


2,768  Under Construction


6,113  Other Effective

3,963  Constrained


12,844

 Tram Route Safeguard


 Transport Action

 New Secondary School

 New Primary School

 Secondary School Extension

 Primary School Extension

 GP Practice within HCZ

 Greenspace Proposal

North East Locality
(2017)
Housing and other
Land Allocations
in LDP

Delivering growth – risks and challenges

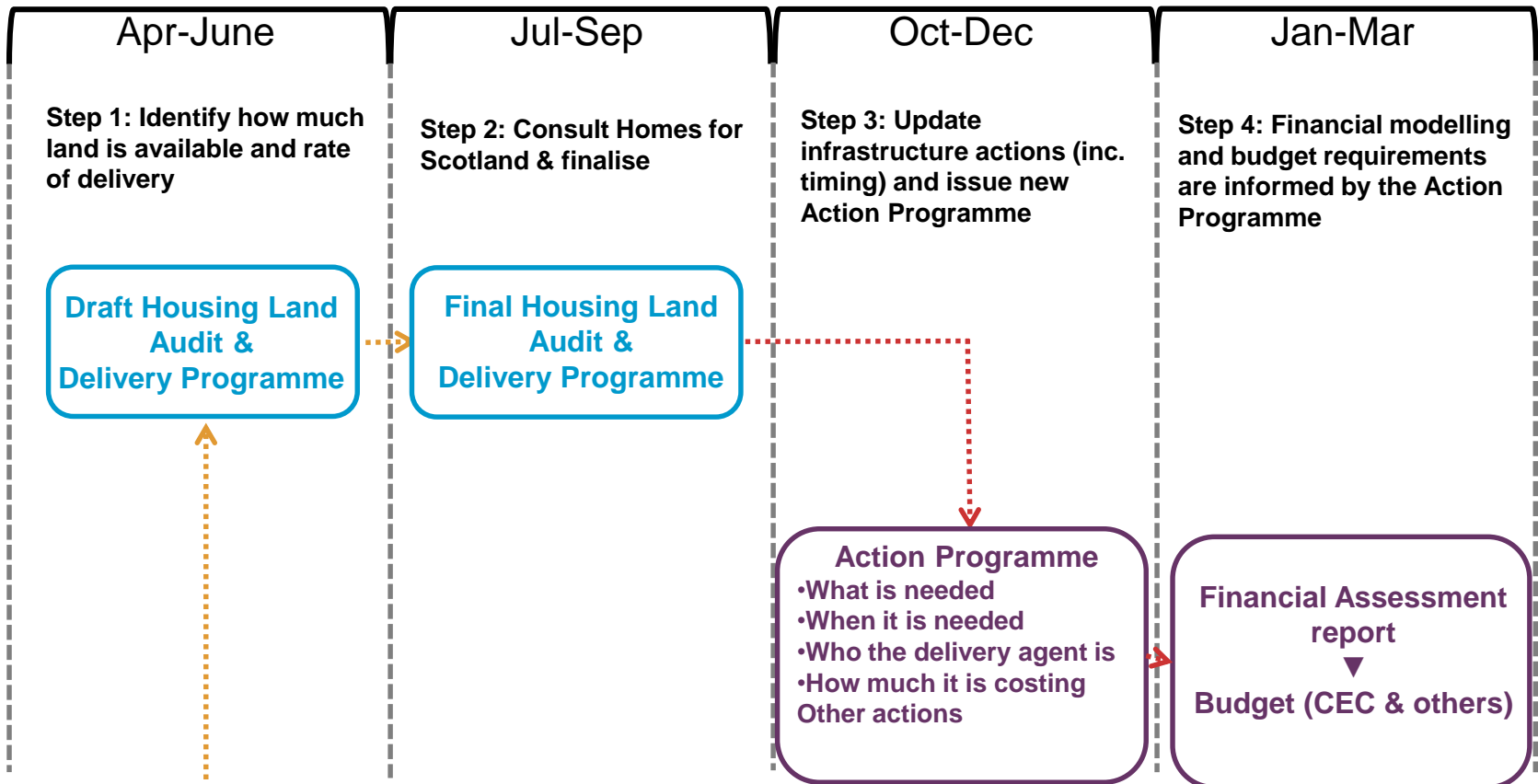
- Funding through Developer Contributions
 - Misuse of Circular, 5 tests
 - Appeals / unilateral obligations / S75a&b
 - Hope value of land / development viability
- Action programme
 - What infrastructure and services will be delivered
- Supplementary Guidance
 - How infrastructure has been assessed
 - Framework for collection of contributions

Delivering growth – risks and challenges

- Programme dependent on housing delivery
 - Front funding infrastructure could result in a net deficit (total or annual)
 - Ensure infrastructure is delivered in line with speed of development
- AP and HLADP linked to:
 - Understand infrastructure delivery programme
 - Set annual capital spend
 - Address constraints on land
 - Support higher delivery rates

Relationship of Housing Land Audit & Delivery Programme with Action Programme

Note: Dates relate to published documents – work will normally be finalised for internal use 2 months ahead



Implement infrastructure & other actions to:
 •address constraints on land
 •support higher delivery rates
 Repeat annually



Growth-oriented financial planning

- Total capital spend
 - Overall / annual financial exposure to the public sector from growth
- Other Council capital investment
 - priorities/existing asset base/budget pledges
- Cost impact of the growth on Council services
 - New assets, lifecycle investment, waste, lighting

FAST MODEL

inputs

Timeline		
	Construction	From 2017/18 to 2024/25
	Debt servicing	Up to 2052/53
	Debt servicing	Up to 2063/64 (with cost of lifecycle)
	Phasing of expenditure & income	Housing Land Audit & demography
	Housing build rate numbers	Housing Land Audit
Construction		
	Land, remediation and servicing	Cost of land for build purposes will always
	All costs indexed	
	Cost of fees allowance	Primarily design fees 15 % (except WETA)
	Cost of fees for Education	All cost factored into unit cost calculation
	Contingency	7.50%
Section 75		
	Assumed recovery (No legal agreement in place)	60 % Based on historic average recovery
	Agreement in place	Fixed
	Land, remediation & servicing (No legal agreement in place)	Assumed full cost recovery
	Land, remediation & servicing (agreement in place)	Fixed
Indexation - BCIS (TPI)		TPI: Tender Price Index
Capital Expenditure		Total
Capital Income		Total
Debt		Borrowing
Other Income		
	City Deal - WETA	
	City Deal - Application in model	
	Council Tax - New houses	
Revenue figures		
	School running costs & lifecycle costs	
	Waste collection costs	
	Council Tax income	

FAST MODEL

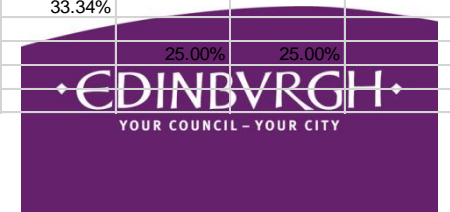
InpS									
Model period ending	31 Mar 18	31 Mar 19	31 Mar 20	31 Mar 21	31 Mar 22	31 Mar 23	31 Mar 24	31 Mar 25	
Pre-forecast vs forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Financial year ending	2017	2018	2019	2020	2021	2022	2023	2024	2024
Model column counter	3	4	5	6	7	8	9	10	

EDUCATION CAPITAL EXPENDITURE PHASING

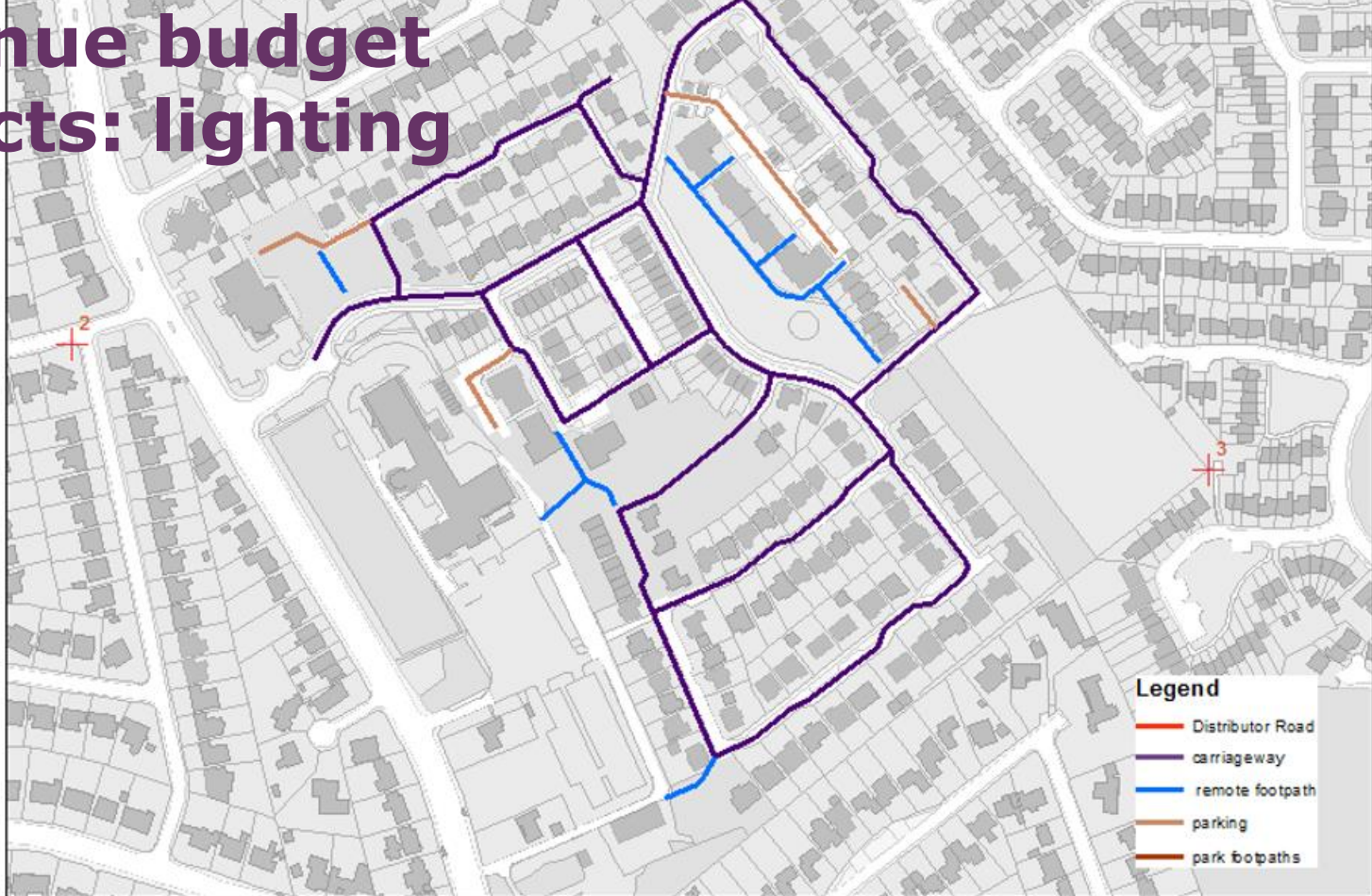
Education infrastructure									
<u>New build schools</u>									
Broomhills Primary School		48%	41%	11%					
Leith Waterfront Primary School		10%	76%	13%					
South Edinburgh Primary School	15%	20%	45%	15%	5%				
Granton Waterfront Primary School					3%	32%	52%	14%	
Maybury Primary School			3%	35%	49%	13%			
Gilmerton Station Road Primary School			2%	55%	34%	9%			
Brunstane Primary School			2%	47%	40%	11%			
West Edinburgh Secondary School			2%	49%	19%	19%	10%		
Builyeon Road Primary School				3%	38%	47%	12%		

EDUCATION - SECTION 75 INCOME PHASING

<u>Liberton - Gracemount</u>									
<u>Gracemount / Gilmerton</u>									
Gilmerton Dykes Road									
The Drum			33.33%	33.33%	33.34%				
Gilmerton Station Road	33.33%		33.33%		33.34%				
Gilmerton Dykes Road									
Land East of Lasswade Road			25.00%	25.00%	25.00%	25.00%			
Gilmerton Dykes Street. Stn. Edin Community Newspaper							100.00%		
Burdiehouse Phase 2	17.50%	17.50%	17.50%	17.50%	17.50%				
Broomhills	25.00%			25.00%		25.00%			25.00%
North of Lang Loan	33.33%				33.34%				33.33%
East of Burdiehouse						33.33%	33.33%	33.34%	
Ellen's Glen Road NHS Blood Transfusion Centre					50.00%	25.00%	25.00%		
Rae's Crescent. Vacant plot next to Howden Hall Centre					100.00%				
Liberton Hospital					33.33%	33.33%	33.34%		
<u>Craigour Park</u>									
Edmonstone Estate				25.00%	25.00%		25.00%		
Moredunvale Road		25.00%	25.00%	25.00%	25.00%		25.00%	25.00%	



Revenue budget impacts: lighting



Fairmilehead

277 dwellings

10.7ha

26 dwell/ha

Carriageway

1903 lin.m.

= £1627 (£855 per 1km)

Remote footpaths

375 lin.m.

= £321 (£855 per 1km)

Parking

275 lin.m.

= £235 (£855 per 1km)

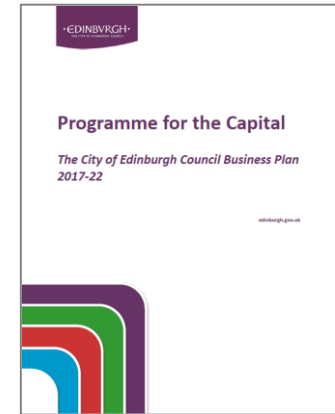
Total cost

= £2,183 per annum

= £7.88 per dwelling per annum

Alignment of Business Plan & Spatial Plans

- Council Business Plan (Aug 2017)
- Identifies LDP alongside Community Plan (LOIP) as key strategy
- 4 Locality Improvement Plans coordination
- Regular finance reports
- But:
 - Budget not confirmed
 - Central government block grant aligned?
 - 'Innovative funding mechanisms' under-delivering?



Strategic Framework



Community Planning & Spatial Planning

DELIVERING SERVICES IN A GROWING CITY

OUTCOMES

LOIP (Community Plan)

Local Development Plan

Action Programme

Prepared by Edinburgh Partnership

Delivered through Localities

Prepared by Council

Delivered by Planning & Building Standards

Prepared by Council

Delivered through Action Programme Governance

Sets strategy for service delivery in the city

Is the spatial expression of the community plan

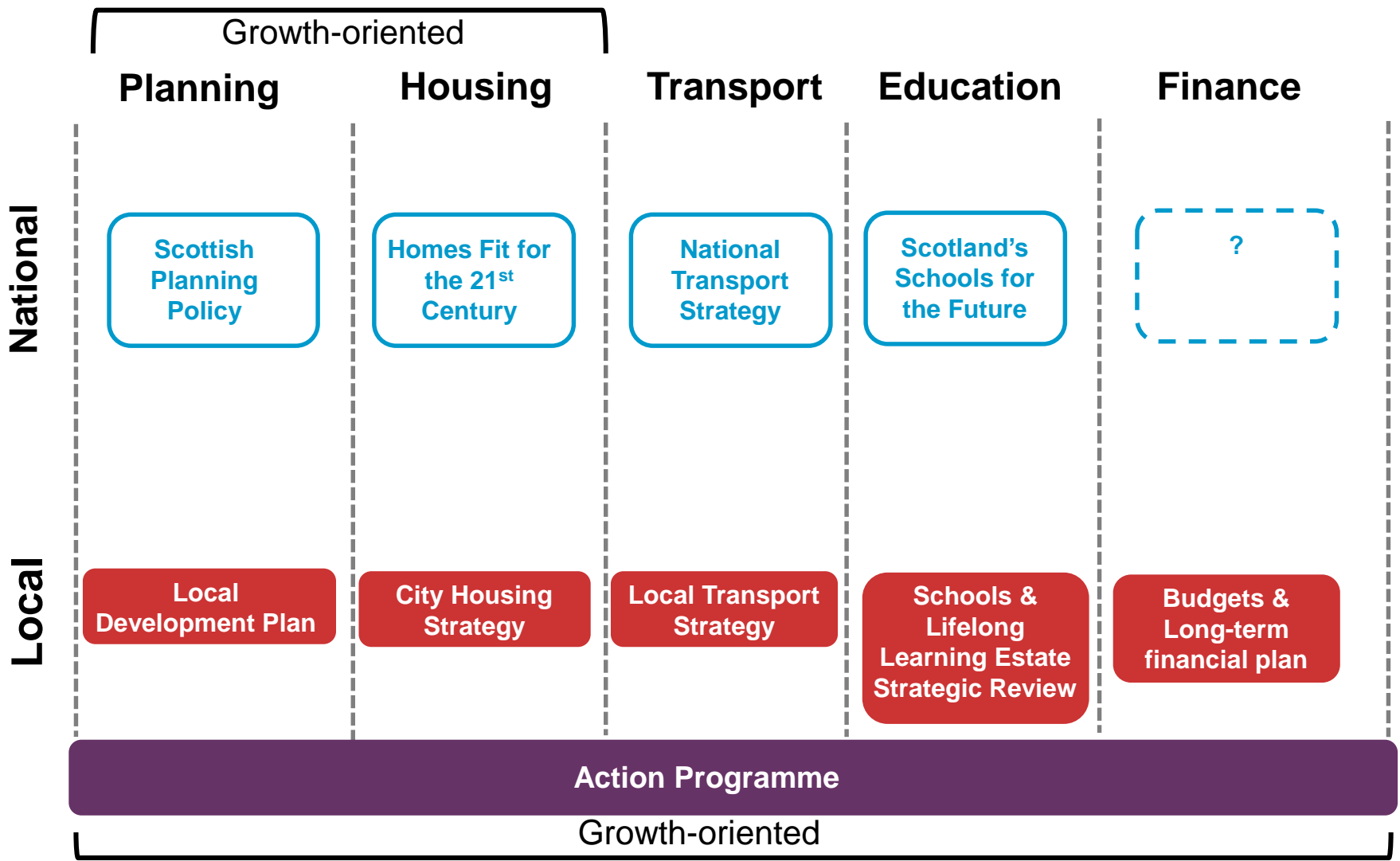
Set out actions required to deliver the LDP and spatial aspects of community plan

- Joined up service delivery and infrastructure investment.
- Full costs of growth estimated and planned for

Partners' Asset Strategies

Working arrangements providing feedback & intelligence for future plans

Policy and programme landscape



Conclusions

- Policy reform takes time
- Governance & processes as important as statutory documents
- Collaboration on financial programme key
- Leadership and culture important
- Corporate, cumulative & credible
- Growth-oriented financial planning needed across local and central government