

Head of Town Planning,
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Date: 3rd September 2013

Ask for: Matthew Todd-Jones
0800 917 2652

FAO Head of Town Planning,

MERTHYR TYDFIL COUNTY BOROUGH COUNCIL – COMMUNITY INFRASTRUCTURE LEVY (CIL) DRAFT CHARGING SCHEDULE

Thank you for allowing Dwr Cymru Welsh Water (DCWW) the opportunity to formally respond to the above consultation.

Whilst we understand that comments on the Draft Regulation 123 List will not form part of the Charging Schedule consultation we would like to suggest an amendment to the 'Physical Infrastructure Project' outlined on the draft list to read:

- Strategic **Water and Drainage** Network

The reason for this amendment is as follows:

Our Water Resources Plan outlines our 25 year strategy for maintaining the balance between supply and demand for water to the period 2034-35. Our Plan utilises Welsh Assembly Government population forecasts and whilst the Environment Agency Wales have indicated major reductions to our abstraction licences, we have identified options to ensure that the security of water supplies across Wales is maintained.

It is predicted that the South East Conjunctive use System that supplies Cardiff and your Authority area will be in deficit in year 2028/29. However, we have already identified solutions which will protect water supply and the environment through changes in our operations. We do not believe therefore, that these licence reductions should impact in any way the proposals for additional growth identified within your Local Development Plan.

Whilst the management of water resources is considered adequate for the foreseeable future, the situation could change in the longer term and this issue may need to be addressed in your Local Development Plan or its predecessor(s).

We note that your Authority proposes to use the revenue raised through the CIL process to fund improvements in transport, leisure and education capacity for the County Borough. However, we believe that there may be instances where in order to bring forward a development ahead of our regulatory investment then alternative funding would be required. Whilst we acknowledge that funding for the water and sewerage infrastructure required to deliver the LDP can be obtained from DCWW's own Asset Management Plan (AMP) programme, if there is a shortfall in the funding required to deliver AMP schemes from the income derived from existing customers then developers contributions are expected to meet this shortfall. This is where funding from the levy could be used to increase the capacity of DCWW's existing infrastructure or to improve infrastructure in order to support development.

Having the ability to receive money to upgrade water and sewerage infrastructure for growth would accord with the requirements of policy BW8 of your Adopted Local Development Plan as it would ensure that these systems are capable of accommodating development without causing unacceptable environmental harm.

Whilst we currently have no infrastructure projects included on the Regulation 123 Infrastructure list at this time we believe that where development will create a need for extra facilities, in advance of our Regulatory investment, it may be reasonable for developers to meet or contribute towards the cost of providing such facilities. We understand that the Regulation 123 Infrastructure list can be updated and note that there may be occasions where we would identify a funding gap and submit a water or sewerage infrastructure scheme to you to add to the list, which would be subject to the required consultation. The funding received would be purely for any funding shortfall to accommodate growth.

We would be grateful if you could add our details to your CIL consultation database so that we can receive future updates of stages in the CIL preparation process. If you would like to discuss any of the matters we have raised then please do not hesitate to contact us.

Yours Sincerely,

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Rhidian Clement
Principal Planner
Developer Services