

Caerphilly County Borough

Delivery Agreement

for the preparation of a community
infrastructure levy charging schedule

October 2011

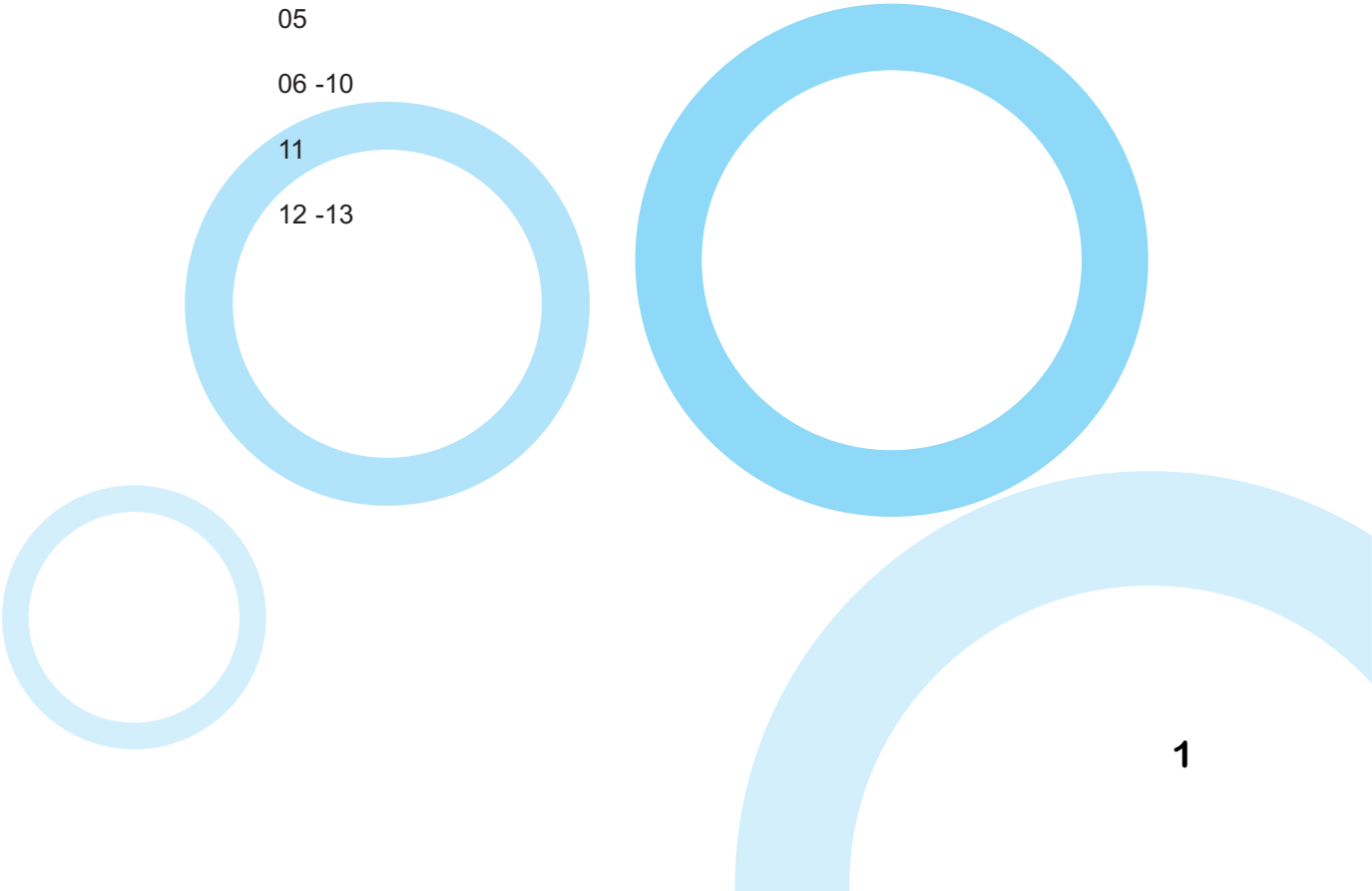


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INTRODUCTION

The purpose of the Delivery Agreement (DA) is to establish the Local Planning Authority's (LPA's) early, full and continuous approach to community engagement and involvement in the preparation of the Charging Schedule for the Community Infrastructure Levy.

WHAT IS THE COMMUNITY INFRASTRUCTURE LEVY?

The Community Infrastructure Levy (CIL) is a new charge which local authorities in Wales are empowered, but not required, to levy on most types of new development in their areas. The CIL charge will be based on simple formulae, which relate the size of the charge to the size and character of the development paying for it. The proceeds of the levy will be spent on infrastructure to support the development of the area.

Local Authorities have, until now, used legal agreements (s.106 obligations) as part of planning applications, to secure infrastructure improvements and to mitigate against the impacts of proposed development. The scale and nature of infrastructure improvement through obligations is very wide, encompassing small-scale local improvements (e.g. localised traffic calming, provision of an equipped play area) to large-scale strategic improvements (e.g. Caerphilly Basin Strategic Highway Obligation). In general, however, obligations are perceived to have problems of transparency, disproportionate distribution of infrastructure costs between sites and landuses resulting from cumulative impact (particularly at a more strategic level).

The Planning Act 2008 makes provision for local authorities to prepare Community Infrastructure Levy for their own areas, which has been supplemented by the Community Infrastructure Levy, England and Wales, Regulations 2010 (CIL Regulations). CIL is a new charging system that can be applied to most forms of development to fund relevant infrastructure improvements that support the development of the authority area in accordance with the adopted Local Development Plan.

CIL is prepared and set by the local authority. In setting the Charging Schedule the council will need to consider the total costs of infrastructure provision resulting from development as set out in the Adopted Caerphilly County Borough Local Development Plan (LDP). These costs need to be considered against existing funding streams and the viability of development in the area and any funding gaps need to be identified.

The Charging Schedule will identify the landuses that will be subject to the charge. All landuses are potentially liable (with the exception of Affordable Housing which is exempt). It should be noted that the CIL would not be a standardised charge paid by all types of development. Rather differential rates reflecting the location, size, nature and viability of landuses within the county borough will be applied.

CIL is not intended to replace S106 obligations. It will subsume a lot of the matters and issues that are currently addressed through this mechanism. S106 obligations, however, will remain in force and will deliver site specific mitigation of the direct effects of development and will continue to be used to deliver affordable housing (which is expressly omitted from CIL).

HOW WILL THE CIL RELATE TO THE LOCAL DEVELOPMENT PLAN?

The CIL will directly assist in the delivery of the council's land use aims and objectives as set out in the Adopted Caerphilly County Borough Local Development Plan (LDP). CIL will expand on Strategy Policy SP7 Planning Obligations, which sets out the policy basis for securing Planning Obligations where they are necessary to remove obstacles to planned development.

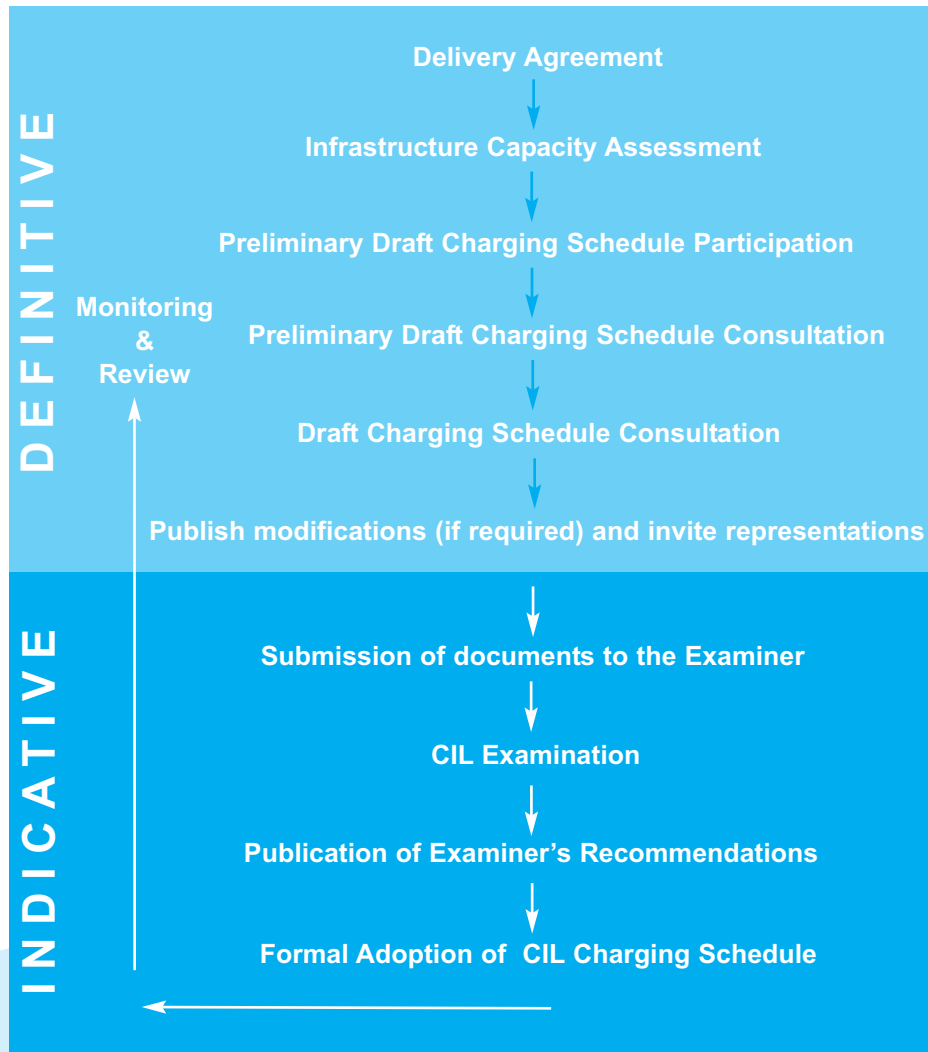
CIL will be the mechanism for making direct contributions toward the provision of many of the allocations set out in the LDP.

Overall CIL will be a significant tool for the delivery of the council aspirations in terms of social & community infrastructure and regeneration, for which there is no alternative funding mechanism.

WHAT IS THE DELIVERY AGREEMENT?

The Delivery Agreement (DA) is a project management timetable for the preparation of the charging schedule, detailing how the process will be project managed, the resources that will be required at each stage and the opportunity for stakeholder / community involvement at each stage including the means by which groups / organisations and individuals can participate in the process.





THE PROCESS & PROJECT MANAGEMENT TIMETABLE

OVERVIEW OF THE CHARGING SCHEDULE PREPARATION PROCESS

Diagram A illustrates the series of stages involved in the preparation of a Charging Schedule as outlined by the Community Infrastructure Levy, England and Wales, Regulations 2010 (CIL Regulations).

Definitive stages - the stages in the preparation of a CIL Charging Schedule up to and including the Draft Charging Schedule Consultation. These stages of the Process are under the direct control of the Council and therefore the timetable is as realistic as possible. Every effort will be made to avoid deviations from the approved timetable during these stages.

Indicative stages - The Council has less control over the later stages of the process, as they are dependent on many factors beyond the Council's control such as the number of representations that need to be handled and the requirements, capacity and availability of the Independent Planning Inspector. The indicative timetable will therefore be formalised and defined at the close of the Draft Charging Schedule Consultation period or further to the consideration of representations to any Modifications.

SUMMARY OF TIMETABLE FOR THE PREPARATION OF CIL CHARGING SCHEDULE

The broad timetable for each of the above stages in the preparation of a CIL Charging Schedule is outlined in the table below.

Stage in Plan Preparation	Timescale	
Definitive Stage	From:	To:
Identification of Appropriate Infrastructure capacity (Infrastructure Capacity Assessment)	February 2011	July 2011
Establishing Total Cost of Infrastructure	February 2011	November 2011
Establishing Landuse Thresholds	February 2011	March 2012
Drafting Preliminary Draft Charging Schedule	May 2012	July 2012
Committee Report – Preliminary Draft Charging Schedule	July 2012	July 2012
Preliminary Draft Charging Schedule Consultation	August 2012	September 2012
Committee Report for Draft Charging Schedule	January 2013	February 2013
Draft Charging Schedule Consultation	April 2013	May 2013
Indicative Stage (will be given definitive timings at a later date)		
Examination*	January 2014	May 2014
Approval and Publication of Charging Schedule *	May 2014	May 2014

WHO SHOULD GET INVOLVED?

The purpose of community involvement is to engage a wide range of communities and individuals in addition to specific consultation bodies in the decision making process, through both creating a 'dialogue' and sharing relevant information. The Council is committed to involving as many people and groups as possible and engaging the public at timely stages throughout the CIL Charging Schedule preparation process.

The main stages for involvement are the consultation stages, which comprise:

- Preliminary - Draft Charging Schedule Consultation
- Draft Charging Schedule Consultation
- Examination (for an Independent Planning Inspector to consider representations received in response to the previous two stages)

These stages are outlined in greater detail in the table on the following pages, including 'how' and 'when' stakeholders can become involved in the process.

Stage in the document preparation process	Purpose	Timescale (when?)	Who? Possible community involvement	How? Consultation mechanism	Reporting Mechanism?
PRELIMINARY DRAFT CHARGING SCHEDULE CONSULTATION					
6 weeks public consultation on the Preliminary Draft Schedule	To enable anyone to make representations to the Council's Preliminary Draft Schedule To enable the Council to consider all matters	August 2012 – September 2012	<ul style="list-style-type: none"> ● Statutory Consultation Bodies ● General Public ● Businesses and Voluntary Organisations ● Communities ● Town Councils 	<ul style="list-style-type: none"> ● Send a preliminary draft to each of the consultation bodies ● Invite each of those bodies to make representations on the preliminary draft ● Invite representations on preliminary draft from persons, businesses, voluntary organisations, Community / Town Councils within the Charging Authorities Area. ● Make arrangements for inviting representations ● Advertise the Consultation in the Council publication 'Newline' ● Provide information to the community partnerships in respect of the consultation 	Outcome available in a public paper, Information made available on the internet
Preliminary Draft Schedule Report of Consultation	To provide an impartial view on any representations made in respect of the Preliminary Draft Schedule	September 2012 – December 2012			
Committee Report for Preliminary Draft Schedule (Regeneration Scrutiny, Cabinet, Council)	To inform members and the public of the response to the 6 week consultation & any proposed amendments to the CIL	January 2013 - February 2013			

Stage in the document preparation process	Purpose	Timescale (when?)	Who? Possible community involvement	How? Consultation mechanism	Reporting Mechanism?
DRAFT CHARGING SCHEDULE CONSULTATION					
6 weeks public consultation on the Draft Charging Schedule	To enable anyone to make representations to the Council's Draft Charging Schedule	April 2013 – May 2013	<ul style="list-style-type: none"> ● Statutory Consultation Bodies ● General Public ● Businesses and Voluntary Organisations ● Communities ● Town Councils 	<ul style="list-style-type: none"> ● Make a copy of the draft charging schedule available at the Council's principal office and other places within the authority considered appropriate ● Publish the following on the Council's website: <ul style="list-style-type: none"> - Draft Charging Schedule - The relevant evidence - A statement of the representations procedure - A statement detailing where the draft charging schedule and relevant evidence are available for inspection and of the places and times at which they can be inspected ● Send to each consultation body a copy of the draft charging schedule and statement of the representations procedure and ● Give by local advertisement a notice which sets out: <ul style="list-style-type: none"> - A statement of the representation procedure - A statement of the fact that the draft charging schedule and relevant evidence are available for inspection and the places at which they can be inspected ● Make arrangements for inviting representations ● Advertise the Consultation in the Council publication 'Newline' 	Outcome available in a public paper, Information made available on the internet

Stage in the document preparation process	Purpose	Timescale (when?)	Who? Possible community involvement	How? Consultation mechanism	Reporting Mechanism?
DRAFT CHARGING SCHEDULE CONSULTATION					
Committee Report for Examination (Regeneration Committee, Cabinet, Council)	To inform members and the public of the response to the 6 week consultation & any proposed amendments to the CIL	June 2013 – August 2013		<ul style="list-style-type: none"> ● Provide information to the community partnerships in respect of the consultation 	
EXAMINATION					
Submission of consultation responses (in accordance with Reg. 17) collated and summarised in addition to the Draft Charging Schedule and any modifications made to it after it was published in accordance with Reg.16.	To enable the examiner to determine whether any improvements can be made to the Draft Charging Schedule and the evidence that supports the schedule.	January 2014		<ul style="list-style-type: none"> ● Hard copies sent out to statutory consultation bodies ● All relevant documentation made available on the internet ● All relevant documentation made available in the Council Offices and public libraries ● Public notice placed in the press ● Notification given to all those who have requested 	

Stage in the document preparation process	Purpose	Timescale (when?)	Who? Possible community involvement	How? Consultation mechanism	Reporting Mechanism?
EXAMINATION					
Notification of Examination in line with Reg. 21	To ensure that interested persons/ organisations are aware that an examination into the Draft Charging Schedule is taking place	December 2013	<ul style="list-style-type: none"> ● Statutory Consultation Bodies ● General Public ● Businesses and Voluntary Organisations ● Communities ● Town Councils 	<ul style="list-style-type: none"> ● Formal notification given by letter to any person who makes representations (in accordance with reg.16) and requests to be heard by the examiner ● Notice placed in the local press ● Notice placed on the Council's website 	None
Examination Hearing Sessions: Consideration of all representations to the Schedule by the Independent Planning Inspector appointed to consider the evidence.	To provide an impartial planning view on the Draft Charging Schedule and the representations made in respect of it.	February 2014	All those interested individuals and organisations that have made representations in accordance with Reg.16	Round Table Discussions. Formal written and oral submissions	Inspectors report

Stage in the document preparation process	Purpose	Timescale (when?)	Who? Possible community involvement	How? Consultation mechanism	Reporting Mechanism?
EXAMINER'S RECOMMENDATIONS					
Publication of the Examiner's Recommendation	To make the Inspector's recommendations publicly available	April 2014	<ul style="list-style-type: none"> • Statutory Consultation Bodies • General Public • Businesses and Voluntary Organisations • Communities • Town Councils 	<ul style="list-style-type: none"> • Examiner's Recommendations made available on the Council's web pages. • Hard copies made available at the Council's Offices Pontllanfraith and at all public libraries. • Give notice to those persons who requested to be notified of the examiner's recommendations and reasons that they have so been published 	None
APPROVAL AND PUBLICATION OF CHARGING SCHEDULE					
Council Report to adopt Charging Schedule (Regeneration Scrutiny, Cabinet, Council)	To inform all stakeholders of the Council's intention to approve and adopt a Charging Schedule	May 2014	All stakeholders including the public, members and any person with an interest in the charging schedule	<ul style="list-style-type: none"> • Publish the Charging Schedule on the Council's website • Hard copies of the Charging Schedule made available at the Council's Offices, Pontllanfraith and at all public libraries • Give notice to those persons who requested to be notified of the approval of the Charging Schedule 	None
Adoption and publication of the Charging Schedule	To make available copies of the Adopted Charging Schedule	May 2014	<ul style="list-style-type: none"> • Statutory Consultation Bodies • General Public • Businesses and Voluntary Organisations • Communities • Town Councils 	<ul style="list-style-type: none"> • Provide a hard copy of the Charging Schedule to each of the relevant consenting authorities 	

CIL – MANAGEMENT GROUPS

Three management groups and a Development Panel have been established to assist in the preparation of the CIL Charging Schedule.

These are the CIL Steering Group, the CIL Working Group, the Valuation & Viability Working Group and the Development Panel. The groups will meet as and when required to feed into the CIL preparation process

The purpose of each of these is outlined below:

CIL Steering Group

The CIL Steering Group is an internal group of the Council that has responsibility for overseeing all of the stages involved in the preparation of the CIL Charging Schedule. The Group will review output from the CIL Working Group at key stages, making recommendations to council, and will oversee the CIL preparation process to ensure it is prepared in accordance with the timetable set out in this Delivery Agreement.

The CIL Steering Group consists of a small group of officers and elected members, that will meet at key stages of the CIL Charging Schedule preparation process.

CIL Working Group

The Working Group is a group comprising of professional officers, designed to facilitate the preparation of the CIL Schedule. The group will be responsible for producing evidence to support the CIL, commissioning external expertise as and when required, and for preparing the initial CIL documents for consideration by the Steering Group, including recommendations to Council on what should and what should not be included in the CIL.

Valuation and Viability Group

This Group will oversee the development of the methodology and the modelling for the valuation/viability input into the CIL preparation. The Valuation/Viability Group has a specific role to play in the preparation of the CIL, namely overseeing the development of a methodology for considering site viability and the modelling of this methodology for all relevant landuses. As such the Group will require very specific areas of knowledge and expertise and so the mandate for the Group will be very restrictive. The Members of the Group will need to:

- Be able to provide expert input on planning and/or valuation/viability matters.
- Be able and willing to make decisions and recommendations in respect of valuation and viability matters to the Working Group
- Be able and willing to take responsibility for commissioning and overseeing external consultancy input into the process.

The valuation and viability group will consist of a small group of professional officers with the relevant expertise to undertake this work.

The Development Panel

The Development Panel will consist of no more than 30 members, comprising of both developers and landowners. The Panel will contain a range of representatives specific to each chargeable land use identified and will be able to comment on the evidence and viability findings, providing constructive input into the Charging Schedule preparation process.

	FEB 2011	MAR 2011	APR 2011	MAY 2011	JUNE 2011	JULY 2011	AUG 2011	SEPT 2011	OCT 2011	NOV 2011	DEC 2011	JAN 2012	FEB 2012	MAR 2012	APRIL 2012	MAY 2012	JUNE 2012	JULY 2012
1. Identification of Appropriate Infrastructure	█	█	█	█	█	█												
Set Up Internal Working Group				█														
Consult with Utility Providers and the EA				█														
Undertake Infrastructure Capacity Assessment				█	█	█												
Committee Report on Associated Cost Estimates						█												
2. Establishing Total Cost Of Infrastructure	█	█	█	█	█	█	█	█	█	█	█							
Identify Infrastructure				█														
Assessment of Alternative Funding				█														
Identification of CIL Value				█														
Identify Funding Gap				█														
3. Establishing Landuse Threshold	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█		
Establishing eligible landuse				█														
Commission external expertise to undertake CIL Viability Study									█	█								
Final Report - CIL Viability Study												█						
4. Viability Work				█	█	█	█	█	█	█	█	█	█	█	█	█	█	
Set up Valuation & Viability Working Group				█														
Prepare brief for Invitation to tender for CIL Viability Study						█	█											
Validate and ratify the CIL Viability Study													█	█	█			
5. Drafting Preliminary- Draft Schedule																	█	█
6. Committee Report - Pre-Draft CIL																		█

	AUG 2012	SEPT 2012	OCT 2012	NOV 2012	DEC 2012	JAN 2013	FEB 2013	MAR 2013	APRIL 2013	MAY 2013	JUNE 2013	JULY 2013	AUG 2013	SEPT 2013	OCT 2013	NOV 2013	DEC 2013	JAN 2014	FEB 2014	MAR 2014	APRIL 2014	MAY 2014
7. Pre-Draft Consultation																						
Pre-Draft Consultation period																						
Pre-Draft Report Of Consultation																						
Committee Report for Draft CIL																						
Amendments to CIL																						
8. Draft Consultation																						
Draft Consultation Period																						
Draft Report Writing																						
Committee Report for Examination																						
Final Amendments to CIL																						
9. Examination																						
Submission to Examination																						
Hearing Sessions																						
Hearing Sessions																						
Council Report for Adoption																						
Deadline for Completion																						

