

CREATING FUTURE HOO

BACKGROUND AND CONTEXT

1. This note provides members with an explanation of the relationship between the Hoo Development Framework, the Housing Infrastructure Fund programme (HIF), and the Infrastructure Delivery Plan.
2. The council is required to respond to Government planning policy. This includes the requirement to identify the housing need for Medway using a standard methodology; adjusting it to account for the constraints of the area, and then allocating development sites to meet that need. Prior to the HIF bid for Future Hoo, this number stood at approximately 30,000 homes; and current work indicates that this number is currently 28,475 new homes.
3. Our priorities are to ensure that Medway grows sustainably over the coming years enabling those who live and work here to have a good quality of life, and to provide land for the homes, jobs and services that people need. Our aim is to protect and enhance the area's distinctiveness, helping to promote and secure investment in the area's distinctive environment and heritage and to create a prosperous place, with advantages and opportunities for new and existing communities.
4. It is important to note that in the current absence of the Local Plan and given our ambitious housing need target referred to above, developers will bring forward housing proposals which, unless they can be shown to be non-compliant with the Government's National Planning Policy Framework, would have to be granted consent, or would be likely to be successful on appeal, leading to a piecemeal approach to both development and the delivery of needed infrastructure. For this reason, planned development remains the desirable outcome for the future of Medway.
5. Against this background, the council has over recent years been considering the appropriate spatial strategy for development. The Hoo Peninsula has been identified as a location for growth in several rounds of previous Regulation 18 consultation and has been considered as such in the emerging evidence base.
6. Whilst this approach will continue to be tested as part of assessing the spatial strategy options for Medway, the council's work to date continues to indicate that development on the Hoo Peninsula is the appropriate way forward.
7. To support any such proposed development, the council made a bid to Homes England under the Housing Infrastructure Fund (HIF) to enable the provision of vital infrastructure that will ensure the timely delivery of a new sustainable community on the Peninsula (known as 'Future Hoo'). At £170m the Future Hoo programme is one of the country's largest forward funding interventions.

THE HOUSING INFRASTRUCTURE FUND (HIF) SCHEME

8. The HIF programme includes three themes: road, rail and Strategic Environmental Management Schemes (SEMS). There are £86 million allocated to highways improvements. The Design Development Report for Highways sets out that this funding will be used to undertake improvements to active travel provision for all phases alongside the following improvements:

Phase 1: instead of the previously proposed Wainscott Flyover, a new signal-controlled junction on the A289 will facilitate a new link road connecting to Woodfield Way. Localised improvements will also be made to Woodfield Way (avoiding the SSSI) and Islingham Farm Road.

Phase 2: A new link road is proposed linking Upchat Roundabout, Chattenden Lane and the Main Road Hoo Roundabout, with improvements to both roundabouts also proposed. A new access road will be provided for the Abbey development site, as well as a spur to the east of the new link road which passes below the Deangate Ridge site to a new junction on the A228. Part of the phase 2 proposal does pass closer to the SSSI and Ancient Woodland to facilitate new development, but it will be designed to avoid impacts.

Phase 3: Involves the enlargement of Bells Lane Roundabout; and localised improvements to the A228, Bells Lane and Dux Court Road.

Phase 4: Involves improvements to the Ropers Lane Roundabout, the conversion of Stoke Road Roundabout to a signalised junction, and a new access road to the proposed station taken from Stoke Road roundabout.

Phase 5: Improvements of Four Elms Roundabout and a new slip from A289 Hasted Road to the A228, Four Elms Hill.

Phase 6: Changes to the layout of Sans Pareil Roundabout and the interaction of Wainscott Road, Benenden Road and Frittenden Road with the roundabout. Widening of Wulfere Way.

9. The HIF programme has allocated £64 million for a new rail passenger service. The Rail Design Development Report, sets out that this funding will provide for the following:

- A battery two carriage, one train an hour service between Gravesend and the new station with a full stabling, train servicing and maintenance package.
- A new single platform station, car park and associated facilities located east of Ropers Lane and south of Ropers Green Lane.
- Track and signalling works to enable a reverse movement at Gravesend.
- The introduction of a passing place on the existing Hoo to Grain Branch Line to allow the new passenger service and existing freight traffic to operate together.

- An upgrade of the existing signalling system.
- Ride quality improvements to the existing single track.
- Changes to level crossings:
 - A diverted route at Kings Crossing, using the existing Cattle Arch underbridge
 - Upgrade of Church Street Crossing, avoiding the need for a diversion.
 - Upgrade to Wyborne's Crossing with the adjacent High Halstow byway crossing closed and diverted to Wybournes LC by a new dedicated track south of the railway.
 - Solomons PRoW Crossing to be closed and footpath traffic diverted to Solomons Farm bridge with a footpath diversion on the north side of the track.

10. It is important to note that:

- a) the costs for the station, track and signal works and access road to deliver the service set out above are incorporated within the one capital cost above and so are funded by Homes England; and
- b) this scheme is a starter service that has the ability to grow (for example, by upgrading to a four car service, or through links to other parts of Medway), but any decision to do so will need to be made by members at a later date, exploring suitable funding options.

11. The HIF programme has also allocated £14 million to be used for its SEMS programme to enhance wildlife and ecology, in recognition of the ecological designations and importance of the Hoo Peninsula's marshes and woodlands. Its focus will be the delivery of four new parklands and wildlife areas and access improvements. With planning permission achieved for one of these sites already (Cockham Community Parkland) and plans well progressed for the other sites, significant investment will be made to create a network of wildlife-rich open spaces with extensive walking and cycling routes and new habitats, including new wetlands by the estuary.

12. The projects outlined above are to be funded by Homes England, within a funding envelope agreed with them. The council is in regular dialogue with Homes England on progress and next steps.

13. To ensure that the programme expectations of Homes England are met, the council expects to submit a planning application for the highway scheme in February 2023 and the application for rail in March 2023.

14. In developing the HIF programme, the feedback from extensive consultation carried out with local residents and other consultees has been clear that they desired more information to understand how the HIF programme fits within the wider context of potential growth in Medway. Indeed 72% of those replying raised concerns with the number of houses proposed, where the houses will be located, and

overall impact on environment. The consultation on the HDF is Medway's response to this.

THE HOO DEVELOPMENT FRAMEWORK (HDF)

15. The HIF funded infrastructure programme is key to enabling growth on the Hoo Peninsula. However, the infrastructure does not sit alone – it needs to be set in the context of potential development on the Peninsula.
16. The draft HDF sets out the high level design objectives for that potential growth on the Peninsula. The HDF is a consultation document. It is not planning policy. It provides an indication of the type of infrastructure and design objectives that the council is thinking about in relation to growth on the Hoo Peninsula, whilst also taking account of the HIF programme. The HDF shows indicative infrastructure, such as schools and sports centres, based on input from service providers, and in so doing sets out the council's initial views on how development on Hoo could be brought forward in a sustainable fashion.
17. Importantly, however, it does not set infrastructure requirements and does not and cannot be used to require developers to provide such infrastructure – this can only come through the Local Plan.
18. The council wants local people to help to shape their community and will be consulting local people, organisations and businesses on the HDF for their views. Comments received will help form the next iteration of the HDF and other planning technical documents such as the Infrastructure Delivery Plan and Viability Assessment. As such, the public will be able to help to shape the community for the future by taking part in this consultation.
19. There are important reasons to undertake this consultation now. The consultation will:-
 - in advance of the HIF applications being submitted, respond to resident, member and stakeholder requests made during both HIF consultations that they wish to better understand the context within which the HIF infrastructure is being delivered i.e. the proposed nature of the new rural town so that the HIF applications can be fully understood;
 - help influence the council's developing thinking on the nature and extent of both the nature of development and the infrastructure requirements on the Hoo Peninsula and as a consequence, the funding requirements to deliver that infrastructure; and
 - give developers insight as to the council's current thinking on potential infrastructure needs above and beyond the HIF infrastructure on the Peninsula.

INFRASTRUCTURE FUNDING AND DELIVERY

20. Infrastructure requirements for Medway are not just limited to the Hoo Peninsula given the housing need for the area as a whole.
21. As such, for both the Hoo Peninsula and the wider area, the council is required as part of the National Planning Policy Framework to develop a technical evidence base which considers what infrastructure is required, how it can be funded and delivered, and what impact that would have on the viability of development proposals within Medway. This is set out in the Infrastructure Delivery Plan (IDP), its associated Infrastructure Delivery Schedule (IDS) and a formal Viability Assessment.
22. Crucially the IDP and IDS will start from the identified housing need figure for Medway. There are therefore not different 'scenarios' for the IDP to consider – it will identify the infrastructure that is needed (and required to be funded) to ensure that that need figure is sustainably met.
23. The IDP and IDS consider the current capacity of services and infrastructure in Medway, and planned upgrades. The council has worked with service providers to gather this information and to assess what further improvements would be needed to meet the needs of an increased population. This joint work with service providers helps to inform the council's decisions on the requirements for developer contributions and to identify locations where new schools, parks and health facilities and other infrastructure would be needed.
24. This work (further to recent experiences in areas such as North Essex) will also need to account for the national uncertainty around inflationary increases. This will be factored into the predictions for costs and funding requirements for the infrastructure identified and how this is considered in viability assessments.
25. Ultimately the council is undertaking the work to demonstrate that growth can be viably delivered, including the infrastructure required to support it. As such the IDP will, over time, need to set out estimated costs (including risks), the funding required, the funding streams identified (whether through presumed section 106 contributions, external funding or any other sources), and the council's proposals for how any missing funds will be found. As seen across the country, it is not a requirement that the final amount of costs, or certainty of finding all costs is required.
26. Crucially, the Infrastructure Delivery Plan that is submitted at a later date cannot be a 'wish list' nor based on different funding 'scenarios' – a holistic comprehensive picture will need to be built.
27. This should be seen in the context that the council already successfully collects funding from developers for infrastructure through section 106

contributions. Information on this is reported quarterly to Planning Committee and an annual Infrastructure Funding Statement is published in December. These demonstrate the levels of investment in Medway's services. The council has also been successful in attracting a range of external funding in transport, environmental, community and economic projects. Examples of this include SELEP funding of £11m for the A289 Four Elms Roundabout to Medway Tunnel, over £10m from SELEP for Innovation Park Medway, £9.5m from the Future High Street Fund (FHSF) and £14m Levelling Up funding. This indicates the potential for future external funding streams. The council will be able to utilise this experience to enable infrastructure to be funded and delivered.

28. It is also important to note that this work is iterative – Government expects councils to keep infrastructure plans under regular review, and to publish updates. It is also acknowledged that in planning for future growth, not all funding will be secured at the outset of the process. Given that many of the commitments are long term, it is usual for IDPs to have 'gaps' between indicative costs and secured funding. This is the case with the current Local Plan examination documents for Maidstone and Dartford, for example.
29. The version of the IDP published after discussions at Cabinet in July 2022 [as set out in the Updated Appendix 5 within Supplementary Agenda No.4 of this report] reflects officers' work to date with service providers and at this early stage rightly notes that estimated costs are still under development; and that some aspects are to be determined by members as to whether, or in what form they should be an infrastructure requirement. It includes a particular focus on the infrastructure that would be needed to support growth on the Hoo Peninsula as set out in the HDF. At this stage, projects and costings are indicative and will be subject to further review. As such, it can be considered as a 'direction of travel' for the eventual IDP that will be submitted, but that, crucially, will need to be further developed.
30. Further iterations of the IDP and the Viability Assessment will be presented to members as they develop to help inform decisions on what the infrastructure requirements should be.
31. Those decisions will be partly informed by the results of the consultation on the HDF, which is why it is crucial that everyone participates in that consultation.
32. Further information on the IDP, and the considerations that have gone into the council's initial thinking on potential infrastructure requirements for the different types of infrastructure, their costs, and potential funding streams, is set out in a 'Summary of the IDP' which is set out in Annexe Bii to the Council report.

CONCLUSION

33. Over the coming years members will need to determine the appropriate spatial strategy, allocation policies and infrastructure requirements for development in Medway and on the Hoo Peninsula. Those decisions will be heavily informed by the HDF consultation, so it is important that you have your say to help inform the development proposals, and infrastructure requirements, that may shape future growth on the Hoo Peninsula.