

EAST HERTS COUNCIL

EXECUTIVE – 12 FEBRUARY 2019

REPORT BY LEADER OF THE COUNCIL

HERTFORDSHIRE COUNTY COUNCIL: HERTFORDSHIRE  
INFRASTRUCTURE AND FUNDING PROSPECTUS 2018-2031

WARD(S) AFFECTED: ALL

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**Purpose/Summary of Report**

- The purpose of this report is to note the publication of the Hertfordshire Infrastructure and Funding Prospectus 2018-2031 and to agree that it is used when discussing infrastructure needs with the development industry.

**RECOMMENDATIONS FOR EXECUTIVE: To recommend to Council that:**

<b>(A)</b>	<b>The publication of the Hertfordshire Infrastructure and Funding Prospectus 2018-2031 be noted; and</b>
<b>(B)</b>	<b>The Hertfordshire Infrastructure and Funding Prospectus 2018-2031 is used when discussing infrastructure needs with the development industry.</b>

1.0 Background

1.1 In order to better understand the scale of the infrastructure challenges in Hertfordshire, a number of years ago representatives from the County Council, local authorities and the Hertfordshire Local Enterprise Partnership (LEP) established a Hertfordshire Infrastructure and Planning Partnership (HIPP) to further collaborative working. The HIPP has identified a need for a joint approach on infrastructure and planning across Hertfordshire, which has seen the HIPP

investigate the potential for better joint working in the light of the Government's encouragement for local authorities to come together both formally and informally to address strategic planning and infrastructure issues.

- 1.2 The HIPP therefore commissioned Aecom to undertake an evidence-based assessment of infrastructure needs based on the current understanding of growth across the County. This document, the subject of this report, is the Hertfordshire Infrastructure and Funding Prospectus (HIFP). A link to The Executive Summary is included in the Background Papers section below.
- 1.3 The HIFP was reported to the LEP Board (for endorsement) and the Hertfordshire Growth Board (for information) on the 13th December 2018. The Growth Board subsequently endorsed the report on the 29<sup>th</sup> January 2019 and the County Council's Growth, Infrastructure, Planning and Economy Cabinet Panel on the 6<sup>th</sup> February.
- 2.0 Report
- 2.1 The HIFP provides a 'snap-shot' in time as of September 2018 and is based on the most up-to-date information published for each local authority, commensurate to each Council's Plan-making stage. The study is based upon identified housing growth from 2018 to 2031 where this can be identified with a good degree of certainty.
- 2.2 The study represents an overarching baseline of growth patterns; infrastructure projects across a wide range of infrastructure topic areas including transport, education, health, emergency services, community facilities, green infrastructure, waste and flooding; cost requirements and funding gaps.
- 2.3 The prospectus comprises 8 chapters:

- Chapter 1 introduces the scope and methodology of the study.
- Chapter 2 describes the infrastructure context in Hertfordshire in terms of the complex relationships between infrastructure providers and briefly sets out the Plan-making stage of each local authority.
- Chapter 3 sets out the growth context for Hertfordshire using Census information and data collected from each authority.
- Chapter 4 builds the picture of the infrastructure needed to support expected growth in Hertfordshire to 2031 and the anticipated funding to provide it.
- Chapter 5 provides a local authority focus for an analysis of infrastructure needs and costs. The East Herts section is on pages 146 and 147. Please note that this does not replace the East Herts Infrastructure Delivery Plan, nor does it list all known projects from the IDP in the illustrations. The East Herts IDP details infrastructure necessary to support the East Herts District Plan. The HIFP meanwhile builds upon the IDP, collating the information with information from IDPs and known projects from across the County.
- Chapter 6 describes the difficulties in securing funding, describes potential sources of funding such as public bodies and developer contributions. It also looks at alternative, more innovative funding mechanisms which are being developed by public and private sectors, and considers how these may be used to fund different types of infrastructure projects.
- Chapter 7 summarises key findings, provides conclusions and sets out next steps for the short, medium and longer

term. Presenting the HIFP to each local authority is part of those next steps.

- Chapter 8 provides a number of caveats required where local authorities are at different stages in Plan-making, and sets out a number of benchmarks and assumptions used in the methodology such as infrastructure requirement ratios per population growth.

#### 2.4 Headlines and key growth findings include:

- Local authorities across Hertfordshire have identified housing growth from 2018 to 2031 of an average 6,425 dwellings per annum – this compares to annual average completions of 3,189 dwellings per annum from 2011/12 to 2016/17.
- Local authorities across Hertfordshire have identified housing need for approximately 97,411 homes between 2018 and 2031.
- A total housing supply of 83,530 dwellings are expected between 2018 and 2031.
- Population is forecast to increase by 107,400 between 2018 and 2031.
- Employment is forecast to increase by 44,650 jobs between 2018 and 2031.

#### 2.5 In terms of infrastructure, headline findings include:

- Across most infrastructure topics, decades of growth have created deficits in existing infrastructure, both across Hertfordshire and in localised areas.
- Delivering the necessary infrastructure to support growth from 2018 to 2031 is estimated to cost at least £5.7 billion in 2018 terms (just capital funding and not including maintenance).
- Total secured and expected funding for this infrastructure comes to around £2.1 billion – this leaves a remaining funding gap of £3.6 billion at 2018 prices, or 63% of the total infrastructure cost in Hertfordshire to 2031.

2.6 Clearly, the issue of funding for infrastructure projects remains an issue and the HIFP recommends that local authorities across Hertfordshire work together to devise an integrated package of funding sources and delivery mechanisms that meet the needs of different areas and types of infrastructure. However, the challenge of meeting many of the infrastructure requirements may require, in part, an approach that involves new and innovative ways of securing funding and delivering services in a more integrated approach.

2.7 As stated, the HIFP is not intended to replace individual Infrastructure Delivery Plans required to underpin Local Plans, but it does provide a useful tool for understanding costs and potential sources of funding. In terms of moving forward, the HIFP will provide a tool for local authorities when meeting with infrastructure providers and funding bodies, including with Government officials. It will also be useful in discussing infrastructure needs with the development industry. Longer term next steps include prioritising infrastructure projects and to commission a further study which will look at theoretical growth and infrastructure needs of the County to 2050.

### 3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

#### Background Papers

Hertfordshire Infrastructure and Funding Prospectus 2018-2031

Executive Summary

[www.eastherts.gov.uk/evidencebase](http://www.eastherts.gov.uk/evidencebase)

under Infrastructure and Delivery

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