

8th October 2014**Notice of Meeting:****Economy and Development Select Committee**Thursday, 16th October 2014 at 10.00am
Council Chamber, County Hall, Usk.

**PLEASE NOTE THAT THERE WILL BE A PRE-MEETING
FOR ECONOMY AND DEVELOPMENT SELECT
COMMITTEE MEMBERS AT 9.30AM.**

AGENDA

The Council welcomes contributions from members of the public through the medium of Welsh or English. We respectfully ask that you provide us with adequate notice to accommodate your needs.

Item No	Item
1.	Apologies for absence.
2.	Declarations of Interest.
3.	To confirm for accuracy the minutes of the Economy and Development Select Committee held on Tuesday 23 rd September 2014 (copy attached).
4.	Public Open Forum.
5.	Monmouthshire Local Development Plan: Community Infrastructure Levy (copy attached).
6.	Discussion paper for Monmouthshire Events Strategy from the Head of Tourism, Leisure and Culture and Acting Events Coordinator (copy attached)

<p>7.</p> <p>8.</p> <p>9.</p>	<p>Vale of Usk Local Development Strategy, from the Head of Commercial and People Development and Head of Economy and Enterprise (copy attached)</p> <p>Work Programme (copies attached):</p> <ul style="list-style-type: none">i) Economy & Development Select Work Programme for 2014 – 2015ii) The Cabinet Forward Work Planner <p>Summing up and date and time of the next meeting.</p> <ul style="list-style-type: none">• Thursday 20th November 2014 at 10am.
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Paul Matthews,

Chief Executive

Economy and Development Select Committee

County Councillors:

D.L.S. Dovey
D.L. Edwards
R.J.C. Hayward
S. Jones
J.L. Prosser
A.C. Watts
S. White
K. Williams
A. Wintle

Aims and Values of Monmouthshire County Council

Building Sustainable and Resilient Communities

Outcomes we are working towards

Nobody Is Left Behind

- Older people are able to live their good life
- People have access to appropriate and affordable housing
- People have good access and mobility

People Are Confident, Capable and Involved

- People's lives are not affected by alcohol and drug misuse
- Families are supported
- People feel safe

Our County Thrives

- Business and enterprise
- People have access to practical and flexible learning
- People protect and enhance the environment

Our priorities

- Schools
- Protection of vulnerable people
- Supporting Business and Job Creation

Our Values

- **Openness:** we aspire to be open and honest to develop trusting relationships.
- **Fairness:** we aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.
- **Flexibility:** we aspire to be flexible in our thinking and action to become an effective and efficient organisation.
- **Teamwork:** we aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the Economy and Development Select Committee held at County Hall, Usk on Tuesday 23rd September 2014 at 10.00 am Agenda Item 3

PRESENT: County Councillor S. Jones (Chairman)

County Councillors: D.L.S Dovey, D.L. Edwards, J.L. Prosser, A.C. Watts, A. Wintle and K.G. Williams

ALSO IN ATTENDANCE:

County Councillors P. Murphy and R.J.W. Greenland

County Councillor P.A. Fox representing the Cardiff Capital Region Board

OFFICERS IN ATTENDANCE:

Ms. K. Beirne	- Chief Officer Enterprise
Mr. P. Davies	- Head of Commercial & People Development, Enterprise
Ms. S. Hayward	- Programme Manager & Employee Services Lead
Mr. M. Lewis	- Chief Operating Officer SRS
Mr. M. Howcroft	- Assistant Head of Finance
Ms. N. Edwards	- Food & Tourism Strategic Manager
Ms. H. Ilett	- Scrutiny Manager
Mrs. N. Perry	- Democratic Services Officer
Mr. R. Williams	- Democratic Services Officer

1. APOLOGIES FOR ABSENCE

We received apologies from County Councillors R. J. Hayward and S. White.

2. DECLARATIONS OF INTEREST

Declarations of interest are identified under the relevant minute.

3. CONFIRMATION OF MINUTES

We confirmed the minutes of the Economy and Development Select Committee held on 19th June 2014 as an accurate record and they were signed by the Chairman.

We confirmed the minutes of the Economy and Development Select Committee held on 14th July 2014 as an accurate record, with the following amendments:

- County Councillor K. Williams was present.

During discussion of matters arising from the minutes, the following points were noted:

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- A suggestion was made regarding Byfield Lane car parking charges, in that the charge should be reduced to £1.00 per day for a 12 months trial period.
- Further information was requested regarding the Nelson Street car park.

4. PUBLIC OPEN FORUM

There were no members of the public present.

5. FUTURE SHARED RESOURCE SERVICE (SRS) PRESENTATION

We received a presentation by the Chief Officer for Enterprise to update on the Shared Resource Service. The presentation informed the committee that SRS was a very significant part of the Authority's technology portfolio, but not the only part. As a Local Authority, we retain a high level strategic responsibility for IT, and commission services from SRS. The presentation outlined the following points:

Review

1. Review core areas of service: governance, finance, core service and culture/ identity
2. Clearer measures of ROI
3. Added value – economy, demographics, community, Big Data, coding, education and enhancing lives
 - Part A: Getting the basics right
 - Part B: Medium-longer term strategic business strategy and Plan

The Problem

- Hiatus
- Identity unclear
- Lack of business plan and forward strategy
- 'Core service' offer not established
- Governance needs re-purposing
- Not taking opportunities to integrate and share services
- Needs more strategic approach to finance/HR/leadership
- 3 different work programmes, cultures, partners and sets of priorities all in the mix

Core Service

- Not well defined
- Different for all three partners
- Not enough systems integration has occurred to realise significant efficiencies
- No common or shared platforms or systems

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- Different financial contributions
- Client-contractor split not enforced (by us)
- Investment is mainly in hardware

Governance

- SRS Public is supported by a MoU
- Board has tended to be more operational than strategic
- Worked for project management & well chaired
- But, each appointee represents their own organisation & single work programmes.
- This has often driven the lack of integration
- Some opportunities have been missed

Finance

- c£10m per annum budget
- Good budget management and monitoring, but
 - No comparable unit costs
 - Budgets go in at beginning of year
 - Not necessarily aligned with our core service needs
 - No business plan to guide or prioritise investment
 - ROI difficult to gauge at this time
 - Largest investments are in infrastructure

HR, Structure and Culture

- Torfaen TUPE – positive move
- Client-vendor split is different across partners
- Wider opportunities for economic development and community development not always taken
- Hasn't had the opportunity to build own culture
- SRS identity isn't clear enough
- Some good work has emerged around staff engagement

The Solution

- Originally - evolve to a Joint Committee with clear lines of accountability and autonomy. New entity will provide strong foundation for strategic approaches to financial and human resource planning and delivery. The JC will function in line with a 3 year business plan which is clear about activity, outcomes and Return on Investment.
- However not possible for Gwent Police to progress
- Instead – implement the governance changes and improvements to still deliver these same aims

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Supported by,

- Business-planning cycle
- A 'Profit & Loss' approach?
- Single scheme of delegation
- Strategic board – strategic decisions (political representation)
- Optimisation audit
- Develop shared systems
- Customer assurance models
- 'Intelligent clients'
- Shared purpose
- Opportunity radar
- Enterprise development & training

Business Case and ROI

- £10m annually could yield returns if more sharing/ integration
- Optimisation audit – vital
- Development opportunities & rolling out practices others have adopted
- Planning database example
- Police and self-service example
- IT has a big role to play in our wider service reinvention
- Creating products could also produce returns

What next

- Implement review findings through ongoing review group meetings and implementation reports to Board
- 3 work-streams continue
- Set out the vision, annual mission and delivery
- Clear outcome measures & ROI
- Market test process underway
- Commissioning documents to Board at end of month
- Shared planning system?
- Business strategy and plan needs work

During discussion following the presentation, we noted the following:

- The Chairman expressed that the Committee appreciated the presentation but for scrutiny purposes would benefit from a report in advance.
- A member raised a concern that there seemed to be a lack of information surrounding the strengths and weaknesses of SRS. Clarification was required regarding operational activities of SRS.

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- The Chief Officer, Enterprise expressed that as a directorate Enterprise had held responsibility for SRS for six months. The current review process should answer any questions.
- As a Scrutiny Committee, we would need a definite timeline for future reports.
- We must ensure that SRS fits the Authority's strategy for the future.
- The Committee needed a better level of communication
- The Chief Officer, Enterprise responded to Member concerns by highlighting that SRS was continuing to function and the aim was to move forward.
- Repeated concerns were raised that a report was not received by Members in advance of the meeting.
- A Member thanked the Officers for the presentation, but clarification was required whether SRS was meeting the expectations of the Authority.
- The Chief Operating Officer, SRS explained that update information was available if required.
- Officers confirmed that the review process had not concluded and regular attendance would be made at scrutiny committees. Key milestones for the review would be provided at a future meeting.
- It was suggested that a Member attend a public board meeting of SRS.
- Members requested clarity on the value for money received by the Authority.

The Chief Officer, Enterprise would issue a fact sheet outlining the key principles of SRS in order to update Members with the current review being undertaken.

The Chief Operating Officer confirmed that details could be provided to the Committee.

In summary the Chairman highlighted the following points:

- Transparency - being aware of the role of the SRS service.
- Impact - what would constituents say, are we getting value for money.
- Better level of communication needed.
- Marketing the identity of the service.

6. MONMOUTHSHIRE DRAFT BUSINESS GROWTH AND ENTERPRISE STRATEGY

We received a presentation by the Head of Commercial & People Development, Enterprise regarding the draft Monmouthshire Business Growth and Enterprise Strategy. The Committee were asked to approve the Strategy to allow engagement with the wider business community and partners, ahead of it being presented to Cabinet in November.

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The Strategy focuses on three strategic priorities:

- Supporting business growth

We were informed that supporting the development, growth and sustainability of Monmouthshire's businesses and enterprises would be key to creating a strong economy and maximising economic impact for the county. An existing challenge was said to be sustaining active businesses to enable them to increase their economic output by creating employment, also addressing issues such as access to networks, research and financial investment. Also, we were told of the need to attract new businesses and investments from outside the county.

- Encouraging inward investment

The Committee were told that new inward investment was needed to help Monmouthshire to increase the local economy and earnings. There would be a need to attract high growth businesses such as technology and knowledge based companies. In addition, maximise our economic impact to be able to offer suitable infrastructure and high speed access to digital utilities to enable businesses to develop.

- Growing Entrepreneurs.

We were informed of a need to create high quality, well paid employment which would give residents the means to stay in the county, which also presented an opportunity to raise awareness of entrepreneurial opportunities that existed. The awareness would need to be raised among those of workforce age, but also at an earlier stage as part of the school curriculum.

During discussion following the presentation, we noted the following points:

- The Chair expressed that the timelines set out in the presentation would be helpful to the Committee in terms of scrutiny.
- Funds would be sourced through the Rural Development Programme, as well as other areas. There would cases where funding would be requested through Cabinet.
- A Member raised a point that we should encourage large employers to the area, whether it be for manufacturing or technology.
- We were informed that we have achieved great success in Monmouth Business Awards, an ongoing event throughout the year, providing networking opportunities.
- We were told that we were looking to advance work relating to Business Hubs, looking to utilise accommodation held in the portfolio of the Authority. This would provide an area where businesses could provide support and cross mentor themselves.

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- The Head of Commercial & People Development, Enterprise would provide an update to Cabinet regarding the progress of broadband throughout the county.
- A Member made a suggestion of creating an Enterprise One Stop Shop for to provide people with a central place to obtain information.
- Members required thorough communication to enable promotion of the Strategy.

In summary the Chairman thanked The Head of Commercial & People Development, Enterprise for the presentation, and highlighted the following points:

- Looking to attract large employers – ensuring we have the necessary skills.
- Developing contacts with businesses.
- Development of an Enterprise One Stop Shop.
- Continuing to improve presence on the internet.
- Compete against neighbouring authorities to obtain new businesses.
- Need for effective communication with Committee.

7. REVENUE & CAPITAL BUDGET MONITORING 2014/15 MONTH 3 OUTTURN FORECAST STATEMENT

We received a report regarding the forecast outturn position of the Authority at the end of month 3 for the 2014/15 financial year. The Assistant Head of Finance outlined the new format and welcomed any feedback with regard to the layout of the report.

Having received the report, the following points were noted:

- Members welcomed the new reporting format and stated that the select Committee needed to be informed of the salient points. Therefore, it was suggested that future reports be kept on a high level to allow the Select Committee to investigate areas, such as, where targets were not being met and areas of overspending.
- Savings projections needed to be realistic in order to avoid historic over spends.
- Directorates needed to be stricter in adhering to budget deadlines.
- The Directorate has flexibility to make savings where required. Major areas to focus on were the implementation of the new staffing structure and proposals were being presented to Cabinet. Non- essential spending would also need to be monitored during the management of the budget.

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- The Directorate was currently bearing the full cost of the Tithe Barn. However, in future, costs should be borne by the Authority and its partners.
- Another financial impact on the Directorate has been the relocation of Children's Services into the Magor Offices. This had prevented space being rented to the private sector resulting in the loss of potential income.
- It would be beneficial if the next report had quarter 1 comparator data to identify the development at quarter 2.
- It was noted that the £94,000 was not achievable thus far. However, subject to the next stage of the new Directorate structure, which was to be considered by Cabinet on 15th October 2014, part year savings were anticipated. Over the next three quarters measures would be in place to pull back this deficit via a reduction in non-essential spending and good budget management.

We resolved to receive and welcome the report and look forward to receiving additional information on comparator data in future reports.

8. MONMOUTHSHIRE TOURISM PERFORMANCE 2013

County Councillor J. Prosser declared a personal, non-prejudicial interest in this item as he is a member of Abergavenny Town Council.

We considered the report regarding Monmouthshire Tourism Performance for 2013.

Members were informed that:

- According to STEAM 2012, tourism revenue fell 7% between 2012 and 2011. Tourist days were down 6% and tourist numbers down 4% on 2011 figures. This had resulted in a 5% drop in tourism related employment in Monmouthshire between 2012 and 2011.
- According to STEAM 2013, tourism revenue in Monmouthshire grew by 1% between 2012 and 2013.
- The overall trend between 2002 and 2013 has been positive with regard to economic impact.
- There had been good results for 2013 with regard to visitor satisfaction. Results had indicated that Monmouthshire was exceeding expectations.

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- Survey data had indicated that half of the people surveyed had considered that the scenery in Monmouthshire could not be improved upon, three quarters had visited Monmouthshire previously, those that had visited Monmouthshire in the previous three years had returned as day visitors and 94% of visitors had recommended Monmouthshire to other people.
- Monmouthshire's tourism performance for 2013 was better than rural Wales but not better than South East Wales.
- Tourist days – Monmouthshire was in line with rural Wales.
- Jobs – Monmouthshire was slightly below the rural average.
- Economic Impact performance – Monmouthshire was still performing badly in the touring caravan sector.

Having received the report, the following points were noted:

- Trends were indicating positive growth in tourism performance. However, it was noted that there was a need to increase the amount of service accommodation.
- The value of each stay visitor equated to £260. Day visitors equated to a figure approaching £30.
- The quickest way to grow would be to generate additional service accommodation and create demand for this.
- The Head of Leisure and Culture was developing an Events Strategy, details of which would be presented to the Select Committee in due course.
- There was a need to do more to promote cultural issues and to engage with the outward tourism market.
- 140 tourism ambassadors had been trained. 200 hundred would be trained in total. Tourism ambassadors were offering town tours of Monmouth. In future, it was anticipated that the tourism ambassadors would be located in Tourist Information Centres, in a voluntary role, in future.
- There was an opportunity to generate new income by improving how tourism assets were marketed.
- Over the next six months the next round of external funding will be reviewed.

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- The new 'Visit Monmouthshire' website was being developed. The intention being to promote a wide range of visitor experiences in the County by delivering information in a more personalised way. The public will be able to liaise with the tourism ambassadors via the website.
- A television has been installed in reception at County Hall, Usk, which was highlighting tourism in Monmouthshire.
- Core markets within two to three hours of Monmouthshire were being targeted.
- In response to a Member's question regarding RDP funding, it was noted that tourism was featuring heavily within the Local Development Strategy. With regard to the funding element, formal notification was anticipated via Welsh Government. It was anticipated that funding was likely to be reduced.
- The Local Development Strategy could be presented to the next Select Committee Meeting.

We resolved:

- (i) to receive the report and noted its content;
- (ii) that the Major Events Strategy be presented to the Economy and Development Select Committee meeting on 16th October 2014;
- (iii) that the Local Development Strategy be presented to the Economy and Development Select Committee meeting on 20th November 2014.

9. CARDIFF CAPITAL REGION BOARD

County Councillor P.A. Fox, attending the meeting as a representative of the Cardiff Capital Region Board, outlined the following points:

- The Board consisted of 10 local authorities across South East Wales, namely, The Vale of Glamorgan, Bridgend, Newport, Caerphilly, Rhondda Cynon Taff, Merthyr, Torfaen, Blaenau Gwent and Monmouthshire, representing 1.5million people. The Board was announced in November 2013.
- The City Region was a strong model for growing the economy.
- The Board consisted of a mixture of local authorities, the private sector and educational establishments with support from the Welsh Government.

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- The Leaders of Torfaen, Monmouthshire, Newport and Merthyr local authorities sat on the Board.
- Russell Goodway was one of two Vice Chairman of the Cardiff Capital Region Board, the other Vice Chairman of the Board was Vice Chancellor of Cardiff University, Colin Reardon.
- Invited by the Welsh Government Minister to sit on the Board to provide a view from local authorities.
- Other representatives on the Board – Chief Operating Officer, Admiral, The Wales Director of British Telecom, A representative from Acorn recruitment, Chair of PriceWaterhouseCoopers, the Vice Chancellor of the University of South Wales, the Chair of the Metropolitan University. The Board is chaired by the Executive of the Welsh Rugby Union.
- The Board receives support via seconded staff from Welsh Government, Cardiff Council and Cardiff University which were based in the university's Glamorgan building. Board meetings were being held around the region.
- The first meeting was held in December 2013 in which the terms of reference were established.
- The Board was an advisory group to the Welsh Government Minister Edwina Hart. However, governance arrangements potentially leading to more autonomy for the Board might mature in future.
- The role of the Board was to focus on the following three main areas:
 - To provide the leadership, vision and strategic direction for the Cardiff Capital Region Board.
 - Undertake the prioritisation of projects and demonstrate the potential to achieve transformational economic change across the region.
 - To engage with wider stakeholders to encourage and support a collaborative approach to make the City Region a success.
- Need transformational projects such as the Metro Project which was currently in its infancy.
- The Board needs to focus on a strategy of what it intends to do in the future. A Strategic Plan was being developed with a view to completion being achieved by the end of the year which will address the core themes which are: Innovation skills, Place, Branding, Communications and Connectivity.

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- Talks were being held with various bus providers with a view to using branding on local buses to get the message of the region across. Bus services would be a fundamental part of the Metro service.
- £77million was to be invested in the first phase of the Metro. The whole Metro package will be achieved over a number of years at a cost £2billion. Phase 1 will provide an extension to the rail line to Ebbw Vale, a new station at Pye Corner, a bus priority scheme along the A470 corridor and the introduction of park and ride schemes.
- Actions for the next six months:
 - Give consideration to enable the Metro to be approved and delivered.
 - Need a governance structure.
 - Look at a combined authority model to deliver on the Metro.
 - The Board recognised that a combined authority model made sense.
 - Opportunity to revitalise South East Wales.
 - Crucial for the region to have an integrated transport service.
 - Aspire to have four stops per hour.
- The City Region concept would benefit Monmouthshire by providing investment in the region.
- An Impact study undertaken had identified that £2billion investment over 10+ years would create 7,000 jobs in the region and generate a further £8billion into the economy.
- The Board meets monthly with its working groups meeting in between these meetings.
- The private sector was keen to move progress quickly with higher education representatives keen to improve the skills base of local people.

Having received the presentation, the following points were noted:

- In response to a Member's question regarding how the City Region will affect Monmouthshire and Individual Members' wards, it was noted that the Board was currently an advisory group to the Welsh Government Minister, Edwina Hart. However, the Board was evolving and all aspects of South East Wales were being involved.
- Progress was being made with the Welsh Local Government Agency being provided with more information.

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- The Board will be building bigger conduits to allow Members to feed information into the Board.
- The Board was looking to become more autonomous in time.
- The development work of the Strategic Plan will be completed by the end of 2014 with a view to it being presented to the Minister in the Spring of 2015.
- The Board would provide all Members with a seminar on progress in due course with representatives from the Board meeting with all of the 10 local authorities.

We resolved to receive the presentation and noted its content.

10. WORK PROGRAMME 2014/15

We received the Economy and Development Select Committee Work Programme for 2014/15. In doing so, the following points were noted:

- A report on the Major Events Strategy will be presented to the Select Committee on 16th October 2014.
- A report on the Local Development Strategy will be presented to the Select Committee on 20th November 2014.
- Invite a representative of the Cardiff Capital Region Board to attend a future meeting of the Select Committee in the Spring of 2015.

We resolved to receive the report and noted its content.

11. COUNCIL AND CABINET BUSINESS FORWARD PLAN

We resolved to receive the Council and Cabinet Business Forward Plan and noted its content.

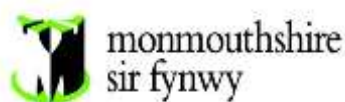
12. DATE AND TIME OF NEXT MEETING

We noted that the next meeting of the Economy and Development Select Committee would be held on Thursday 16th October 2014 at 10.00am.

The meeting closed at 4.21pm

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SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN: COMMUNITY INFRASTRUCTURE LEVY
MEETING: ECONOMY AND DEVELOPMENT SELECT COMMITTEE
DATE: 16 OCTOBER 2014
DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

- 1.1 The purpose of this report is to advise members of progress made on preparatory work for a Community Infrastructure Levy (CIL).

2. RECOMMENDATIONS:

- 2.1 Members note the contents of this report on the preparatory work being undertaken on CIL and comment accordingly.

3. KEY ISSUES:

3.1 The Community Infrastructure Levy (CIL).

CIL is a new levy that local authorities (LA) in England and Wales can choose to charge on new developments in their area. The money can be used to support development by funding infrastructure that the local community needs. It applies to most new buildings and charges are based on the size and type of the new development. The CIL regulations came into force on 6 April 2010. However, liability to pay CIL for a development will not arise until the LA has implemented a charging schedule (which has to be based on an up-to-date development plan, i.e. a Local Development Plan (LDP), and is subject to consultation). A guidance note describing how CIL operates is attached as **Appendix A**.

- 3.2 It was resolved at a meeting of Full Council on 27 June 2013 to commence preparatory work for CIL with a view to adopting a CIL charge as soon as is practicable following adoption of the Monmouthshire LDP. Subsequently, the LDP was adopted on 27 February 2014.

- 3.3 A Preliminary Draft Charging Schedule (PDCS) (attached as **Appendix B**) has been prepared for consultation purposes and it is intended to report this to Council in November 2014. The Charging Schedule has to undergo two rounds of public consultation and a likely Examination in Public. The current timetable (if Council agrees to the implementation of CIL) envisages adoption of CIL in July 2015, although some aspects of the process, such as the appointment of an inspector for the public examination, are not in the Council's control.

- 3.4 There are two elements to the production of a CIL charging schedule – a viability assessment and an infrastructure assessment. A study has been undertaken (attached as **Appendix C**) to establish the levels of CIL that are feasible because a CIL charge should not affect scheme viability and prevent development coming forward in an area. CIL is paid as so much per square metre. In Monmouthshire CIL will mainly be applied to residential development, as out-of-town retail schemes are the only non-residential developments on which it is feasible to charge. The proposed charges will vary by area/type of development and are set out in detail in the PDCS. As an illustration, on a 'typical' three bedroom semi-detached house the proposed

charges would be £4,800 on strategic sites and small sites in Severnside and £8,800 on most other sites in Monmouthshire.

3.5 LAs are required to undertake an infrastructure assessment to identify the need for and cost of infrastructure to support the level of development set out in the LDP. As part of this process a Draft Infrastructure Plan was prepared to support the LDP at Examination and was reported to Council at its meeting on 27 June 2013. CIL will replace a substantial element of the funding currently received from Section 106 Agreements, although Section 106 funding will still be required for infrastructure necessary to ensure that a development comes forward (e.g. access improvements), on-site provision of play facilities and affordable housing. One advantage of CIL is that, unlike Section 106, it does not have to be spent directly on matters necessary to implement a specific planning permission but can also be used on a more strategic basis to provide infrastructure in a wider area. The items on which the Council intends to spend CIL funding on would need to be specified in a 'Regulation 123 list'. This can be varied over time according to Council priorities and would be based on an Infrastructure Plan that sets out the items that are considered necessary to implement the LDP (other than those that are specific to a particular site). These can include more general 'place-making' schemes that support the growth proposed in the LDP. At present, it is being suggested that the Reg.123 list (as set out in the PDCS) includes sustainable transport improvements, upgrade/provision of broadband connectivity, town centre improvements, education, strategic sports/adult recreation facilities and green infrastructure, but this is for the Council to establish according to its priorities.

3.6 Landowners become liable for CIL when planning permission is granted and it is payable (not necessarily by the landowner as the liability can be transferred) when a development commences, although it is possible for payments to be made on an instalment basis. Planning permissions granted before CIL becomes operational, therefore, will not be liable to the charge but will still be subject to Section 106 requirements. However, the overall potential funding stream is slightly less under Section 106s because CIL brings all residential development, down to a single dwelling (although self-builders are excluded), into the charging regime. In addition, after 1 April 2015 no more than five Section 106 agreements can be used to fund a single piece of infrastructure. A further point to note is that fifteen per cent of the funding raised through CIL should be spent on infrastructure priorities that should be agreed with the local community in town and community council area where the development is taking place.

4. REASONS:

4.1 It is necessary for the Council to establish its position with regard to implementation of CIL to ensure that the potential for meeting infrastructure needs of communities though the implementation of the CIL Regulations is fully explored.

5. RESOURCE IMPLICATIONS:

Officer time and costs associated with developing CIL. These will be carried out by existing staff and within the existing budget, except for the likelihood that consultants will also be required as the CIL implementation process raises complex legal and technical issues (which are likely to be subject to a formal public examination) that requires specialised assistance from experts in this field. It is envisaged that these additional costs will be met from the existing Development Plans Professional and Technical Fees budget line. New funding streams will arise from CIL if it is introduced as it will replace and supplement Section 106 funding in a number of areas.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

6.1 Sustainable Development

The adoption of CIL will be a means of supporting and delivering the LDP. An integrated equality and sustainability impact assessment was carried out in relation to the LDP as a whole. Under the Planning Act (2004), the LDP was required, in any event, to be subject to a Sustainability Appraisal (SA). The role of the SA was to assess the extent to which the emerging planning policies would help to achieve the wider environmental, economic and social objectives of the LDP. The LPA also produced a Strategic Environmental Assessment (SEA) in accordance with the European Strategic Environment Assessment Directive 2001/42/EC; requiring the 'environmental assessment' of certain plans and programmes prepared by local authorities, including LDP's. All stages of the LDP were subject to a SA/SEA, therefore, and the findings of the SA/SEA were used to inform the development of the LDP policies and site allocations in order to ensure that the LDP would be promoting sustainable development. CIL is supporting these existing LDP policies, which were prepared within a framework promoting sustainable development.

6.2 Equality

6.2.1 The LDP was also subjected to an Equality Challenge process and due consideration given to the issues raised. As with the sustainable development implications considered above, CIL is supporting these existing LDP policies, which were prepared within this framework.

7. **BACKGROUND PAPERS:**

- Monmouthshire Adopted LDP (February 2014)
- Monmouthshire County Council Draft Infrastructure Plan (March 2013)

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Monmouthshire County Council

Community Infrastructure Levy (CIL)

Guidance Note

DRAFT

Development Plans Service

September 2014

Community Infrastructure Levy (CIL) Guidance Note

1 INTRODUCTION

- 1.1 The purpose of this document is to provide an overview of the Community Infrastructure Levy (CIL) – a planning charge that came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010 (as amended). CIL is not a devolved issue to Wales and responsibility for the introduction and development of the CIL process rests with the UK Government. This document sets out the key features of the levy, its purpose and how it will function in practice. In addition to this guidance note, the Council has prepared a Preliminary Draft Charging Schedule which sets out the proposed CIL for Monmouthshire.

What is the Community Infrastructure Levy (CIL)?

- 1.2 The Community Infrastructure Levy is a new charge which local authorities in England and Wales can charge on most types of development in their area. It applies to most new buildings with 100 square metres or more of gross internal floorspace and to new dwellings of any size. The CIL Regulations 2010 (as amended) allow charging authorities to set differential rates by the type, size and location of development. The revenue generated from CIL is used to fund infrastructure that is required to support future development in an authority's area. CIL cannot be expected to pay for all of the infrastructure required but it is expected to make a significant contribution. Once introduced the CIL is mandatory and will be charged against all new development that meets the qualifying criteria (see 1.4 below).

Why seek to introduce CIL?

- 1.3 It is anticipated the levy will offer a number of benefits which include:
- Delivering funding for local authorities to provide a range of physical, social and green infrastructure that supports growth and benefits local communities.
 - Providing developers with more certainty 'up front' in respect of development costs to which they will be expected to contribute, which in turn should encourage greater confidence.
 - Ensuring greater transparency in terms of how development contributes to local communities. The levy is beneficial to local communities as communities are able to receive a proportion of the CIL revenue generated in their area to fund local infrastructure.

What Types of Development will be charged CIL?

- 1.4 The following development types are eligible to be charged CIL:
- All new build residential dwellings.
 - New non-residential buildings with a gross internal floorspace of over 100 square metres.
 - New build extensions to existing buildings over 100 square metres.

- 1.5 The levy will apply to all such development regardless of the type of planning consent used to grant permission. CIL will be charged in pounds per square metre on the net additional increase in floorspace.

Is any Development Exempt from Paying CIL?

- 1.6 The CIL Regulations 2010 (as amended) set out in detail where exemptions will apply and the procedures for seeking relief from the levy. Developments exempt from paying CIL include:
- Development with gross internal area of less than 100 sq m (unless a house).
 - Self-built dwellings and residential annexes/extensions.
 - Affordable housing.
 - Development used for charitable purposes.
 - Vacant buildings brought back into the same use.
 - Structures which are not buildings (e.g. wind turbines).
 - Buildings into which people do not normally go.
 - Buildings into which people only go intermittently for the purpose of inspecting or maintaining fixed plant or machinery.
- 1.7 The regulations allow authorities to offer CIL relief in exceptional circumstances where the specific scheme cannot afford to pay the levy, although there are conditions associated with this. The majority of development will not be eligible for exceptional circumstances relief and the fact that a development might be unviable at the time a planning application is submitted is unlikely to constitute an 'exceptional circumstance' in relation to the regulations.

2 CIL RATES

Setting the CIL Rate

- 2.1 In order to charge CIL, charging authorities (i.e. local authorities in Wales) are required to produce a charging schedule that sets out the rates to be applied to their area which must be based on sound viability evidence. Authorities are able to charge different rates depending on the type, scale and location of development providing this can be justified by an assessment of impact on development viability. Importantly, different rates can only be set on the basis of economic viability – not to support other objectives.
- 2.2 The CIL Regulations 2010 (as amended) require charging authorities to strike an appropriate balance between the desirability of funding infrastructure from the levy and the potential impact of the levy on the economic viability of development across the area. It is important that CIL rates are not set at the upper limit of viability in order to deal with fluctuations in economic cycles. Charging authorities should be able to demonstrate how their proposed CIL rate will contribute towards the implementation of their local development plans and support development across their area.

What will the CIL Rates be in Monmouthshire?

- 2.3 The Council's Preliminary Draft Charging Schedule sets out the proposed CIL charges for Monmouthshire. This has been informed by a comprehensive viability assessment which provides detailed evidence on development viability across a range of sites and uses in the County¹. On the basis of this evidence and in accordance with the regulations, the Council has sought to set its CIL rates within the levels of what could be charged by allowing a 30% buffer in order to ensure that the rates do not put the overall viability of development at risk.

3 COLLECTING CIL

How will CIL be Collected?

- 3.1 CIL will be collected by the 'collecting authority' (i.e. local authorities in Wales). The collecting authority calculates individual payments and is responsible for ensuring that payment is made.

How will CIL be calculated?

- 3.2 The rate will be based on the area of development liable and the level of charge identified for the use proposed in the location of the development. The chargeable rate will be index linked.
- 3.3 The chargeable amount will be calculated at the time planning permission first permits the chargeable development in accordance with the formula set out below:

$$\frac{R \times A \times Ip}{Ic}$$

R = the CIL rate set out in tables 1 and 2
A = the deemed net area chargeable at rate R
Ip = the index² figure for the year in which planning permission was granted
Ic = the index figure for the year in which the charging schedule took effect

- 3.4 CIL will be charged on the net additional gross internal floor area of a development. Where buildings are demolished, the total demolished floorspace will be off-set against the floorspace of the new buildings, providing the buildings were in lawful use for a continuous period of 6 months within the

¹ MCC CIL Viability Assessment – Viability Evidence for Development of a CIL Charging Schedule (Three Dragons with Peter Brett Associates, July 2014)

² The index is the national All-in Tender Price Index of construction costs published by the Building Cost Information Service of the RICS and the figure is for 1st November of the preceding year

past three years³. Where the chargeable amount is less than £50 it is deemed to be zero.

- 3.5 In instances where there is more than one use class in a development, the chargeable development in each use class is calculated separately and then added together to provide the total chargeable amount.
- 3.6 Where an outline planning permission allows development to be implemented in phases, each phase of the development is a separate chargeable development. In the case of outline planning applications where the floorspace is not specified the amount will be calculated at the submission of reserved matters.

Who will be Liable for Paying CIL?

- 3.7 The responsibility to pay CIL runs with the ownership of the land (although anyone involved in a development may assume the liability for CIL) and is transferred when ownership is transferred. The person liable for CIL must submit a commencement notice to the authority prior to commencement of development. The authority will then serve a demand notice on the liable party in respect of the chargeable development.
- 3.8 Where a development has a party who has assumed liability, the development will be entitled to a payment window and possibly payment through instalments provided other CIL procedures are followed. Where no-one assumes liability to pay CIL, the liability will automatically default to the landowner and payment becomes due as soon as development commences.

When will CIL be Paid?

- 3.9 CIL payments are due from the date that a chargeable development is commenced. When planning permission is granted the authority will issue a liability notice which sets out the amount that will be due for payment, the payment procedure and the possible consequences of failure to comply with the requirements.
- 3.10 Where planning permission is granted retrospectively for development that has already been carried out, the commencement date for the purposes of CIL will be day on which planning permission is granted.
- 3.11 Payments can be made in instalments subject to the authority publishing an instalments policy.

Can CIL be Paid 'in kind'?

- 3.12 The CIL Regulations 2010 (as amended) recognise that there may be circumstances where the authority and person liable for CIL may wish land and /or infrastructure to be provided instead of money to satisfy a charge. Accordingly, subject to relevant conditions an authority may enter into an agreement to receive land / infrastructure as payment.

³ Regulation 40 (as amended by the 2014 Regulations) provides detail on how this should be taken into account

4 SPENDING CIL

What can CIL money be spent on?

- 4.1 CIL is intended to fund the provision of new infrastructure and should not be used to remedy pre-existing deficiencies in infrastructure provision unless those deficiencies will be made more severe by the new development. It can also be used to increase the capacity of existing infrastructure or to repair failing infrastructure if that is necessary to support development.
- 4.2 The levy can be used to fund a wide range of infrastructure including:
- Transport
 - Education
 - Flood defences
 - Parks and green spaces
 - Cultural and sports facilities
- It is for the authority to determine what infrastructure will be funded through CIL and to prioritise infrastructure delivery. Of note, CIL cannot be used to fund affordable housing – this will continue to be provided through planning obligations.
- 4.3 The Government wish to ensure that communities that experience new development directly share the benefits. The regulations therefore require authorities to allocate 15% of CIL receipts to spend on infrastructure priorities that should be agreed with the local community in areas where development is taking place i.e. passed to community councils in Wales. In areas without community councils the authority will retain CIL receipts but must engage with the communities where development has taken place and agree with them how best to spend the levy.
- 4.4 Authorities are able to spend CIL on infrastructure projects outside of their area and may also pool contributions to provide infrastructure that would facilitate development in their areas.

Regulation 123 List

- 4.5 Regulation 123 of the Community Infrastructure Levy provides for authorities to publish a list of infrastructure that will be eligible to be funded, wholly or partly, by CIL – i.e. the Regulation 123 List. The infrastructure included in the list should draw heavily from the infrastructure requirements set out in local development plans and can include generic and/or more project specific types of infrastructure.
- 4.6 CIL Regulation 123 restricts the use of planning obligations (S106 agreements) for infrastructure that will be funded in whole or part by CIL in order to ensure that there is no double charging towards the same item of infrastructure. This means that a S106 contribution cannot be made towards an infrastructure item included in a Regulation 123 list. This will make certain that individual developments cannot be charged for the same infrastructure items through both planning obligations and CIL.

- 4.7 Regulation 123 Lists should also set out those known site-specific matters where S106 contributions are likely to be the funding mechanism in order to provide transparency on what authorities intend to fund through CIL and those matters where S106 contributions will continue to be sought.

5 CIL AND PLANNING OBLIGATIONS

What is the relationship between CIL and Planning Obligations?

- 5.1 CIL will be used as the mechanism for pooling contributions from a variety of new developments to fund the provision of new infrastructure to support development in an area. CIL offers greater flexibility than planning obligations in terms of how the levy can be used. CIL can be used to fund a wide range of infrastructure that supports the development of the area with no requirement for there to be a direct geographical or functional relationship between the development site and where infrastructure is provided. The levy secured in one part of an authority's area can be used to support delivery of infrastructure in another.
- 5.2 In order to ensure that planning obligations and CIL are able to operate in a complementary way the CIL Regulations scale-back the way planning obligations operate. Limitations are placed on the use of planning obligations in three respects:
- Putting the policy tests on the use of planning obligations (set out in Wales in Circular 13/97, Planning Obligations) on a statutory basis for developments which are capable of being charged CIL;
 - Ensuring the local use of CIL and planning obligations do not overlap;
 - Limiting pooled contributions from planning obligations towards infrastructure which may be funded by CIL. This means that contributions may be pooled from up to five separate planning obligations for a specific item of infrastructure (e.g. a local school) that is not included on the charging authority's infrastructure.
- 5.3 The CIL Regulations have made the policy tests on the use of planning obligations statutory – this is intended to clarify the purpose of planning obligations in light of CIL. From 6 April 2010 CIL Regulation 122 has made it unlawful for a planning obligation to be taken into account when determining a planning application for a development that is capable of being charged the levy, whether there is a levy in place or not, if the obligation does not meet all of the following tests:
- Necessary to make the development acceptable in planning terms;
 - Directly related to the development; and
 - Fairly and reasonably related in scale and kind to the development.
- 5.4 Furthermore, after April 6 2015, or upon implementation of a CIL Charging Schedule (whichever is the earliest), all infrastructure not included in a Regulation 123 List cannot be funded through CIL contributions and may only

be funded through S106 agreements which will be subject to rigorous application of the three statutory tests (as noted above).

5.5 Accordingly, planning obligations will continue to be secured albeit in a more restricted way. They will continue to play a role in the following areas:

- Affordable housing.
- Site-specific mitigation (on-site infrastructure is often required to make the development of a site acceptable e.g. access roads, play space provision).
- Restricting the use of land / buildings (e.g. clauses relating to tourism related occupancy).

5.6 It will not be possible to charge twice for the same item of infrastructure through both planning obligations and CIL. As detailed above, Regulation 123 lists set out what infrastructure will be eligible to be funded through CIL. Infrastructure included in these lists will no longer be eligible to be funded through planning obligations. This will ensure that the combined impact of contribution requests does not threaten the viability of sites / scale of development set out in local development plans.

6 STAGES IN THE PREPARATION OF CIL

6.1 The preparation of the CIL involves a number of stages as set out below:

- **Development of Evidence Base** – this will inform the subsequent stages of the CIL process and should include the following:
 - Identifying the range and scale of infrastructure that is required to deliver the development set out in the local development plan;
 - Establishing that there is a funding gap between the cost of, and the money available to deliver this infrastructure;
 - Establishing the type, scale and location of development and the rate at which CIL can be set in order to fund the necessary infrastructure without compromising the viability of development across the area.
- **Preliminary Draft Charging Schedule** – authorities are required to prepare and consult on this document which, based on the viability evidence, sets out the proposed CIL rates by the type, scale and location of development in an area.
- **Draft Charging Schedule** – following consideration of the comments made on the preliminary draft, authorities are required to publish and consult on the Draft Charging Schedule and amend as appropriate.
- **Examination** – authorities are then required to submit the Draft Charging Schedule together with the evidence base and representations received for independent examination. The examiner will consider whether the charging schedule meets the requirements of the CIL Regulations and Planning Act, is supported by appropriate evidence and whether the rates would threaten economic viability across the area as a whole.
- **Adoption and Implementation** – the examiner will issue a report to the authority and, subject to this, the charging schedule can be adopted and the CIL implemented.

7 MONITORING

How will CIL be Monitored?

7.1 The rates at which CIL is charged must be monitored as changes in market conditions and construction costs can impact on development viability. Authorities are required to publish an annual report on CIL for the previous financial year (by 31 December each year) which sets out:

- How much CIL monies have been collected;
- How much of that money has been spent;
- Information on how CIL monies have been spent (including specific infrastructure projects and how much has been used to cover administrative costs); and
- The amount of CIL retained at the end of the reporting period.

The Council intend to formally review the Charging Schedule within 5 years of adoption. If, however, economic or development delivery conditions change significantly in the intervening period an earlier review may be necessary. The Regulation 123 List can be reviewed separately from the Charging Schedule. Accordingly, the Council will seek to review the Regulation 123 list on a regular basis as part of monitoring CIL. Any such review would be subject to appropriate consultation in accordance with the CIL Regulations (as amended).



monmouthshire
sir fynwy

Monmouthshire County Council

**Community Infrastructure Levy
Preliminary Draft Charging Schedule and
Draft Regulation 123 List
DRAFT**

**Development Plans Service
September 2014**

Preliminary Draft Charging Schedule

1 Introduction

- 1.1 The purpose of this document is to set out Monmouthshire County Council's Preliminary Draft Charging Schedule for the Community Infrastructure Levy (CIL) in its area. The finance generated from the CIL will be used to secure infrastructure required to support development in accordance with the Monmouthshire Local Development Plan. This charging schedule has been prepared in accordance with the requirements of the Community Infrastructure Levy Regulations 2010 (as amended).

2 Community Infrastructure Levy Rates

- 2.1 Monmouthshire County Council is the charging and collecting authority for the purposes of charging and collecting the Monmouthshire Community Infrastructure Levy respectively. The CIL charge will not apply to that part of Monmouthshire that lies within the Brecon Beacons National Park. The responsibility for setting and collecting the levy in this area will rest with the National Park Authority.
- 2.2 Reflecting the findings of the CIL viability study¹, the Council intends to charge CIL at the rates, expressed as pounds per square metre, as set out in tables 1 and 2 below.

Residential Development Rates

- 2.3 The CIL rate for residential development will be charged at different rates across the County. Maps showing the location and boundaries of the areas in which differential rates will be charged are attached at Appendix 1 (maps 1-5).

¹ MCC CIL Viability Assessment – Viability Evidence for Development of a CIL Charging Schedule (Three Dragons with Peter Brett Associates, July 2014)

Table 1: Residential Development CIL Rates

Category	Geographical Area	CIL rate per square metre
(1)	Strategic LDP Sites* <ul style="list-style-type: none"> • Deri Farm, Abergavenny (SAH1) • Crick Road, Portskewett (SAH2) • Fairfield Mabey, Chepstow (SAH3) • Wonastow Road, Monmouth (SAH4) • Rockfield Road, Undy (SAH5) • Vinegar Hill, Undy (SAH6) 	£60
(2)	Non-strategic sites in the Main Towns of Abergavenny, Chepstow and Monmouth and the Rural Rest of Monmouthshire** except for Category (5) sites.	£110
(3)	Non-strategic sites in Severnside settlements***	£60
(4)	Sudbrook Paper Mill Strategic Site (SAH7)	£0
(5)	Sites in Main and Minor Villages, including those identified in Policy SAH11, that are required to provide above 35% affordable housing	£0
(6)	Retirement Housing	£0

*This excludes the strategic site in Category (4): Sudbrook Paper Mill (SAH7)

**The 'Rural Rest of Monmouthshire' includes the Rural Secondary Settlements and the Main and Minor Villages identified in LDP Policy S1, together with all open countryside ('open countryside' being the area outside the named settlements in LDP Policy S1').

***Severnside Settlements are identified in LDP Policy S1 as Caerwent, Caldicot, Magor, Portskewett, Rogiet, Sudbrook and Undy

Commercial Development Rates

- 2.4 The CIL rate for A1 retail out-of-centre uses will be charged at a single rate across the County as set out in Table 2. A zero CIL charge will apply to all other non-residential uses across Monmouthshire. Maps showing the County's Central Shopping Areas where a zero CIL charge will apply are attached at Appendix 1 (maps 6-12) - in areas outside the Central Shopping Areas a CIL rate of £200 per square metre will apply to out-of-centre retail uses.

Table 2: Commercial Development CIL Rates

Type of Development	CIL rate per square metre
A1 Out-of-Centre Retail	£200

3 Spending CIL

- 3.1 In accordance with the CIL Regulations, the Council must apply CIL receipts to funding infrastructure to support the development of its area.
- 3.2 As part of the Local Development Plan process the Council considered the infrastructure requirements of the County up to 2021 which are set out in the Draft Infrastructure Plan. The document sets out the infrastructure necessary to deliver the LDP strategic sites (to be funded through S106 agreements) together with an initial list of potential 'place-making' and other infrastructure projects by settlement (to be funded through CIL). Information is provided in respect of the cost of infrastructure, funding sources and responsibility for delivery, where known.
- 3.3 The Council's draft Regulation 123 List provided at Appendix 2 has been prepared in support of the Preliminary Draft Charging Schedule and sets out the categories of infrastructure that will be eligible to be funded through CIL. The infrastructure listed cannot then be funded through planning obligations. The list will be revised as necessary as the Council's infrastructure priorities are progressed and a detailed infrastructure plan is developed.
- 3.4 It is improbable that CIL could ever raise sufficient levels of funding to provide all of the infrastructure items that the Council would wish to see delivered. Consequently, the inclusion of an infrastructure item on the Regulation 123 List will not constitute a commitment by the Council to fund that infrastructure through CIL. Decisions on what infrastructure will be delivered through CIL rests with the Council and will be influenced by its priorities and the amount of CIL funding available. The Council will seek to review the list on a regular basis as part of the monitoring of CIL.

4 Next Steps in the CIL Process

- 4.1 The anticipated timetable for delivering the Monmouthshire Community Infrastructure Levy is set out in Table 3 below.

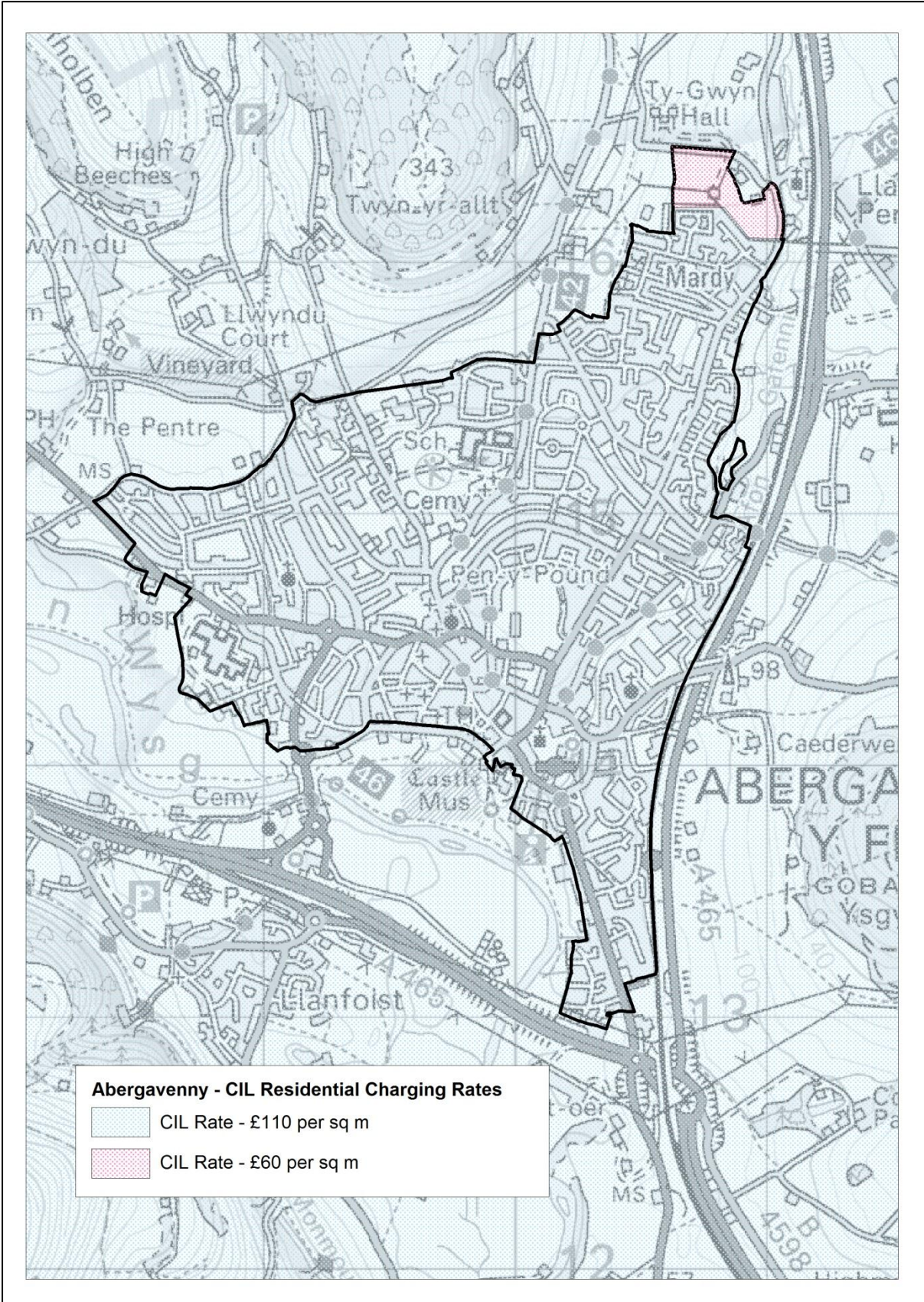
Table 3: Anticipated CIL Delivery Timetable

Stage	Timescale
Consultation on the Preliminary Draft Charging Schedule	December 2014
Prepare Draft Charging Schedule	January 2015
Consultation on Draft Charging Schedule	February 2015
Submission for Examination	March 2015
Examination	April/May 2015
Examiner's Report	June 2015
Implementation of CIL	July 2015
Annual Monitoring Report	October 2016

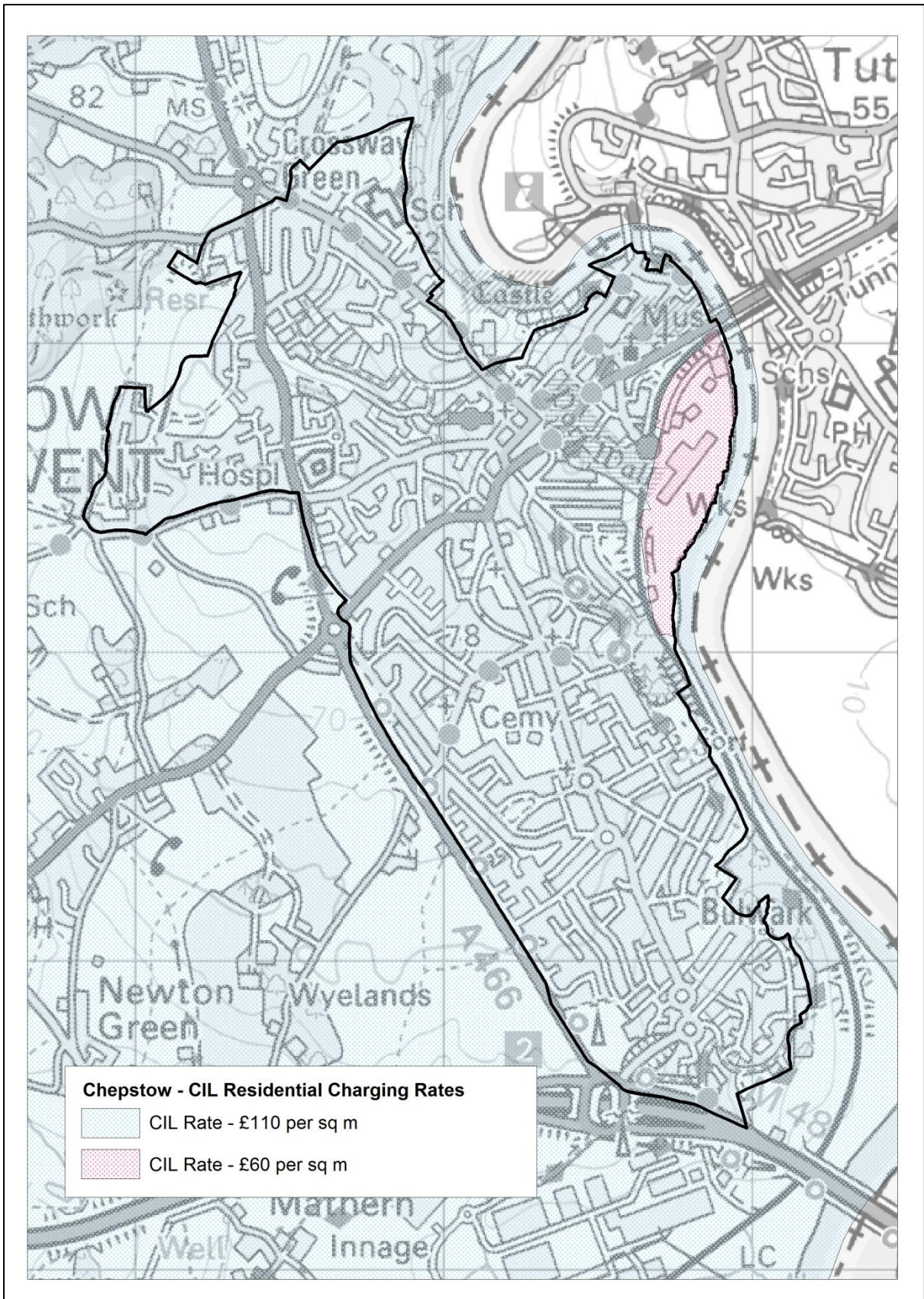
APPENDIX ONE

CIL CHARGING ZONE MAPS

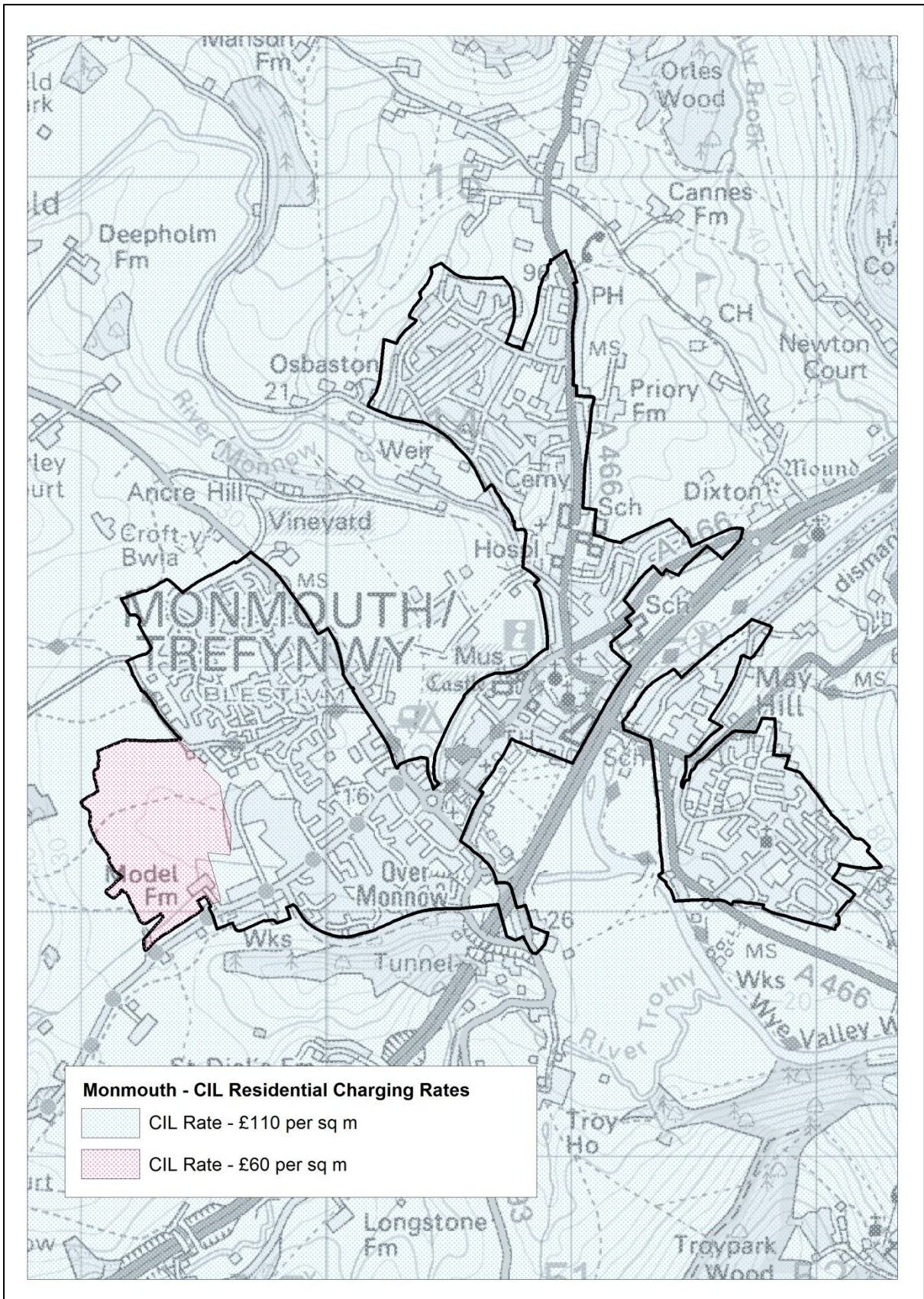
Map 1: Abergavenny Residential Development CIL Rates



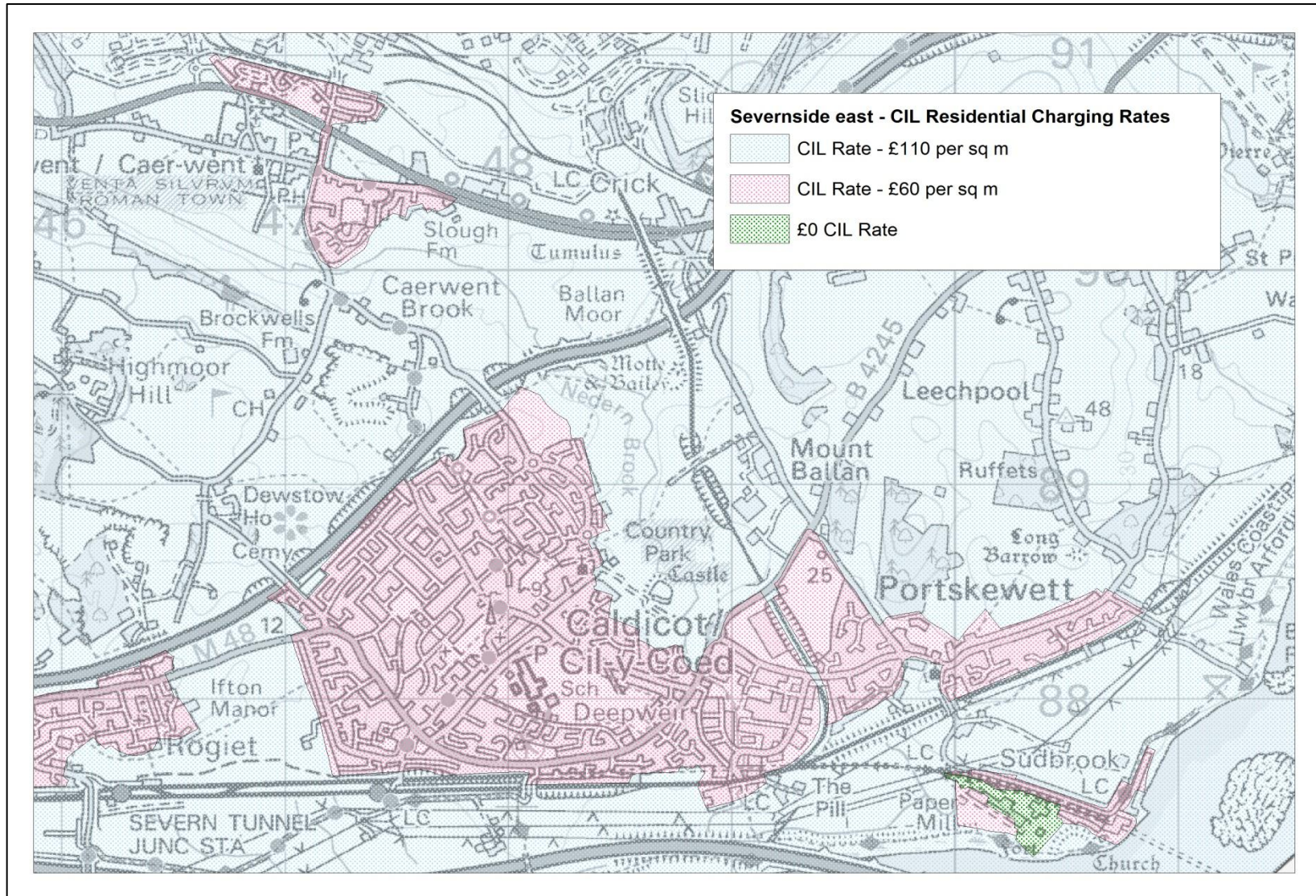
Map 2: Chepstow Residential Development CIL Rates



Map 3: Monmouth Residential Development CIL Rates



Map 5: Severnside East Residential Development CIL Rates



Map 6: Abergavenny Commercial Development CIL Rates



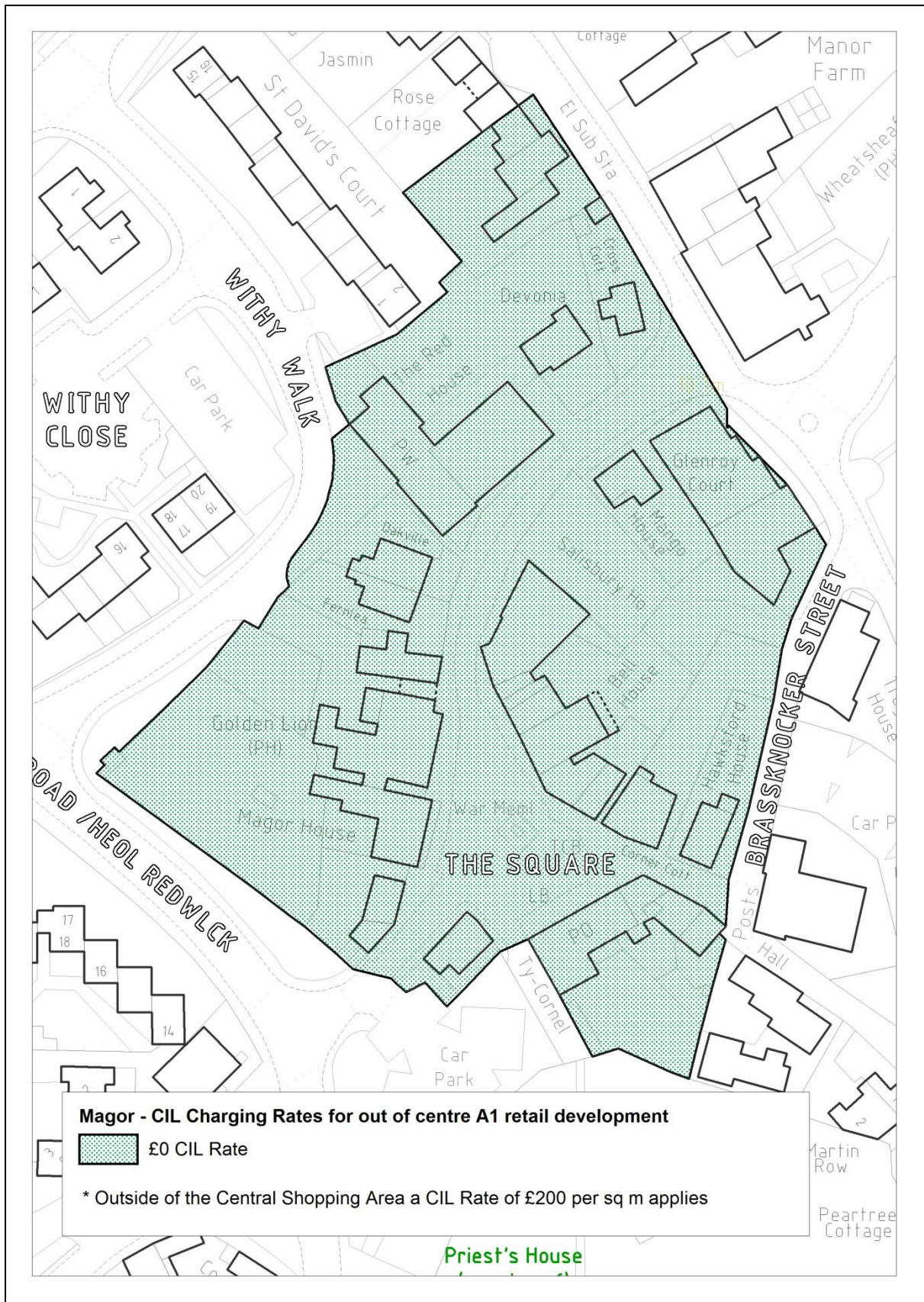
Map 7: Caldicot Commercial Development CIL Rates



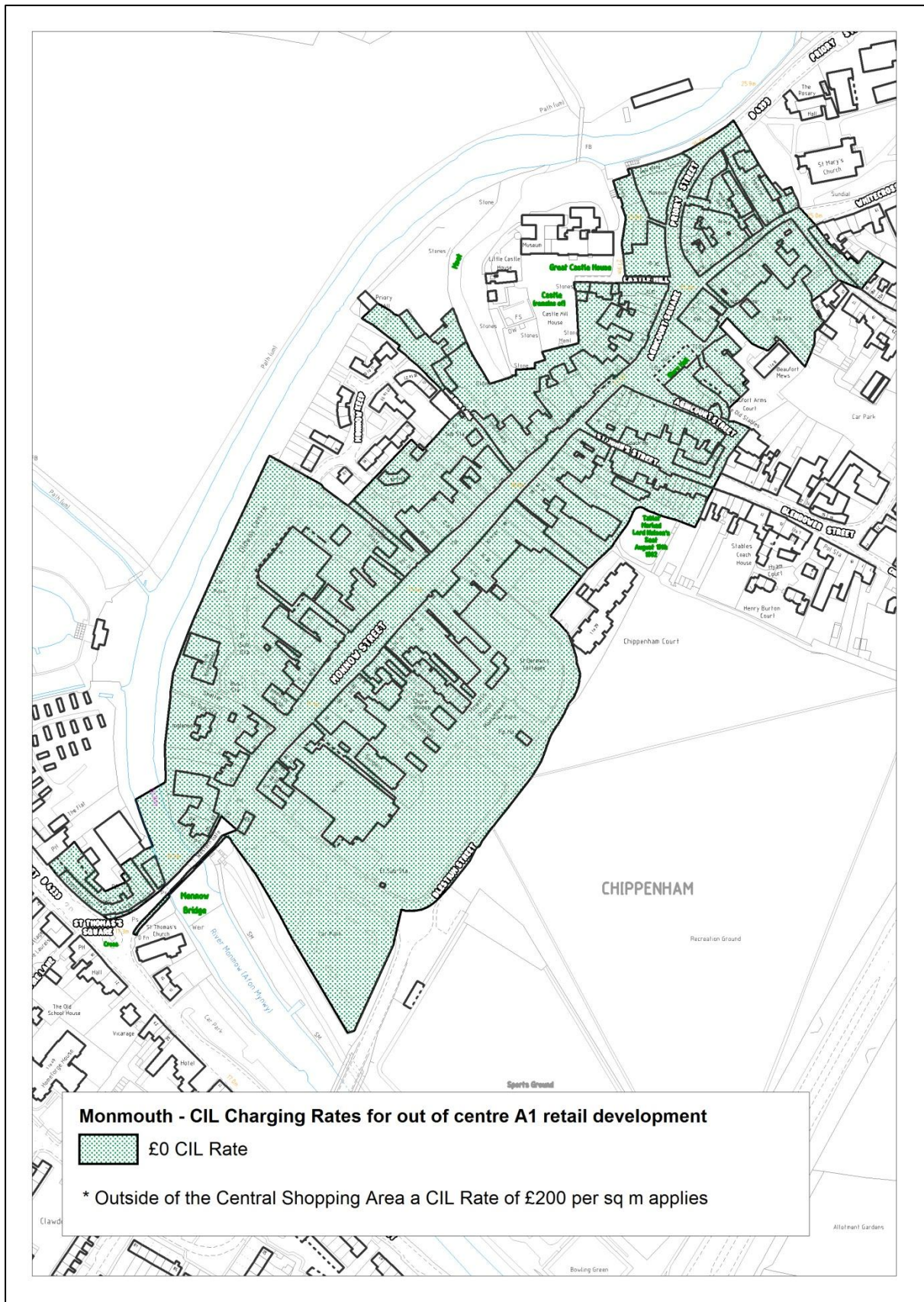
Map 8: Chepstow Commercial Development CIL Rates



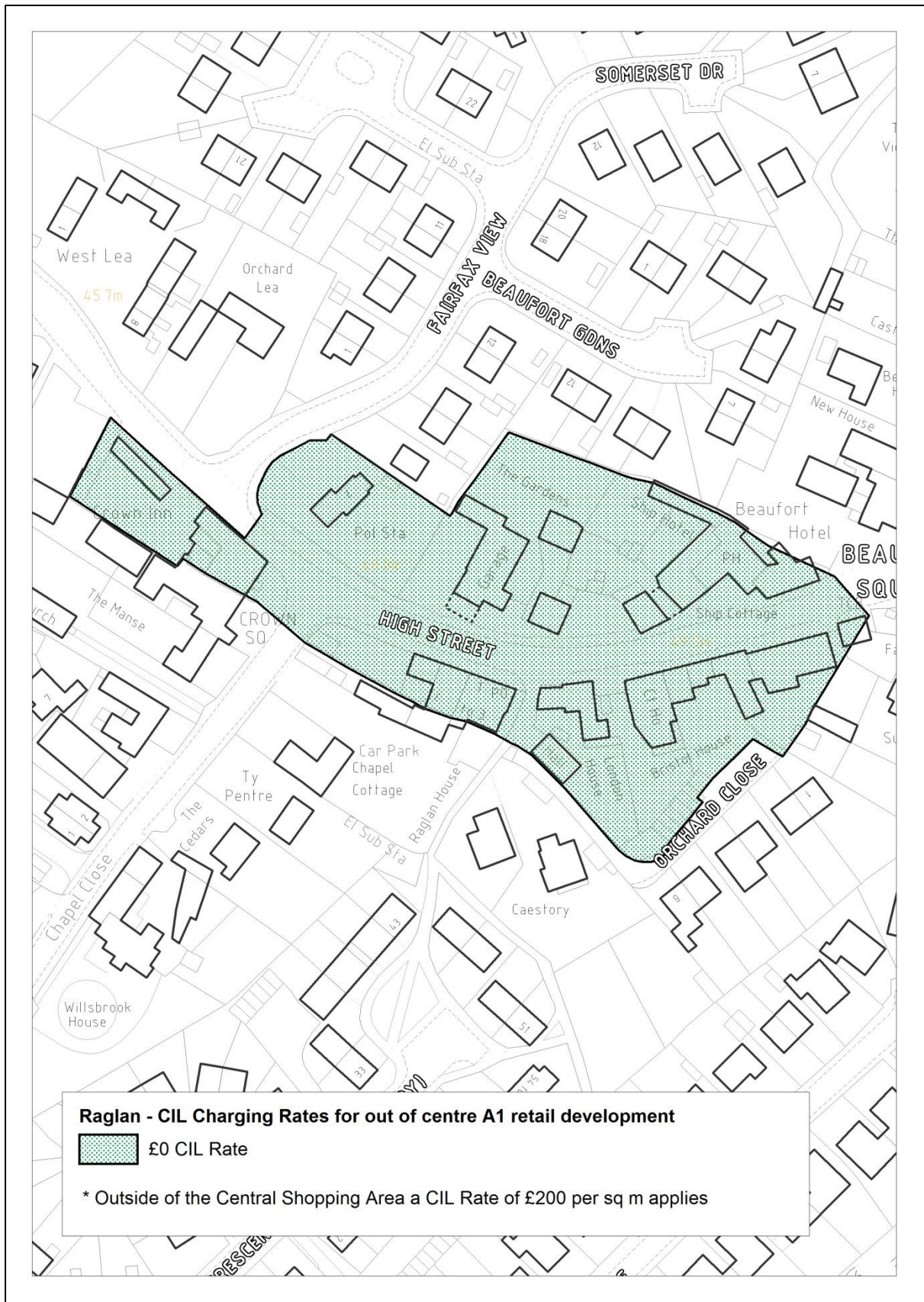
Map 9: Magor Commercial Development CIL Rates



Map 10: Monmouth Commercial Development CIL Rates



Map 11: Raglan Commercial Development CIL Rates



Map 12: Usk Commercial Development CIL Rates



APPENDIX TWO

Draft Regulation 123 List

The categories of infrastructure listed below will be eligible to be funded, wholly or in part, through CIL.

Physical Infrastructure
Including:
<ul style="list-style-type: none">• Sustainable transport improvements
<ul style="list-style-type: none">• Upgrade/provision of broadband connectivity
<ul style="list-style-type: none">• Town centre improvements
Social Infrastructure
Including:
<ul style="list-style-type: none">• Education
<ul style="list-style-type: none">• Strategic sports /adult recreation facilities
Green Infrastructure
Schemes to be identified

Exclusions from the Draft Regulation 123 List

The following types of infrastructure do not appear on the Draft Regulation 123 List and will be funded through S106 contributions where they meet the statutory tests set out in CIL Regulation 122:

- Infrastructure associated with the LDP Strategic Sites identified in the Council's Draft Infrastructure Plan.
- Affordable housing.
- On-site play space provision.

APPENDIX THREE

MCC CIL Evidence Base

The following documents support the Preliminary Draft Charging Schedule and the Draft Regulation 123 List. The documents are available to view on the Council's website and at Planning Reception, County Hall, Rhadyr, Usk NP15 1GA.

- **Monmouthshire Local Development Plan 2011-2021**
This is the adopted development plan for Monmouthshire (excluding that part of the County within the Brecon Beacons National Park) which sets out the development framework for the County until 2021.
- **Monmouthshire County Council CIL Viability Assessment – Viability Evidence for Development of a Community Infrastructure Levy Charging Schedule (Three Dragons with Peter Brett Associates, July 2014)**
This is a comprehensive viability assessment which has provided the Council with evidence to inform the Preliminary Draft Charging Schedule.
- **Monmouthshire Draft Infrastructure Plan (March 2013)**
This sets out the requirements, phasing and costs and funding of infrastructure necessary to support the delivery of the LDP. It lists the infrastructure necessary for delivering the LDP strategic sites (annex 1) together with potential 'place-making' and other infrastructure projects by settlement (annex 2). The list in Annex 2 will be added to and revised as necessary as the Council establishes its priorities in light of available resources.

**MONMOUTHSHIRE
COUNTY COUNCIL – CIL
VIABILITY ASSESSMENT**

**Viability evidence for
development of a
Community
Infrastructure Levy
Charging Schedule**

Three Dragons with Peter
Brett Associates
July 2014

Final Report



This report is not a formal land valuation or scheme appraisal and should not be relied upon as such. The report has been prepared using the Three Dragons residential toolkit and the Peter Brett non-residential model and is based on local authority level data supplied by Monmouthshire County Council, consultations and quoted published data sources. The models used provide a review of the development economics of illustrative schemes and the results depend on the data inputs provided. This analysis should not be used for individual scheme appraisal. No responsibility whatsoever is accepted to any third party who may seek to rely on the content of the report unless previously agreed.

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6. Case Study Results
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EXECUTIVE SUMMARY

1. The Monmouthshire County Council Viability Assessment provides the Council with evidence to assist it in drawing up a Community Infrastructure Levy (CIL) charging schedule. The evidence has been prepared in consultation with the development industry and has followed the relevant regulations and guidance. Evidence has been prepared to inform the CIL charging schedule for both residential and non-residential uses.
2. The recently adopted Monmouthshire Local Development Plan includes affordable housing viability testing as part of its evidence base. This has been reviewed in this new viability work, with testing to determine which assumptions remain current and which required updating.

Residential uses

3. Residential development has been tested through notional 1 ha tiles and through case studies representative of the development planned to take place in Monmouthshire. The notional 1 ha tiles are used to test development on a common basis, which allows the effects of different market areas and different densities to become apparent. The case studies include the seven strategic sites identified in the Local Development Plan as well as other sites, including those planned to provide high proportions of affordable housing.
4. Including a 30% 'buffer', the potential residential development CIL rates that the Council may like to consider are:
 - Strategic Sites except SAH7 Sudbrook Paper Mill - £60/sq m
 - Small sites in Severnside - £60/sq m
 - Small sites in main towns, villages and rural rest of Monmouthshire £110/sq m
 - SAH7 Sudbrook Paper Mill - £0/sq m
 - Village schemes with above 35% affordable housing - £0/sq m
 - Retirement housing - £0/sq m
5. On a 'typical' three bedroom semi-detached market house the proposed charges would be £4,800 on strategic sites and on small sites in Severnside, and £8,800 on small sites in main towns, villages and rural rest of Monmouthshire. This would be in addition to the typical £1,000/dwelling residual s106 and any of the obligations affecting development on the strategic sites. This compares to the current typical s106 payments of £6,000-£7,000 per dwelling.

Non-residential uses

6. The viability testing for non-residential uses included a range of developments representative of the types of development likely to come forward under the Local Development Plan as follows:
 - Retail
 - Offices
 - Industrial

- Warehouse
 - Hotels
 - Care homes
7. Using the same residual value analysis as the residential development, these non-residential uses were tested. The results show that there is scope to charge a **theoretical maximum** of £604/sq m for supermarkets, £331/sq m for retail warehouse, £68/sq m for town centre convenience retail units and £101/sq m for local store - out of centre (convenience) units. It is advised that at whatever the authority chooses as an appropriate charge that a buffer is included, so as not to set the charge at the ceiling of viability as advised in the guidance. Compared to residential development there will be fewer examples of non-residential development and it is likely that there will be wide variations in costs and values. Therefore a larger buffer is required than the 25%-30% considered for residential – a buffer of 40% is recommended. It is suggested that the Council considers a CIL rate of £200 per sq m for out of centre retail development.
8. It is suggested that a zero charge applies to all the other forms of non-residential development. All other tested uses show negative values, although, it is important to note that this does not mean that these uses will never come forward in Monmouthshire. Bespoke schemes with identified end users and land owners willing to sell at lower prices will enable development to come forward in the future.

1 INTRODUCTION

1.1 Three Dragons and Peter Brett Associates were commissioned by Monmouthshire County Council in 2014 to produce this CIL Viability Assessment. This document should be read in conjunction with the Council's forthcoming Infrastructure Plan and regulation 123 list, which will specify the funding gap that CIL will go towards and the type of infrastructure to be funded by CIL. The forthcoming planning obligations SPG will provide further detail on the residual s106/278 requirements.

Purpose of the Economic Viability Assessment

1.2 The viability evidence provided in this report is to assist Monmouthshire County Council in determining a proposed Community Infrastructure Levy (CIL) charging schedule for residential and non-residential uses.

1.3 The viability testing for this report has been designed to assess:

- The amount of CIL that residential and non-residential development can afford.
- Whether there are differences in viability across the county, sufficient to justify different CIL rates.

1.4 The current viability assessment builds on a suite of earlier viability studies. There was an Affordable Housing/Strategic Viability Study in 2010, with additional analysis of the then identified strategic sites in 2011 and a further update in 2012. These formed part of the evidence base in setting the housing policies in the Local Development Plan and have been through the examination process.

The Community Infrastructure Levy (CIL)

1.5 The CIL regulations allow charging authorities to set different rates set out in £s per sq metre (or £/sq m) of net additional floorspace for different uses and for different zones – provided these can be clearly identified geographically¹. CIL is set out as £s / sq m for developments of 1 dwelling or more, or over 100 sq m additional non-residential floorspace. Exemptions include affordable housing and charities.

1.6 DCLG has provided Guidance for the Community Infrastructure Levy², with a new version of this published in February 2014. This guidance is applicable in England as well as Wales and reiterates the importance of balancing the need to provide infrastructure with ensuring that development generally is not made unviable:

“A charging authority should use an area-based approach, involving a broad test of viability across their area, as the evidence base to underpin their charge. The authority will need to be able to show why they consider that the proposed levy rate or rates set an appropriate balance

¹ Regulation 13

² Department for Communities and Local Government (DCLG), February 2014, Community Infrastructure Levy Guidance,

.....between the need to fund infrastructure and the potential implications for the economic viability of development across their area. “(para 23)

- 1.7 In setting the levy rates, the Guidance explains that charging authorities should not set the rate at the margins of viability. English guidance³ has formalised the concept of a viability ‘buffer’ although it is not quantified and not yet an obligatory part of CIL in Wales.
- 1.8 The CIL Guidance explains that the regulations allow charging authorities to apply differential rates for the Levy by geographic zones, development type and scale of development, provided this is justified by the viability evidence. However, “Charging authorities that plan to set differential levy rates should seek to avoid undue complexity, and limit the permutations of different charges that they set within their area.” (para 37)
- 1.9 There will still be s106 contributions in order to make the development acceptable in planning terms. These will have to meet the three tests:
- Necessary to make the development acceptable in planning terms
 - Directly related to the development
 - Fairly and reasonably related in scale and kind to the development
- 1.10 An allowance for residual s106 contributions have been included within the viability assessments.

Guidance on plan viability testing

- 1.11 Guidance has also been published to assist practitioners in undertaking viability studies for policy making purposes – “Viability Testing Local Plans - Advice for planning practitioners”⁴ (the Harman Guide) The approach to viability testing in the Viability Assessment follows the principles set out in the advice. The advice re-iterates that:
- “The approach to assessing plan viability should recognise that it can only provide high level assurance.”*
- 1.12 The Advice also comments on how viability testing should deal with potential future changes in market conditions and other costs and values and states that:
- “The most straightforward way to assess plan policies for the first five years is to work on the basis of current costs and values”. (page 26) but that:*
- “The one exception to the use of current costs and current values should be recognition of significant national regulatory changes to be implemented.....” (page 26)*
- 1.13 This viability assessment has been undertaken in compliance with the CIL regulations and guidance.

³ DCLG, 2014, Planning Practice Guidance

⁴ The guide was published in June 2012 and is the work of the Local Housing Delivery Group, which is a cross-industry group, supported by the Local Government Association and the Home Builders Federation.

Local Plan Policies

- 1.14 The Council adopted the Local Development Plan in 2014. This will guide the future development of Monmouthshire up to 2021. This plan was examined in 2013 and contains current information which is pertinent to this viability assessment and policies that may affect viability. These policies have been reviewed as part of this work and taken into account as part of the viability assessments.
- 1.15 The relevant policies are described in brief in this section of the report. The adjustments to the viability testing in response to the policies are set out in the testing assumptions section.
- Policy S1 sets out the spatial distribution of new housing provision. This has been used to inform the case studies used for the viability testing.
 - Policy S4 states that the affordable housing requirement is 35% for developments of 5 or more dwellings except in Severnside where 25% is required; main villages where 60% is required for 3 or more dwellings; minor villages where 75% is required for 4 dwellings and 66% is required for 3 dwellings. These requirements have been included within the testing.
 - Policy S7 describes the obligation for development to make appropriate on or offsite provision of infrastructure; and that if there are viability issues, provision of affordable housing will generally take precedence over other infrastructure obligations. The narrative following Policy S7 states that *“It is considered that the LDP strategic sites can be delivered without the need for CIL as each site has specific infrastructure requirements that can be dealt with through a standard Section 106 Legal Agreement.”* Viability testing has therefore used policy compliant affordable housing proportions and has included known site-specific infrastructure requirements as well as a more general allowance for bringing the strategic sites forward for development.
 - Policy S12 requires new development to demonstrate sustainable and efficient resource use. We have used build costs that will include current requirements.
 - Policy CRF2 Outdoor Recreation/Public Open Space/Allotments describes the standards sought by the Council: outdoor playing space of 2.4 hectares per 1,000 population and 0.4 hectares of public open space per 1,000 population; 0.25 hectares of allotment space per 1,000 population (strategic sites and 50+ dwellings only) – i.e. 3.05 ha/1,000 people for larger sites and 2.8 ha/1,000 for smaller sites. With an average household size of 2.35 in Monmouthshire, 1,000 people is equivalent to 425 households – indicating that approximately 0.7 ha of open space is required per 100 dwellings.
 - Policy SD4 states that development will include Sustainable Urban Drainage Systems (SUDS). This is part of normal development good practice.
 - Policy MV1 states that development that is likely to have a significant transport impact must have a Transport Assessment with a Transport Implementation Strategy. If there will be a significant additional traffic then highway improvements or traffic mitigation will be required.
 - Policy MV2 states that development will include appropriate sustainable transport links, including public transport, walking and cycling.

- Allocated sites – there are seven strategic sites in the County, which are planned to take approximately 2,000 dwellings out of the 3,349 planned dwellings yet to be completed. The importance of these sites to delivery of the Plan means that they will need to be specifically included within any viability modelling. They are described in detail in the following policies:
 - Policy SAH1 deals with the Deri Farm strategic site and requires that electricity pylons are removed and lines undergrounded; sustainable transport links are provided to Abergavenny centre and that there is a landscape buffer along the northern edge of the site. This is accounted for in the site specific costs and the gross to net developable land area.
 - Policy SAH2 deals with the Crick Road strategic site and requires that 1 hectare of employment land is provided and that there is pedestrian access to Portskewett and Caldicot.
 - Policy SAH3 deals with the Fairfield Mabey strategic site and requires that 3 hectares of employment land is provided (with four starter units financed by an adjacent development), that necessary offsite highway and pedestrian works are undertaken, that there will be a riverside path and that there will be a buffer strip along the River Wye.
 - Policy SAH4 deals with the Wonastow Road strategic site and requires that 6.5 hectares of employment land is provided and that necessary offsite highway works are undertaken.
 - Policy SAH5 deals with the Rockfield Farm strategic site and requires that 2 hectares of employment land is provided, that the masterplan takes account of the SINC on site, that necessary offsite highway works through Magor and Undy are undertaken and that there are contributions to community facilities.
 - Policy SAH6 deals with the Vinegar Hill strategic site and requires that necessary offsite highway works are undertaken and that there are contributions to community facilities.
 - Policy SAH7 Sudbrook Paper Mill deals with the Sudbrook strategic site. There are no specific requirements beyond the housing numbers.

1.16 In addition to these policies, the Council has advised that Rockfield Farm and Vinegar Hill are required to provide sections of the Magor-Undy bypass and this has been included as part of the assessment.

Research evidence

1.17 The research which underpins the viability assessment includes:

- An analysis of publicly available data to identify the range of values and costs needed for the viability assessment – updated to the start of 2014;
- Discussions with council officers from planning, estates and housing departments;
- Analysis of information held by the authority, including a review of historic planning permissions, land sales and information on the strategic sites for development;

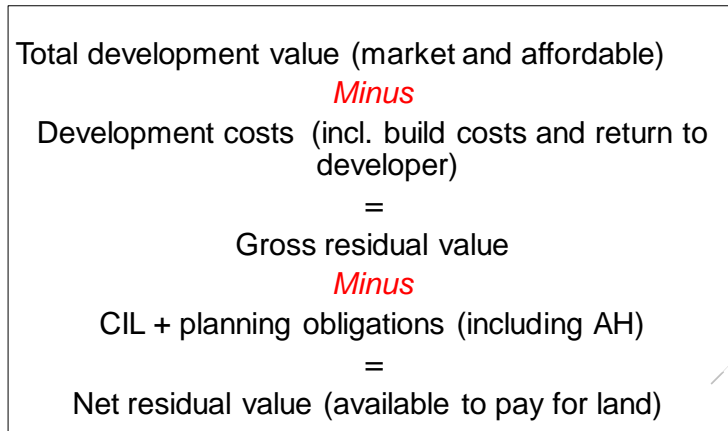
- A workshop held in March 2014 with developers, land owners, their agents and representatives from a selection of registered providers in the area. 13 organisations were invited and seven organisations were represented at the workshop, in addition to the Council. A follow on note regarding land values and house prices was then circulated to the 13 organisations originally invited, with one comment received. Annex 5 provides a note of the workshop;
- Subsequent communication via the Council with landowners, developers and their agents of the strategic sites in Monmouthshire, used to collect information about specific costs associated with the sites;
- Use of the Three Dragons Toolkit, adapted for Monmouthshire to analyse scheme viability for residential development and of the Peter Brett non-residential model for the analysis of non-residential schemes.

2 VIABILITY TESTING – RESIDENTIAL DEVELOPMENT

Principles

- 2.1 The viability testing uses a residual value approach, the principles of which are set out in the figure below.

Figure 2.1 Residual Value Approach



- 2.2 To assess viability, the residual value generated by a scheme is compared with a benchmark value, which reflects a competitive return for a landowner. If the residual value is higher than the benchmark land value, the scheme is considered viable. This is considered through the testing of notional 1 ha tiles (used to test development on a common basis, which allows the effects of different market areas and different densities to become apparent) and through case studies representative of the development planned to take place in Monmouthshire.
- 2.3 Establishing suitable land value benchmarks is an important part of any viability testing. Welsh Government guidance⁵ states that viability is a key factor in striking the balance between collecting revenue and not setting rates too high (para 2.2); and that viability studies should concentrate on sites where the imposition of CIL may have an impact on viability (para 2.18). It is noted that land values across an area may already result in development becoming unviable or marginal and this needs to be considered (para 2.20). Land value benchmarks used in this study take account of the benchmarks used in the Local Development Plan evidence base, existing use values, land registry transaction evidence, recent transactions and the development industry feedback.
- 2.4 The setting of benchmark land values in Monmouthshire takes account of the existing or former uses of the sites. Where the site is within an urban area or on a brownfield site outside an urban area the threshold land value uses a premium over industrial land values (as this is the likely former or alternative use) and where the site is a greenfield allocation the threshold land

⁵ Welsh Government, 2011, Community Infrastructure Levy Preparation of a Charging Schedule,

value use a premium over agricultural land values. The benchmark land values used in this study are:

- £650,000 per gross ha for urban sites. This figure is 60% over the estimated industrial land value (a premium of 30% is normally considered a suitable incentive), has been discussed at the development industry workshop and is in line with the evidence base for the recently adopted Local Development Plan. This benchmark is also supported by the land transaction evidence although it is noted sale prices are either side of this value. This benchmark is above the comparables in lower value Caerphilly and Merthyr Tydfil⁶ (up to £500,000/ha used in the CIL viability assessments).
- £250,000 per gross ha for strategic greenfield sites. This is 15-20 times agricultural values, which is in the higher end of the range expected to incentivise greenfield land owners. In addition we assess the impact of a slightly higher benchmark at £300,000 per hectare.

- 2.5 The benchmarks are applicable across Monmouthshire as there is no clear evidence to vary them by location and the development industry indicated that a single set of benchmarks was appropriate.
- 2.6 Further detail on the information used to set the benchmark land values can be found in Annex 1.

Testing Assumptions

- 2.7 The key assumptions used in the analysis of residual values for both the 1 hectare and case study sites are presented below. These have been discussed as part of the development industry workshop in March 2014, with some of the affordable housing assumptions and strategic site characteristics refined through subsequent information collection.

Table 2-1 Development Costs

Item	Rate	Notes
Build - Flats (1-2 storeys)	£1,080/sq m	Includes 15% for external works. BCIS with Gwent location weighting ⁷ , 5 year median
Build - Houses (2-3 storeys)	£993/sq m	Includes 15% for external works. BCIS with Gwent location weighting, 5 year median
One off development build – Houses (2-3 storeys)	£1,092/sq m	Premium over standard BCIS to reflect higher build costs for smaller developments.
One off development build – Flats (1-2 storeys)	£1,188/sq m	Premium over standard BCIS to reflect higher build costs for smaller developments.
Professional fees	10% of build costs	
Finance	6% of development costs	

⁶ DCLG Live Table 581 states q3 2013 average house prices in Monmouthshire were £208,610 compared to £117,596 in Caerphilly and £103,066 in Merthyr Tydfil.

⁷ Building Cost Information Service (BCIS) applies weightings to reflect varying build costs in different parts of the UK and continues to use Gwent as a defined area. The development industry workshop agreed that Gwent costs were suitable for Monmouthshire and other parts of South Wales

Item	Rate	Notes
Marketing fees	3% of market GDV	
Developer return (market)	20% of market GDV	For market housing
Contractor return (AH)	6% of build costs	For affordable housing
Stamp Duty Land Tax	Variable	Depends on land value
Agents/legal costs	2.5% of residual value	
Sprinklers	£3,075 houses, £879 flats	Source Welsh Government. Not required until Jan 2016
Base residual s106	£1,000 per dwelling	To cover play only, based on the MCC Interim Policy Guidance costs of public open space and children's' play.

- 2.8 In addition to these costs, an additional allowance has been made for development on the larger sites to reflect additional costs for site specific infrastructure (opening up costs). As discussed at the development industry workshop, this is £100,000 per hectare. This in addition to the 15% allowance for external works.
- 2.9 The costs in Table 2.1 above refer to a base residual s106 payment of £1,000 per dwelling, which will be for onsite open space and children's' play. This compares to the current typical s106 contribution of £6,000-£7,000 per dwelling, which also includes contributions for adult recreation, sustainable transport and education. While the Council has yet to formally determine its approach to the use of CIL through a regulation 123 list, the Council has advised that the current intention is for adult recreation, strategic highways and education to be funded through CIL and that the £1,000 per dwelling will be the typical post-CIL s106 requirement for each household. In addition to this base residual s106 payment, the different strategic sites have their own specific s106 requirements and the cost of these⁸ have been included within the modelling for each of the sites.
- 2.10 In the analysis of the case studies (see chapter 4), we include additional costs for certain sites that the Council expects to be directly funded by the development through a s106 agreement.
- 2.11 Some of the other case study types have their individual costs:
- Retirement housing has a build cost of £1,163/sq m including 15% external works, as well as 6% marketing costs and £120,000 empty property costs, sales are spread over three years and 25% of the GIA is communal space.
 - One-off housing (up to three dwellings) has additional costs. This varies considerably and an uplift of 10% above general housing costs has been used.

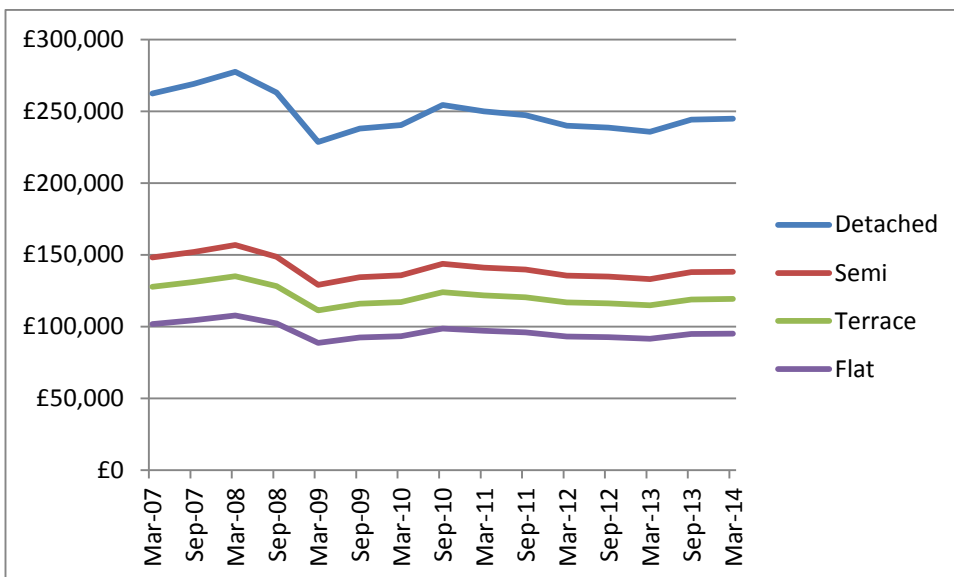
⁸ Estimates based upon contact with developers, discussions with Council Officers and reference to the costs used in the Schedule of Infrastructure Provision for Strategic Sites appended to the Local Development Plan.

Development Values

Market Housing Values

2.12 House prices in Monmouthshire are still lower on average than they were at the peak of the market in 2007-2008, although prices have risen since 2009.

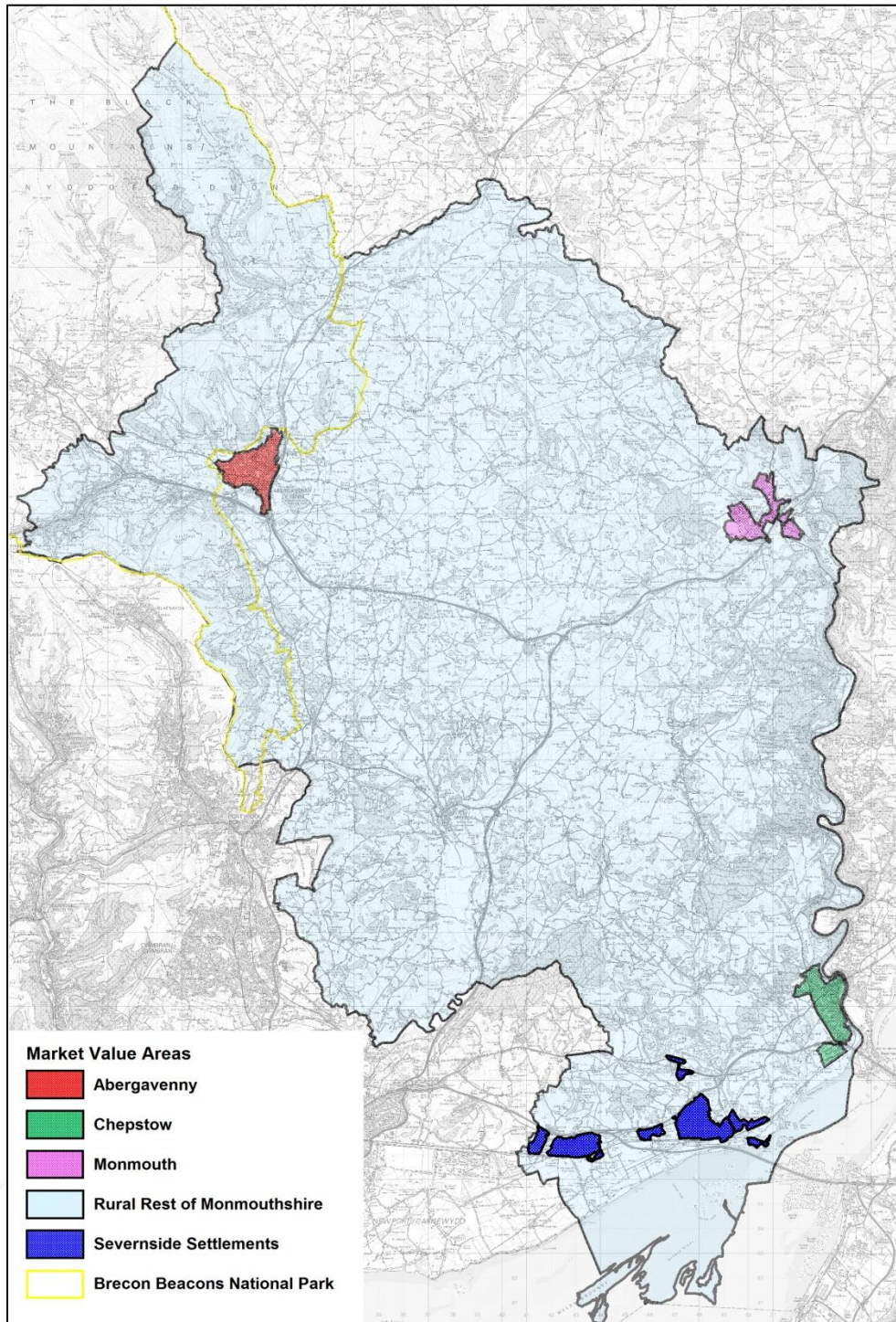
Figure 2-2 House Prices in Monmouthshire 2007-2014



Source Land Registry Price Paid data

2.13 House prices vary within Monmouthshire and this viability study uses the value areas identified as part of the 2010 Affordable Housing Viability Study (AHVS) and accepted as being robust at the examination into the Council’s Local Development Plan. These value areas were again discussed as part of the development industry workshop held in March 2014 and the house price analysis confirms that there are value variations between these areas. In terms of the prices for new build dwellings, the rural rest of Monmouthshire has the highest values, followed by Chepstow, Abergavenny/ Monmouth and then the Severnside settlements along the M4.

Figure 2.3 Illustrative House Price Areas in Monmouthshire



Contains Ordnance Survey data © Crown copyright and database right 2014

Severnside settlements are identified in Local Development Plan Policy S1 – Caerwent, Caldicot, Magor, Portskewett, Rogiet, Sudbrook and Undy. The ‘Rural Rest of Monmouthshire’ includes the main and minor villages and the rural secondary settlements (identified in Local Development Plan Policy S1) and open countryside.

- 2.14 Initial house price data was discussed at the development industry workshop in March 2014 and it was suggested that the values needed to be reviewed, that some atypical schemes should be excluded and that sales values per sq m should also be considered.
- 2.15 Following the workshop further data collection and analysis was undertaken. This included:
- Land Registry data for new build dwellings from 2011 to 2013 was reviewed in order to get a spread of transactions⁹, and care was taken to ensure specific developments¹⁰ did not unduly skew average values.
 - For a sample of dwellings¹¹, sale price and size data was used to analyse price paid per sq m.
 - Current prices for new dwellings were reviewed; taking into account that price paid is likely to be less than the asking price.¹²
- 2.16 Drawing on all the above data, market values for different dwelling types were then estimated. This process started with the price paid data, which was then cross referenced against current asking prices (with discount) and values per sq m, and adjusted as appropriate for typical dwelling sizes being developed in Monmouthshire. The table below sets out the prices for different dwelling types in the Monmouthshire value areas based upon this analysis. Individual dwellings may sell above or below these averages depending on their size and specific location.

Table 2-2 House prices for Monmouthshire Value Areas

	Abergavenny	Chepstow	Monmouth	Severnside	Rural Rest of Monmouthshire
1 bed flat	£115,000	£120,000	£125,000	£100,000	£115,000
2 bed flat	£130,000	£140,000	£140,000	£120,000	£130,000
2 bed terrace	£170,000	£180,000	£180,000	£140,000	£170,000
3 bed terrace	£190,000	£200,000	£190,000	£170,000	£190,000
3 bed semi	£190,000	£210,000	£190,000	£170,000	£200,000
3 bed detached	£210,000	£215,000	£195,000	£185,000	£215,000
4 bed detached	£300,000	£330,000	£290,000	£260,000	£330,000
5 bed detached	£350,000	£380,000	£320,000	£290,000	£380,000

Source Three Dragons analysis based on Land Registry Price Paid data for new build, current asking prices (with discount) and price per sq m.

- 2.17 Waterfront developments are known to create higher than average values. 2012 research¹³ states that prime UK waterfront properties have a 56% premium over inland equivalents, with estuary locations providing 85% premium, harbour locations 78%, coastal locations 52%, river

⁹ 386 new build transactions

¹⁰ E.g. the higher value Caerwent scheme in Severnside – Caerwent being more typical of other settlements north of the M4

¹¹ 67 dwellings analysed for £/sq m. The sample was drawn from recent planning permissions to provide accurate measurement of the dwelling sizes and then cross referenced, on a property by property basis, to Land Registry data on actual sale prices.

¹² By about 7%

¹³ Knight Frank, 2012, How do waterfront locations affect prices?

locations 47% and lakeside 28%. While it is unclear to what extent these prime property uplifts will apply in Monmouthshire, it is likely that there will be increased values in water front sites in locations such as Chepstow. A conservative 25% premium (just under half of the average uplift suggested in the research) has been applied to a subset (25%) of dwellings assumed to have good river views for the Fairfield Mabey case study site, which is on the banks of the River Wye in Chepstow. The Sudbrook Paper Mill case study site is also waterfront, but its location at the foot of the second Severn Crossing makes it a less likely candidate for this kind of uplift.

2.18 Small scale “one-off” developments (up to three dwellings) are also known to support higher values, related to the bespoke nature of this scale of development. While some one-off developments with special design and space standards will produce very high values, this viability assessment has sought to model dwellings that are similar to the types of dwellings that may also be built as part of larger developments. Based on experience, it has been assumed that these dwellings will command a 10% premium over their estate counterparts.

Affordable Housing

2.19 Policy S4 of the Local Development Plan sets out the requirement for affordable housing to be provided. The policy provides targets for affordable housing for the main settlements and for villages. The following extract shows the policy for the main settlements.

- *In Main Towns and Rural Secondary Settlements as identified in Policy S1 development sites with a capacity for 5 or more dwellings will make provision (subject to appropriate viability assessment) for 35% of the total number of dwellings on the site to be affordable.*
- *In the Severnside settlements identified in Policy S1 development sites with a capacity for 5 or more dwellings will make provision (subject to appropriate viability assessment) for 25% of the total number of dwellings on the site to be affordable.*

Source Policy S4 Local Development Plan

2.20 These affordable housing targets are used for testing the notional 1 ha tile (in chapter 3) and testing a range of case study sites (in chapter 4). There are further policies for provision of affordable housing in the Main and Minor Villages which we deal with in detail through a selection of case studies in chapter 4.

2.21 The affordable housing modelled, is a combination of social rented (50%), intermediate rent (25%) and Homebuy (25%; at 50% average share size, with no rent on the unbought share).

2.22 The values for affordable rented housing are estimated using capitalised net rent¹⁴ without grant and assume £1,500 for management/maintenance/repairs/voids etc.

Table 2-3 Weekly Affordable Housing Rents

Dwelling Type	Weekly Social Rent	Weekly Intermediate Rent
1 bed flat	£78	£90
2 bed flat	£85	£110
2 bed house	£85	£115

¹⁴ Capitalisation rate of 6%

Dwelling Type	Weekly Social Rent	Weekly Intermediate Rent
3 bed house	£89	£135
4 bed house	£92	£160

Source Monmouthshire County Council. Rents are net of service charges.

Types of testing

2.23 Two types of testing have been undertaken for the assessment:

- A notional 1 hectare site (at a range of densities from 30dph to 50dph); tested in the different value areas in Monmouthshire. This is used to explore the differences in viability between different locations and different densities of development, on a common basis.
- A series of 19 case studies ranging in size from 3 to 450 dwellings.

2.24 Results from the Notional 1 ha tile are reported in chapter 3 and results for the case studies, in chapter 4

3 VIABILITY TESTING – NOTIONAL 1 HA TILE

Introduction

- 3.1 This section of the report sets out the viability assessments for the 1 ha notional tiles, which are used to explore the underlying viability trends across the county.
- 3.2 The residual value of the notional 1 ha site is calculated using the Three Dragons Toolkit and then compared with the benchmark land value for the area, to estimate the surplus residual value potentially available for CIL.
- 3.3 We model the 1 ha tile in each of the value areas i.e. Severnside, Monmouth, Chepstow, Abergavenny and rural rest of Monmouthshire. The tile is tested for three different densities of development, as agreed with the Council and discussed at the industry development workshop. The three densities are 30 dwellings per hectare (dph), 40 dph and 50 dph. The dwelling mixes for the market housing reflect feedback from the development industry workshop and an analysis of development profiles from a sample of recent planning permissions provided by the Council.
- 3.4 For the affordable housing, the Council advised on the type of dwelling for the different affordable tenures, based on the results of their latest Local Housing Market Assessment¹⁵. These do not vary with scheme density. In practice the mix may vary depending on local circumstances.

Table 3.1a Dwelling mixes for the market units – at different development densities

	30 dph	40 dph	50 dph
	%s	%s	%s
1 bed flat			
2 bed flat		5%	10%
2 bed terrace		10%	15%
3 bed terrace	10%	25%	40%
3 bed semi	15%	35%	15%
3 bed detached	5%	5%	
4 bed detached	60%	20%	20%
5 bed detached	10%		

¹⁵ Newport, Torfaen and Monmouthshire Local Housing Market Assessment 2006 – Update 2010 Local Authority Report for Monmouthshire June 2010

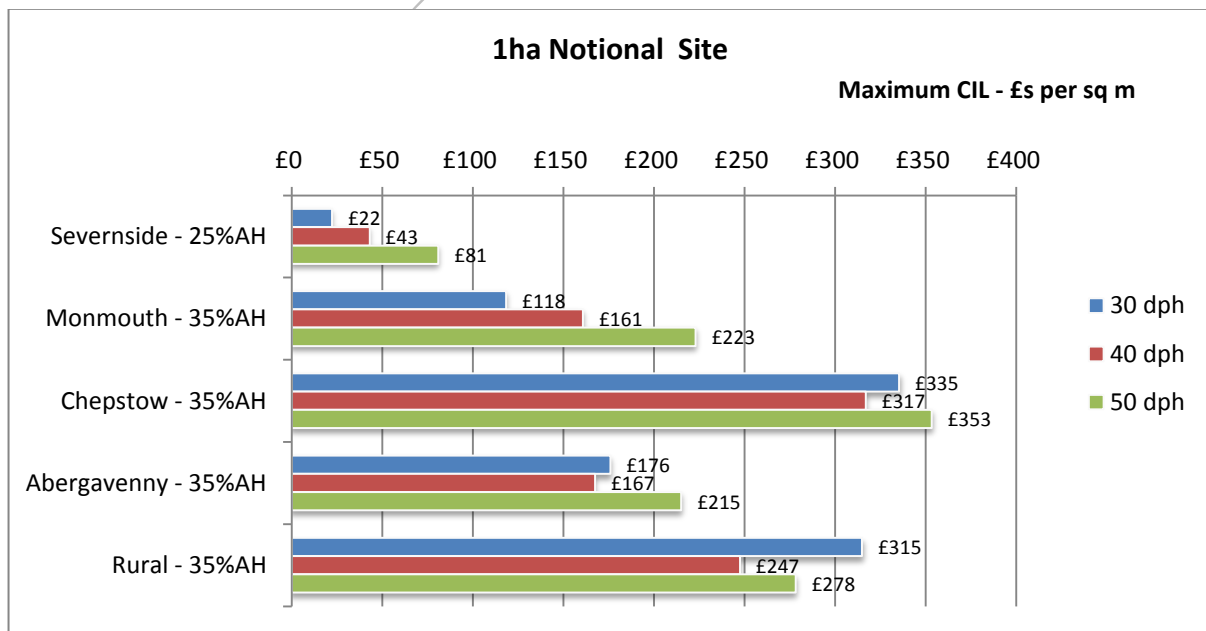
Table 3.1b Dwelling mixes for the affordable housing – as %ages of total Affordable units – same for all densities

	Social Rent	Intermediate Rent	Homebuy	Total
1 bed flat	20%			20%
2 bed flat	10%	10%		20%
2 bed terrace	2.5%	15%	12.5%	30%
3 bed terrace	7.5%		12.5%	20%
4 bed terrace	10%			10%
Total	50%	25%	25%	100%

Results for the notional 1 hectare tile

- 3.5 We tested at affordable housing policy percentages i.e. 35% in all value areas except Severnside, which was tested at 25% affordable housing. All testing was undertaken with a residual s106 requirement of £1,000 per dwelling, and allowed for the provision of sprinklers - £879/flat and £3,075 per house.
- 3.6 To arrive at the maximum potential CIL we:
- Identify the residual value of the scheme being tested;
 - Deduct the land value benchmark to identify the ‘surplus’ value available for CIL;
 - Divide the surplus by the area of the market dwellings (in £s per sq m)
- 3.7 Results for each value area are shown in chart 3.1 below, which assumes the standard urban sites land value benchmark of £650,000 per hectare (detailed results are shown in Annex 6).

Chart 3-1: Maximum potential CIL for the 1 ha tile at 30 dph, 40 dph and 50 dph



3.8 Commentary:

- Residual values vary with the value area and density of development and hence there is considerable variation in the potential for CIL.
- Chepstow and the rural rest of Monmouthshire value area show similar profiles with a CIL in excess of £300 per sq m potentially available for at least one development density.
- The potential for CIL is lower in the Monmouth and Abergavenny value area but even here, there is at least one development density that shows a potential CIL of over £200 per sq m with no potential CIL for any development density of below £100 per sq m.
- Severnside value area (which already has a lower affordable housing requirement – at 25%) shows a much reduced potential for CIL. At most, this is £80 per sq m but falls to £22 per sq m with the 30 dph development mix.

4 RESIDENTIAL VIABILITY TESTING – CASE STUDY SITES

Introduction

4.1 The Council has identified 21 case studies, varying in size from 3 to 450 dwellings, which reflect typical sites likely to be brought forward in Monmouthshire over the plan period. The selection of sites draws on the policies set out in the LDP and we emphasise the importance of case studies that illustrate sites making up a high proportion of the future housing supply. The following is an extract from the LDP which highlights:

- The significant contribution from new site allocations (about 73% of total dwellings excluding those built or with planning permission at 1 April 2013).
- That windfall sites will make a larger contribution in the main towns of Abergavenny, Chepstow and Monmouth than in the Severnside settlements but in neither are they to be the main source of future supply.
- Windfall sites are relatively important in the rural rest of Monmouthshire, particularly small windfall sites of less than 10 dwellings (windfalls account for 59% of total dwellings in Rural Secondary Settlements and other rural areas excluding those built or with planning permission at 1 April 2013).

Table 4-1 Extract from Monmouthshire County Council Local Development Plan

Policy S2 – Housing Provision						
Provision will be made to meet a requirement for 4,500 residential units in the plan period 2011-2021. This need will be met by identifying opportunities for around 4,950 dwellings to enable a 10% flexibility allowance as follows:						
Settlements	a) Committed 1/4/2013	b) Completions 2011 - 2013	c) Large Site Windfall	d) Small Site Windfall	e) New Site Allocations	Total
Abergavenny	97	19	65	75	310	566
Chepstow	220	29	30	46	350	675
Monmouth	197	86	11	46	485	825
MAIN TOWNS	514	134	106	167	1145	2066
Caldicot	67	119	0	24	0	210
Portskewett	8	19	0	12	285	324
Magor/Undy	53	61	0	22	495	631
Caerwent	54	79	0	19	0	152
Rogiet	8	15	25	5	0	53
Sudbrook	3	4	46	1	190	244
SEVERNSIDE SETTLEMENTS	193	297	71	83	970	1614
Usk	5	11	0	17	20	53
Raglan	11	3	0	16	45	75
Penperlleni	8	1	45	3	65	122
Llanfoist	63	77	102	3	0	245
RURAL SECONDARY SETTLEMENTS	87	92	147	39	130	495
RURAL	218	73	14	277	200	782
TOTAL	1012	596	338	566	2445	4,957

4.2 We have divided the case studies into two groups – larger (allocated) strategic sites and small case studies and report on them separately below while Annexes 2 and 3 provide details of the assumptions used for the testing.

Larger strategic sites (Case Studies 1 to 7)

4.3 The larger strategic case studies mirror the strategic sites allocated in the LDP. They are:

- i. SAH1 Deri Farm Abergavenny
- ii. SAH2 Crick Road Portskewett
- iii. SAH3 Fairfield Mabey Chepstow
- iv. SAH4 Wonastow Road Monmouth
- v. SAH5 Rockfield Farm Undy

vi. SAH6 Vinegar Hill Undy

vii. SAH7 Paper Mill Sudbrook

4.4 In modelling larger schemes, there are a number of additional factors that have to be taken into account (and are referred to in the Advice for Planning Practitioners):

- The Advice for Planning Practitioners indicates that large scale schemes incur additional development costs that do not apply to smaller sites. We have already included a 15% uplift on build costs (identified by BCIS) for external works (local roads, pavements etc.). This approximates to just under £11,000 per dwelling or in the order of £330,000 per hectare for a 30 dph scheme. We make a further allowance to cover items such as ground remodeling and bringing utilities to the site. We have made a standard allowance for these costs but recognise the figure used is an estimate and actual costs will vary from site to site. The additional costs are at £100,000 per net hectare. At a density of 30 dph this is about £3,300 per dwelling, which added to the £11,000 above takes the total cost per dwelling to over £14,000.
- In other studies we have undertaken with strategic sites of 1,000 dwellings or more, we use a higher cost but for strategic sites of this scale and location (in relation to existing services), we consider the figure of £100,000 to be adequate. Two of the strategic sites (at SAH3 Fairfield Mabey and the SAH7 Paper Mill Sudbrook) are brownfield sites. In these cases the £100,000 per hectare is for site clearance etc. rather than bringing in new services etc.
- The developable area will sometimes be less than the gross area of the allocated site. The percentages used have been discussed with the Council and reflect site characteristics and how requirements for open space will be met. For Rockfield Farm and Vinegar Hill an allowance has been made on the advice of the Council for the land take for a Magor-Undy bypass.
- Completion of the schemes will take a number of years and this is reflected in the modeling process. Residual values have been calculated using the discounted cash flow facility within the Three Dragons Toolkit, using an appropriate discount rate.

4.5 Each strategic site has a series of requirements set out in the LDP which are to be funded through site-specific s106 agreements (and not through CIL). Some sites also have known development issues (e.g. undergrounding power lines) that need to be taken into account in the viability assessment even if they are not subject to s106 agreements.

4.6 To obtain the best estimates for all these requirements we have consulted the Council who, in turn, wrote to all the scheme promoters following the development industry workshop. Where we have not been provided with up to date information, we have used information from the previous report that assessed the strategic sites (Affordable Housing/Strategic Viability Study – 2011 update) and our own information sources. Costs include items such as transport, community facilities, moving power cables, specific greenspace requirements etc. It is not possible to itemise costs as some information has been provided on a confidential basis. In all cases, the costs shown are best estimates and will be subject to change when schemes are

further advanced in design and planning terms. This is important when considering the use of a buffer in setting the CIL rate.

- 4.7 Some of the LDP requirements may be funded outside any s106 agreements (such as CIL or other funding) and the Council has advised on alternative scenarios for three of the strategic sites:
- SAH3 Fairfield Mabey has been tested without and with the £1.7m cost of High Beech roundabout improvements, in addition to the other LDP requirements. These are *alt 1* and *alt 2* respectively.
 - SAH5 Rockfield Farm and the adjacent SAH6 Vinegar Hill have been tested with different Magor bypass scenarios in addition to the other LDP requirements:
 - Non-frontage distributor road – c.£1.3m for Rockfield Farm and c.£1.5m for Vinegar Hill. This is *alt 1* for both of these sites.
 - By-pass standard road – c.£1.6m for Rock Field Farm and c.£1.9m for Vinegar Hill. This is *alt 2* for both of these sites.
 - Route safeguarded – adjustment to gross to net only and no direct cost for road construction. This is *alt 3* for both of these sites.
- 4.8 The following table summarises the key information we have used for the larger case studies, all the other assumptions are as for the notional 1 hectare scheme.

Table 4 – 2 Large Strategic Case Studies Characteristics

Case Study	Scheme	MVA	Dwgs	Net ha	Net to gross (%)	Additional Development Costs	Development Rate; Dev Period
STRATEGIC SITES							
1	SAH1 Deri Farm Abergavenny	Abergavenny	250	7.70	89%	4,250,000	20pa yr 1 then 40 pa; 7 yrs
2	SAH2 Crick Road Portskewett	Severnside	285	7.70	77%	120,000	55pa; 6 yrs
3.1	SAH3 Fairfield Mabey, Chepstow (alt 1)	Chepstow	350	9.50	73%	3,600,000	40pa yr 1 then 80 pa; 5 yrs
3.2	SAH3 Fairfield Mabey, Chepstow (alt 2)	Chepstow	350	9.50	73%	5,290,000	40pa yr 1 then 80 pa; 5 yrs
4	SAH4 Wonastow Rd Monmouth	Monmouth	450	16.46	84%	420,000	62pa yr 1 then 100 pa; 5 yrs
5.1	SAH5 Rockfield Farm Undy (Alt 1)	Severnside	270	7.45	83%	1,700,000	55pa; 5 yrs
5.2	SAH5 Rockfield Farm Undy (Alt 2)	Severnside	270	7.45	83%	1,970,000	55pa; 5 yrs
5.3	SAH5 Rockfield Farm Undy (Alt 3)	Severnside	270	7.45	83%	400,000	55pa; 5 yrs
6.1	SAH6 Vinegar Hill Undy (Alt 1)	Severnside	225	6.91	88%	2,000,000	50pa; 5 yrs
6.2	SAH6 Vinegar Hill Undy (Alt 2)	Severnside	225	6.91	88%	2,320,000	50pa; 5 yrs
6.3	SAH6 Vinegar Hill Undy (Alt 3)	Severnside	225	6.91	88%	450,000	50pa; 5 yrs
7	SAH7 Paper Mill Sudbrook (Alt 1)	Severnside	190	6.60	100%	38,000	50pa; 4 yrs

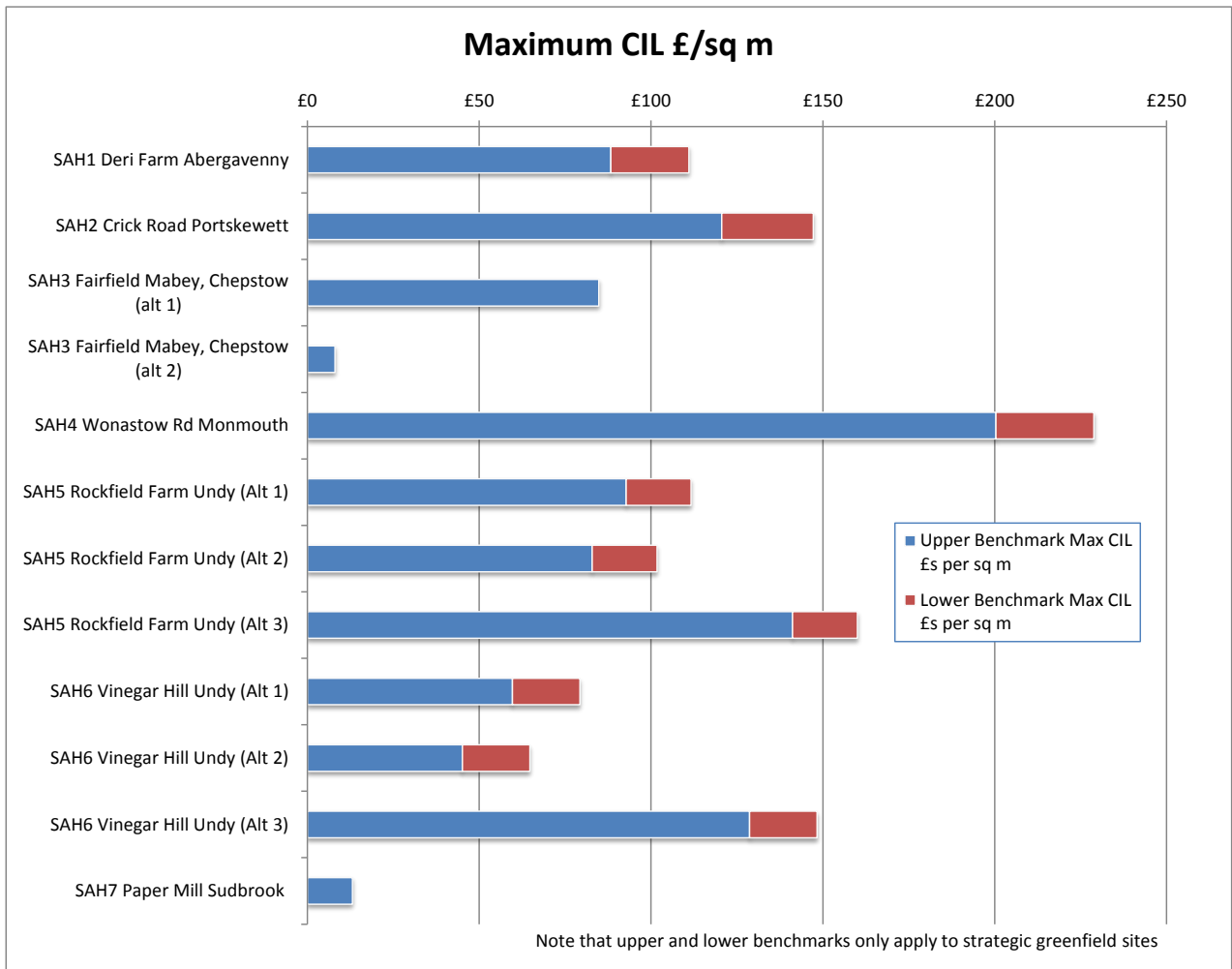
4.9 The testing results for the large strategic case studies are summarised below. The results show the maximum potential CIL with the upper and lower benchmark land values for strategic greenfield land, while the brownfield sites have a single standard benchmark land value. In all cases the modelling has taken into account a residual s106 allowance of £1,000 per dwelling and an allowance for sprinklers of £879 per flat and £3,075 per house.

4.10 To calculate the maximum potential CIL, we take the residual value per gross hectare, deduct the upper or lower benchmark value and then divide by the market floor area per gross hectare of the scheme. The upper benchmark value will generate a lower potential CIL rate than the lower benchmark value. Where a scheme is located within an urban area, a benchmark of £650,000 per hectare is applied, whilst large greenfield sites are measured against an upper

benchmark of £300,000 and a lower benchmark of £250,000 per gross hectare to take into account the higher costs of servicing and developing the site.

4.11 Again we model sites in Severnside with a lower affordable housing requirement than elsewhere (25% compared to 35%).

Figure 4-1 Large Strategic Case Studies –Maximum Potential CIL



4.12 All the strategic sites produce a residual value above the benchmark land value and therefore there is potential to charge a CIL but there are significant differences between the economic viability of the sites:

- i. SAH4 Wonastow Road generates the highest potential CIL at between £200 and £229 /sq m depending on whether the upper or lower benchmark is used.
- ii. SAH2 Crick Road has a potential maximum CIL of between £121-£147/sq m and SAH1 Deri Farm has a potential maximum CIL of between £88-£111/sq m.
- iii. SAH3 Fairfield Mabey Chepstow is measured against the urban benchmark of £650,000 per gross hectare (because it has a previous use as an industrial site) and generates a potential

CIL of £85/sq m. However if this development has to fund the High Beech roundabout the maximum CIL is effectively £0/sq m.

- iv. SAH7 Sudbrook Paper Mill is also measured against the urban benchmark of £650,000 per gross hectare (again because it has a previous use as an industrial site) and generates a potential CIL of just £13 per sq m.
- v. SAH5 Rockfield Farm and SAH6 Vinegar Hill both have similar viability. If the developments are not required to provide a Magor-Undy bypass then the maximum potential CIL varies from £129/sqm to £160/sq m, depending on the site and whether the upper or lower benchmark is used. However the provision of a non-frontage road will reduce the maximum CIL to between £60/sq m to £112/sq m and a bypass standard road will further reduce the maximum CIL to between £45/sq m to £102/sq m.

Small Case Study Sites (Case Studies 8 to 20)

- 4.13 The smaller case studies are hypothetical schemes representative of future development in Monmouthshire (away from the strategic sites). They are based on information about sites allocated in the LDP but should also be representative of windfall developments. The small case studies vary in size from 3 to 35 dwellings.
- 4.14 The first group of small case studies are of developments that will provide the ‘normal’ policy level of affordable housing i.e. 25% in Severnside and 35% elsewhere. These case studies are set out below.

Table 4-3 Small Case Studies

Number	Name	Dwellings
8	Severnside	35
9	Severnside	10
10	Severnside	4
11	Severnside	3
12	Main towns	35
13	Main towns	10
14	Main towns	4
15	Main towns	3

- 4.15 For these small case studies, we assume that development occurs within one year and we follow a similar approach to that used for the other testing, with the benchmark land value deducted from the residual value to estimate the additional value available for a CIL charge.
- 4.16 Table 4-4 below sets out the key characteristics of the small case studies, all other assumptions are as for the notional 1 ha scheme including an assumption that all dwellings have to meet a residual s106 payment of £1,000 per dwelling and there is an additional cost to provide sprinklers.
- 4.17 There is an exception to this which relate to case studies 11 and 15. These are both sites with 3 dwellings and these will have higher build costs, which we allow for. At the same time, it is

considered that small sites (on a like for like basis) will generate higher selling prices. We have therefore allowed a 10% increase on market selling prices for these two case studies.

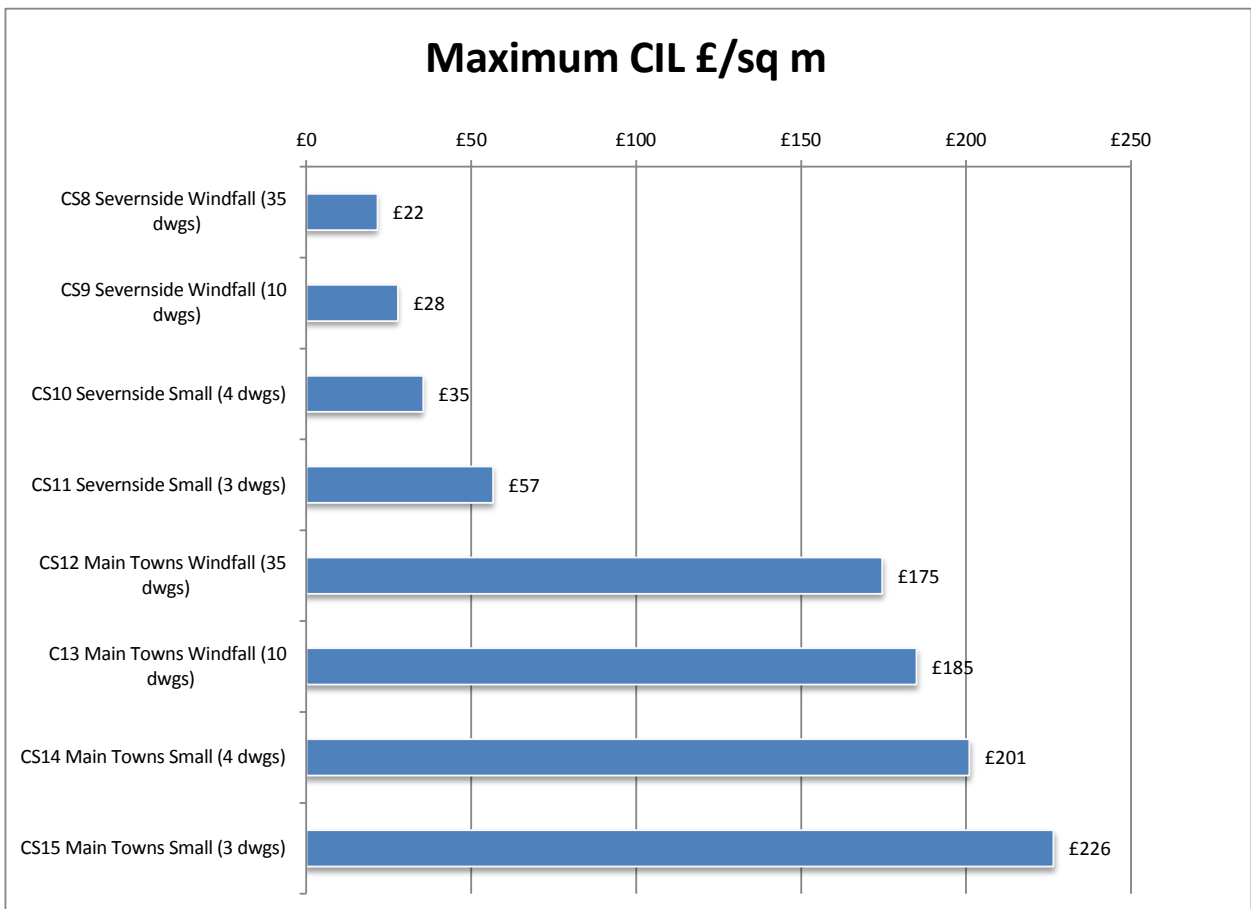
4.18 For the testing of case studies 12– 15 we use the Abergavenny value area. Abergavenny market values are similar to those of Monmouth and a little below those for Chepstow. Therefore Abergavenny is a realistic proxy for all three main towns in testing case studies 12 to 15.

Table 4-4 Small Case Study Characteristics

Case Study	Scheme	MVA	Dwgs	Net ha	Net to gross (%)	Development period	Market %	AH %
8	Severnside Windfall (35 dwgs)	Severnside	35	1.17	100%	1 year	75%	25%
9	Severnside Windfall (10 dwgs)	Severnside	10	0.33	100%	1 year	75%	25%
10	Severnside Small (4 dwgs)	Severnside	4	0.13	100%	1 year	75%	25%
11	Severnside Small (3 dwgs)	Severnside	3	0.10	100%	1 year	75%	25%
12	Main Towns Windfall (35 dwgs)	Abergavenny	35	1.17	100%	1 year	65%	35%
13	Main Towns Windfall (10 dwgs)	Abergavenny	10	0.33	100%	1 year	65%	35%
14	Main Towns Small (4 dwgs)	Abergavenny	4	0.13	100%	1 year	65%	35%
15	Main Towns Small (3 dwgs)	Abergavenny	3	0.10	100%	1 year	65%	35%

4.19 The results of the viability testing for the small case studies are set out in the following chart.

Figure 4-2 Case Studies 8 - 15 Maximum Potential CIL



- 4.20 Case studies 8 to 15 all generate residual values over the land value benchmark and therefore can potentially make some level of CIL payment.
- 4.21 Small developments in the main towns (whether allocated sites or windfalls) have sufficient surplus value to achieve a potential CIL of between £175 and £226 £s per sq m.
- 4.22 However, small sites in Severnside generate a much lower potential CIL payment. The smaller sites tested (at 3 and 4 dwellings) can potentially meet a higher CIL payment than the larger schemes at 10 and 35 dwellings. It is worth re-iterating that future land supply in Severnside does not rely on small sites, with a significant majority of supply delivered by the strategic sites.
- 4.23 The small site case studies for Severnside are based upon the dwelling mix advised by the Council and informed by the development workshop. This mix includes a variety of dwelling types. However, if a simplified mix composed of detached houses (2, 3 and 4 bedroom) is used instead then viability testing shows that higher CIL rates can be achieved, with 4 bedroom detached generally showing the best viability. In the case of CS8 it is possible to achieve a

maximum CIL of £47/sq m, CS9 can achieve £53/sq m, CS10 £60/sq m and CS11 £85/sq m¹⁶. This suggests that where viability is an issue it will be possible to amend scheme mixes to achieve better values.

Case Studies 16 -20

- 4.24 The adopted LDP includes a policy which allows some residential development in villages but only when this achieves a high proportion of affordable housing. The relevant extract from the LDP is shown below.

Figure 4-3 Extract from Monmouthshire County Council Local Development Plan – Policy S4

In the Main Villages identified in Policy S1:

- Development sites with a capacity for 3 or more dwellings will make provision for at least 60% of the total number of dwellings on the site to be affordable.

In the Minor Villages identified in Policy S1 where there is compliance with Policy H3:

- Development sites with a capacity for 4 dwellings will make provision for 3 dwellings to be affordable.
- Development sites with a capacity for 3 dwellings will make provision for 2 dwellings to be affordable.

- 4.25 We have tested this policy but only in the rural rest of Monmouthshire value area. There is no specific land value benchmark that can be easily identified for these sites as they are not available for other forms of development. However, it is highly unlikely that they would be brought forward if the residual value did not at least exceed agricultural land value.
- 4.26 The following table sets out the characteristics of the sites, which includes one larger scheme at 15 dwellings but with 4 different schemes of 3 or 4 dwellings. All assumptions are as for the 1 ha tile. However, we have considered the composition of the small case studies in more detail and have taken advice from the Council on the make up of the 15 dwelling scheme. Annex 3 includes details of the composition of these case studies.

¹⁶ All of these sensitivity tests include the policy proportion of affordable housing and the same affordable housing dwelling mix

Table 4-5 Details of Case Studies 16 to 20

Case Study	Scheme	MVA	Dwgs	Gross ha	Net ha	Net to gross (%)	Development period	Market %	AH %
16	Main villages Small (4 dwgs)	Rural	4	0.13	0.13	100%	1 year	40%	60%
17	Main villages Small (3 dwgs)	Rural	3	0.10	0.10	100%	1 year	40%	60%
18	Main Villages (15dwgs)	Rural	15	0.50	0.50	100%	1 year	40%	60%
19	Minor Village Small (4 dwgs)	Rural	4	0.13	0.13	100%	1 year	25%	75%
20	Minor Village Small (3 dwgs)	Rural	3	0.10	0.10	100%	1 year	33%	67%

4.27 The residual value generated by the schemes are set out in the table below. This demonstrates that all the schemes generate a value well in excess of agricultural land value and in some cases, a residual value per plot of over £20,000.

Table 4-6 Residual Value for Case Studies 16 to 20

Case Study	Scheme	MVA	Dwgs	AH %	Scheme Residual Value	Residual value/gross ha	Residual value per plot
16	Main villages Small (4 dwgs)	Rural	4	60%	£97,000	£746,154	£24,250
17	Main villages Small (3 dwgs)	Rural	3	60%	£79,000	£790,000	£26,333
18	Main Villages (15dwgs)	Rural	15	60%	£324,000	£648,000	£21,600
19	Minor Village Small (4 dwgs)	Rural	4	75%	£25,000	£192,308	£6,250
20	Minor Village Small (3 dwgs)	Rural	3	67%	£52,000	£520,000	£17,333

4.28 Case study 19 has the lowest residual value but, even here, the residual value is around 12 to 15 times agricultural land value.

4.29 For some of the case studies in this group (case studies 16 to 20), a small CIL payment may be theoretically possible but given the variations in viability of these site types, the prudent approach would be to exempt these sites from CIL.

Retirement Housing

4.30 The testing has also included a retirement housing scheme of 50 units on a 0.5ha plot, located in each of the value areas at the relevant affordable housing percentage. When tested against a threshold land value of £650,000 per gross hectare, the retirement schemes were only marginally viable in Monmouth and Chepstow, and not viable elsewhere (see Annex 6 for

details). On this basis, it is likely that retirement housing outside Monmouth and Chepstow will take place where it is able to achieve better values (or lower costs) than modelled here, or is able to take advantage of cheaper land. It remains possible that retirement schemes can make a contribution to affordable housing (most likely, but not exclusively, in Monmouth and Chepstow) but this will be on the basis of scheme-specific negotiations. However, it would be prudent to exempt all retirement housing from CIL.

Other Housing

- 4.31 Care homes are considered under the non-residential viability testing later in this report.
- 4.32 The Council has advised that there is no market for student accommodation in Monmouthshire and therefore there is no purpose in testing its viability nor any evidence on which to base any testing.

Summary

- 4.33 The potential CIL from the strategic sites varies, with the cost of site-specific infrastructure having more of an impact than location. Apart from the Wonastow Road site which is potentially able to support a CIL of over £200/sq m, the majority of the rest of the strategic sites are able to support a CIL of between £85/sq m to around £150/sq m. The clear exception to this is SAH7 Sudbrook Paper Mill which is viable but unable to support any meaningful CIL.
- 4.34 However if SAH3 Fairfield Mabey, SAH5 Rockfield Farm and SAH6 Vinegar Hill have to fund the maximum infrastructure costs identified then the potential CIL rate falls for these sites – to £0/sq m for SAH3 Fairfield Mabey and about £60/sq m for SAH5 Rockfield Farm and SAH6 Vinegar Hill.
- 4.35 There is an important general point about the strategic sites and that is the uncertainty about both the appropriate land value benchmark and the scale of costs the schemes will need to bear (both as s106 payments and to deal with site related development issues). This means that a generous viability buffer will be required in setting the CIL rate affecting the strategic sites.
- 4.36 Small sites in the main towns show relatively strong viability, with potential CIL rates of £175/sq m to £226/sq m. In Severnside, the small case studies generated much lower potential CIL levels (at around £20/sq m to £60/sq m). However it is possible to achieve better values on the smaller Severnside case studies (and a higher theoretical maximum CIL of about £50/sq m to £85/sq m) by changing the dwelling mix.
- 4.37 Village schemes required to provide a high percentage of affordable housing are very varied in the residual values they generate. It is very uncertain that they can generally make any CIL payments and remain viable.
- 4.38 Retirement housing produces a positive residual value in some parts of the County but is unable to support a CIL.

5 RESIDENTIAL VIABILITY CONCLUSIONS

Introduction

- 5.1 The process for developing potential CIL rates is a set of structured qualitative judgements which takes account of the type of development being tested and the role of this development type in delivering the adopted Local Development Plan. The process starts with the 1 ha tiles and uses the analysis to develop an initial view. This is then tested against the findings from the case study analysis to check whether the case study analysis suggest any amendment, with particular weight given to the site types that are important to plan delivery – such as the seven strategic sites.
- 5.2 The Local Development Plan extract from Policy S2 in section 4 provides a useful context for this analysis in that it sets out the quantum and spatial pattern of the planned development:
- The larger strategic sites are important to the delivery of the plan.
 - 18% of the total planned dwellings are expected to be on windfall sites, and of these 154 are in the lower value Severnside settlements (3% of the Plan total) and the rest are in the main towns and villages. Whilst windfall sites are important, it is noted that many of them are in the higher value areas in the County.

Synthesising the results

- 5.3 The figure below follows the process through the two stages. The CIL rates noted in the table are the **maximum theoretical rates** rather than recommended rates. We draw attention to the need for the council to set CIL rates that are not at the margin of viability and provide a buffer to allow for individual site circumstances and market change.

Figure 5-1: Considering the maximum theoretical CIL

Stage 1 – 1 ha tiles		
AH	Notes	Maximum CIL per sq m
25%	Sevenside 1ha tiles produce positive residual values above the standard £650,000/ha threshold land value at the three densities tested. However the viability headroom to support a CIL payment is very limited, particularly at lower development densities (as shown in the 1 ha tiles – max CIL of £22/sq m in Sevenside). Two of the three densities exceeded a potential CIL of £40/sq m.	£40
35%	Main towns and rural ‘rest of Monmouthshire’ produce positive residual values above the standard £650,000/ha threshold land value at the three densities tested. The viability headroom available to supports CIL payment is considerable, with almost all at least £160/sq m.	£160
<p>Stage 1 conclusions – Development types similar to the 1 ha tiles modelled are all viable. The viability suggests that a theoretical maximum CIL rate in main towns and rural ‘rest of Monmouthshire’ might be around £160/sq m, acknowledging that the lower density development in Monmouth will not be viable at this level. The lower values in Sevenside suggest that only a lower CIL can be supported for these types of site, up to say £40/sq m (acknowledging that the lower density development will not be viable). However, as noted in LDP S2, these sites will only make up a small proportion of the planned development.</p>		
Stage 2 – Testing against the case studies		
AH	Notes	Maximum CIL per sq m
25%-35%	The strategic sites produce positive residual values above the appropriate threshold land values (£250,000-£300,000/ha for the five greenfield sites and £650,000/ha for the two brownfield sites) and are therefore all viable. All of the strategic sites are able to support a CIL with the exception of Sudbrook Paper Mill.	£85-£150/sq m
25%-35%	The small sites and windfalls in main towns and the rural ‘rest of Monmouthshire’ produce positive residual values above the standard £650,000/ha threshold land value and are viable, with sites are able to support a maximum theoretical CIL of between £175-£226/sq m. The small sites and windfalls in Sevenside also produce positive residual values above the standard £650,000/ha threshold land value and are viable, but the viability is less strong. As a result the maximum theoretical CIL is much lower in Sevenside, £20-£55/sq m unless the dwelling mix is adjusted to support £50-£85/sq m.	£175-£226/sq m in main towns and rural rest of Monmouthshire £20-£55/ £50-£85/sq m in Sevenside
60% - 75%	The small sites predominantly providing affordable housing in rural ‘rest of Monmouthshire’ all produce positive residual values of between £6,250 and £26,333 per plot. It may be theoretically possible to charge a CIL on some of these sites but the variation in viability (particularly when the affordable housing component is over 60%) suggests that a £0 CIL is prudent.	£0
25%-35%	Retirement housing schemes show positive residual values in some parts of Monmouthshire. However the variability suggests that a £0 CIL is prudent.	£0
<p>Stage 2 conclusions – Smaller site development in main towns and rural ‘rest of Monmouthshire’ demonstrates strong viability and is able to support a CIL of up to £175/sq m. A rate of around £85/sq m can be supported by the strategic sites except for Sudbrook Paper Mill which is not able to support a CIL.</p>		

- 5.4 The analysis above suggests that it is appropriate to set a CIL for residential development in Monmouthshire and that this should vary by location and type of site. In broad terms the potential maximum CIL in Monmouthshire is £85/sq m. The exceptions are:
- Sudbrook Paper Mill which has a maximum potential CIL rate of £0/sq m.
 - Windfall and small site development in the main towns, villages and rural rest of Monmouthshire, which has a maximum potential CIL of £160/sq m.
 - The theoretical maximum CIL rate for small sites in Severnside is £50-£85/sq m.
- 5.5 In order to maintain simplicity it may be worth considering the same rate for the Severnside small sites as the strategic sites across the county. While it is possible that this may render some small sites unviable in Severnside this type of development in this location is not critical to the delivery of the Local Development Plan.
- 5.6 If SAH3 Fairfield Mabey, SAH5 Rockfield Farm and SAH6 Vinegar Hill have to fund more infrastructure then the potential CIL rate falls for these sites. However there is some uncertainty about the real requirement and funding for the infrastructure concerned, and so it is difficult to recommend setting a CIL rate to accommodate this uncertainty.
- 5.7 The small village sites providing large proportions of affordable housing are not able to support a CIL.
- 5.8 Retirement housing is not able to support a CIL.
- 5.9 The guidance clearly suggests that a buffer is required so that the CIL is not set at the limits of viability. The table below illustrates the potential maximum recommended CIL with a 30% buffer.

Figure 5-2: Maximum theoretical CIL with a buffer

Location/type	Theoretical maximum CIL/sq m	Theoretical maximum CIL/sq m with 30% buffer
Strategic Sites except SAH7 Sudbrook Paper Mill	£85	£60
Small sites in Severnside	£85	£60
Small sites in main towns, villages and rural rest of Monmouthshire	£160	£110
SAH7 Sudbrook Paper Mill	£0	£0
Village schemes with above 35% affordable housing	£0	£0
Retirement housing	£0	£0

Summary

- 5.10 The potential CIL rates that the Council may like to consider are:
- Strategic Sites except SAH7 Sudbrook Paper Mill - £60/sq m

- Small sites in Severnside - £60/sq m
- Small sites in main towns, villages and rural rest of Monmouthshire £110/sq m
- SAH7 Sudbrook Paper Mill - £0/sq m
- Village schemes with above 35% affordable housing - £0/sq m
- Retirement housing - £0/sq m

5.11 On a 'typical' three bedroom semi-detached market house the proposed charges would be £4,800 on strategic sites and on small sites in Severnside, and £8,800 on small sites in main towns, villages and rural rest of Monmouthshire. This would be in addition to the typical £1,000/dwelling residual s106 and any of the obligations affecting development on the strategic sites. This compares to the current typical s106 payments of £6,000-£7,000 per dwelling.

6 NON-RESIDENTIAL TESTING ASSUMPTIONS

Introduction

- 6.1 Based on our understanding of Monmouthshire, previous experience and the Council’s future development plans we have identified some ‘typical’ development typologies. These have been informed by empirical examples, but are not intended to represent any actual developments.
- 6.2 Whilst many developments may share the same use class, they are not necessarily the same use in terms of Section 13 of the CIL Regulations. Therefore we have tested a range of non-residential typologies within the same use class, as per the CIL regulations.

Retail Uses (A1)

- 6.3 We have developed a clear process for considering retail, where large format out of centre convenience retail continues to be one of the best-performing investment markets. The sector is characterised by strong yields and high land values. Hence it should be able to support high levels of development contributions. In contrast, high street retail is generally much weaker with less potential to contribute. If all retail is merged into one category, total receipts may be much less than they could be. On the other hand, if retail is split for CIL purposes, we need to ensure that the split is based on robust evidence.
- 6.4 We have based our A1 assumptions on five retail typologies:
- Supermarkets – Out of centre developments with a gross internal area of 1,200 sq m. These tend to have site coverage of substantially more due to car parking requirements, which we estimate at 50%.
 - Out of centre Retail Warehouse – Again, these are considered to be out of centre developments, with a gross internal area of 1,000 sq m, which we expect would to comprise of two or three large retailing units. Similar to Supermarkets there is a necessity to provide parking to reach these developments so we would expect similar site coverage.
 - Town Centre Retail (Comparison) – Smaller stand-alone units within a town centre. Typically these comprise of around 200 sq m which tends to cover the whole of the site.
 - Town Centre Retail (Convenience) – Similar to the above description for town centre comparison retailers, however, empirical evidence tends to suggest that these are on the whole marginally larger than comparison goods retailers, for instance the necessity to include bulky refrigerating devices etc.
 - Local store – Out of centre (Convenience) – This encompasses developments that are typical of local centres or standalone stores servicing residential areas. Here we are testing for developments that are 200 sq m. We also recognise that there may be a greater propensity for developments built near local centres to make provision for parking and have therefore tested for site coverage of 90%.

B1 Business Offices

6.5 We have used two B1 Office typologies:

- Town Centre office – We are testing 500 sq m with building foot print site coverage of 120% (development over 2 or 3 floors).
- Out of town development of gross 2,000 sq m building foot print site coverage of 40% (development over two floors).

6.6 We believe this correlates with the Employment Land and Premises Review’s recommendations of provision for smaller businesses, particularly ones that are able to share purpose built business parks and town centre developments.

6.7 The non-office B1 uses are covered by the B2/B8 uses discussed below.

6.8 We have used two B2 general industrial typologies:

B2 General Industrial

- Out of centre industrial – we have tested for a 1,000 sq m development. We believe this is an adequate size to cover a number of smaller workshops as required by the Employment Land and Premises Review. Site coverage for industrial units tend to be around 50%.

B8 Storage/Distribution

- As per B2 General Industrial, in practice the activity will have the same types of premises and similar values as the smaller B2 typology; i.e. warehouse of gross internal area of 2,000 sq m with a similar site coverage of 50%.

C1 Hotels

6.9 We have also tested for the provision of a hotel in line with the Local Development Plan’s ambitions to strengthen the local tourism industry. Consultation with relevant stakeholders suggest a 30 bedroom hotel of gross 800 sq m on two floors on an out of town site with 80% site coverage would be an appropriate potential scheme.

C2 Care Homes

6.10 In addition to residential development it is appropriate in Monmouthshire to also test different types of specific accommodation for the older population. To this end we have included a test for care homes of around 1,500 sq m.

Other uses

6.11 There are a range of other uses that we have considered, including community, social and Sui Generis such as theatres; hostels; scrap yards; petrol filling stations; shops selling and/or displaying motor vehicles; retail warehouse clubs; nightclubs; launderettes; taxi businesses; amusement centres; and casinos. The types of premises, value of uses and development costs for premises accommodating these types of activity will vary considerably; and this means that these uses cannot be treated in the same way as the other use classes.

6.12 Our approach to this issue has been to consider the types of premises and locations that may be used for the other and Sui Generis uses and assess whether the costs and value implications may have similarities with other uses. We have also considered the likely developments within the plan period as a guide to whether more detailed work might be useful.

- Education, health and community - We see this category as including, but not necessarily being limited to: schools, including free schools; community facilities, including community halls, community arts centres, and libraries; medical facilities; and emergency services facilities. A number of these facilities may be delivered in the area over the plan period and would potentially occupy net additional floorspace (thereby creating development which is liable for CIL).
- Theatres – very few new theatres are being developed in the UK and the exceptions – such as Chester – are in locations with large catchments, an existing foundation of extensive artistic activity and a local authority with the means and inclination to pay.
- Hostels providing no significant element of care – these are likely to be either charitable or public sector uses such as probation hostels, half-way houses, refuges, etc., or low cost visitor accommodation such as Youth Hostels. Our view is that the charitable uses are dependent upon public subsidy for development and operation, and therefore not viable in any commercial sense. Youth Hostels are operated on a social enterprise basis with small financial returns. Neither of these scenarios offers significant commercial viability.
- Scrapyards – there may be new scrapyard/recycling uses in Monmouthshire in the future, particularly if the prices of metals and other materials rise. Subject to consent these are likely to occupy the same sorts of premises as many B2 uses and therefore the viability will be covered by the assessment of the viability of B2 uses.
- Petrol filling stations – we are aware that the recent new filling stations have generally been as part of larger supermarket developments, with independent filling stations closing. It seems unlikely that there will be significant new stand-alone filling station development.
- Selling and/or displaying motor vehicles - sales of vehicles are likely to occupy the same sorts of premises and locations as many B2 uses and therefore the viability will be covered by the assessment of the viability of B2 uses.
- Retail warehouse clubs – these retail uses are likely to be in the same type of premises as the out of town A1 retail uses and covering the same purchase or rental costs. Therefore they are covered by this viability assessment.
- Nightclubs/Laundrettes/Taxi businesses/Amusement centres – these uses are likely to be in the same type of premises as A1 town centre retail uses and covering the same purchase or rental costs. Therefore they are covered by this viability assessment.

Establishing gross development value (GDV)

6.13 We use a range of information sources in setting benchmark land values and getting intelligent inputs to our residual value modelling. The regulations require Charging Authorities to use “appropriate available evidence” in setting their CIL Charge.

- 6.14 We source non-residential revenues from a range of sources, including:
- Generic websites, such as the RightMove, Zoopla and the Land Registry
 - Direct research with developers and agents operating in the area.
 - Information on land and property values has been taken from industry standard sources including the EGi, CoStar (Focus) and Property Week databases.
- 6.15 However, given the significant variety in development types, this report has also considered historic comparable evidence for new values on both a local, regional and national level.
- 6.16 The following table illustrates the values established for a variety of non-residential uses, expressed in sq m of net rentable floorspace. The table is based on our knowledge of the market and analysis of comparable transaction data. The data has then been corroborated through a discussion with local stakeholders and through the March 2014 development industry workshop.

Table 6-1 Non-residential uses – annual rent and yields

Use	Rent (£ Sq. m)	Yield
1: Town Centre Office	£90	8.00%
2: Business Park	£80	8.00%
3: Industrial	£50	13.00%
4: Warehouse	£35	13.00%
5: Local Store - Out of centre (Convenience)	£160	7.50%
6: Supermarket (Convenience)	£190	5.50%
7: Out of centre Retail Warehouse (Comparison)	£140	7.50%
8: Town Centre Retail (Comparison)	£165	9.00%
9: Hotel	£130	7.27%
10: Care homes	£3,700 (per bed)	7.00%
11: Town Centre Retail (Convenience)	£185	8.00%

Source: PBA research

- 6.17 In terms of care homes, there is much less comparable transactional data available specific to Monmouthshire in which to derive a square metre value. In the absence of this, Knight Frank’s research entitled “Care Homes, Trading Performance Review” offers a useful indication as to the likely rent per room. Their research indicates that rents for Care homes in Wales are in the region of £3,700 per room per annum. This is in line with comparable data from neighbouring locations.
- 6.18 Hotels are another sector where there is less comparable transactional data. Discussion with local agents advised a rental per square metre value between £120 and £140 per sq m per annum. This reflects what few transactions there have been in recent years where for example a budget hotel constructed nearby in 2008 by a national chain had a rental value of £114 per sq m per annum which is broadly in line with the values of £130 we have tested.

Site coverage

- 6.19 It is important to consider the density of development proposed. The following table summarises the assumed site coverage ratios for each development type.

Table 6-2 Non-residential uses – site coverage ratios

Use	Coverage
1: Town Centre Office	120%
2: Business Park	70%
3: Industrial	50%
4: Warehouse	50%
5: Local Store - Out of centre (Convenience)	90%
6: Supermarket (Convenience)	50%
7: Out of centre Retail Warehouse (Comparison)	50%
8: Town Centre Retail (Comparison)	100%
9: Hotel	80%
10: Care home	70%
11: Town Centre Retail (Convenience)	100%

Source: PBA research

Developer profit

- 6.20 The developer's profit is the expected and reasonable level of return a private developer can expect to achieve from a development scheme. This figure is based a 20% profit margin of the total development value (GDV).

Build costs

- 6.21 Build cost inputs have been established from the RICS Build Cost Information Service (BCIS) at values set at the time of this study (current build cost values). The build costs are entered at a pound per square metre rate at the following values shown in the following table. The build costs adopted are based on the BCIS median values, indexed separately to Monmouthshire prices.

Table 6-3 Non-residential uses – build costs

Use	Build cost per sq m
1: Town Centre Office	£1,103
2: Business Park	£1,251
3: Industrial	£665
4: Warehouse	£440
5: Local Store - Out of centre (Convenience)	£945
6: Supermarket (Convenience)	£1,251

Use	Build cost per sq m
7: Out of centre Retail Warehouse (Comparison)	£615
8: Town Centre Retail (Comparison)	£907
9: Hotel	£993
10: Care home	£1,223
11: Town Centre Retail (Convenience)	£1,062

Sources: BCIS

6.22 In addition, an allowance of 10% of build costs is also made for external works such as car parking and landscaping.

Professional fees, overheads

6.23 This input incorporates all professional fees associated with the build, including: architect fees, planner fees, surveyor fees, project manager fees. The professional fees are set at a rate of 12% of build cost.

6.24 This variable has been applied to the valuation appraisal as a percentage of the total construction cost. This figure is established from discussions with both regional and national developers as well as in house knowledge and experience of industry standards.

Development contributions other than CIL

6.25 We have assumed for the purposes of testing that most development will still be expected to make s106/s278 etc. contributions to mitigate direct impacts of the development. These will often centre on highways improvements but could also relate to design and access. We have used a combination of looking at past agreements made with the council and utilising our knowledge of undertaking similar studies elsewhere. Clearly as these types of agreement are specific to individual developments we have had to take a pragmatic approach in our generic appraisals. We have basically assumed that higher impact and trip generating uses such as supermarkets will generally be expected to contribute the highest amounts, which are borne out when analysing past agreements. Smaller amounts have been attributed to the other uses as impact is often less significant and ability to pay(i.e. viability) often limits the level sought.

Finance

6.26 A finance rate has been incorporated into the viability testing to reflect the value of money and the cost of reasonable developer borrowing for the delivery of development. This is applied to the valuation appraisal as a percentage of the build cost at the rate of 6.5% of total development costs (including build costs, external works, professional fees, sales and marketing).

Sales costs

6.27 This variable is based on the average cost of legals and marketing for development, incorporating agent fees, 'on site' sales costs and general marketing/advertising costs. The rate of 3% of GDV is applied to the valuation appraisal as a percentage of the GDV and is established from discussions with developers and agents.

Professional fees on land purchase

- 6.28 This input represents the fees associated with the lands purchase and are based upon the following industry standards: Surveyor – 1%; Legals – 0.75% of residual land value.
- 6.29 A Stamp Duty Land Tax is payable by a developer when acquiring development land. This factor has been recognised and applied to the residual valuation as percentage cost against the residual land value at the standard variable rates set out by HMRC (0 – 4%).

Land for non-residential uses

- 6.30 After systematically removing the various costs and variables detailed above, the result is the residual land value. In order to ascertain the level of likelihood towards delivery and the level of risk associated with development viability, the resulting residual land values are measured against a benchmark value which reflects a value that a landowner would reasonably be expected to sell/release their land for development.
- 6.31 Establishing the existing use value (EUV) of land and in setting a benchmark at which a landowner is prepared to sell to enable a consideration of viability can be a complex process. There are a wide range of site specific variables which effect land sales (e.g. position of the landowner – are they requiring a quick sale or is it a long term land investment). However, for a strategic study, where the land values on future individual sites are unknown, a pragmatic approach is required.
- 6.32 Discussions with agents active in the commercial sector reveal there have been very few sales of commercial or employment land in the district over the past 5 years, largely arising from the moribund state of the commercial market caused by the recession. As a general figure, discussions with local agents indicated land values were generally in the region of £400,000 to £700,000 (per net hectare) depending largely upon location.
- 6.33 Transactional data from CoStar for Monmouthshire reveal values of an average of £375,000 per hectare. This has been predominantly used for industrial purposes in out of centre locations. Whilst this figure is a useful benchmark it should not be used as a one size fits all approach to values. In reality, land values vary considerably depending upon location and prospective use. For instance land within a town centre is likely to have a comparatively higher uplift value to more out of centre locations as there is a greater expectation on return. Similarly, as we can see from analysis of rental values, retail achieves higher returns than industrial and office sites and similarly will likely command a higher land value.
- 6.34 Taking all of this into account alongside discussion with local land values we feel the below land values are representative.

Table 6-4 Land Values

Use	Land Value (net hectare)
1: Town Centre Office	£800,000
2: Business Park	£500,000
3: Industrial	£400,000
4: Warehouse	£400,000

Use	Land Value (net hectare)
5: Local Store - Out of centre (Convenience)	£800,000
6: Supermarket (Convenience)	£1,000,000
7: Out of centre Retail Warehouse (Comparison)	£800,000
8: Town Centre Retail (Comparison)	£800,000
9: Hotel	£500,000
10: Care home	£500,000
11: Town Centre Retail (Convenience)	£800,000

Source: PBA research

7 NON-RESIDENTIAL VIABILITY ASSESSMENT

Introduction

- 7.1 This section sets out the assessment of non-residential development viability and also summarises the effect on viability of changes in values and costs, and how this might have an impact on the level of developer contribution. The tables below summarise the detailed assessments, and represent the residual value per square metres after values and costs, including land have been calculated.
- 7.2 It is important to note that the analysis considers development that might be built for subsequent sale or rent to a commercial tenant. However there will also be development that is undertaken for specific commercial operators either as owners or pre-lets.

B-class uses

- 7.3 In line with other areas of the country our analysis suggests that for commercial B-class development it is not currently viable to charge a CIL. Whilst there is variance for different types of B-space, essentially none of them generate sufficient value to justify a CIL charge. From our analysis, the viability of all four categories; Town centre offices, Business Parks, Industrial and Warehouses, are undermined by relatively poor rental values, particularly when compared to retail units.
- 7.4 As the economy recovers this situation may improve but for the purposes of setting a CIL we need to consider the current market. Importantly this viability assessment relates to speculative build for rent – we do expect that there will be development to accommodate specific users, and this will be based on the profitability of the occupier's core business activities rather than the market values of the development. We have tested offices, warehouses and industrial uses on a county-wide basis as there was little variance in costs or values across different locations.

Table 7-1 B-class development

Use	Town Centre Office	Business Park	Industrial	Warehouse
Residual value per sq m (inc. allowance for EUV + uplift)	-£734	-£983	-£680	-£470

Source: PBA research

Retail uses

- 7.5 As discussed in the previous chapter, five retail scenarios have been tested, namely; supermarkets, out of centre retail warehouses, town centre retail (convenience), town centre retail (comparison) and local stores. It was considered that these represent the most likely scenarios to come forward over the plan period and also allowed the testing of the type of development envisaged in the Plan.

Supermarkets

- 7.6 Large scale convenience retail continues to be one of the best performing sectors in the UK, although we are aware that even this sector is seeing reduced profits at the time of writing. Leases to the main supermarket operators (often with fixed uplifts) command a premium with investment institutions. Although there are some small regional variations on yields, they remain generally strong with investors focussing primarily on the strength of the operator covenant and security of income. We would therefore suggest the evidence base for large out of town convenience retail can be approached on a wider region or even national basis when justifying CIL charging. Following our appraisal on this basis in Monmouthshire we believe there is scope for a CIL charge for out of town centre convenience retail development without affecting viability.

Retail warehouse

- 7.7 Although this market has been relatively flat in recent times, especially in terms of new build, there may potentially be more activity in the future. Whilst values have dropped the relatively low build costs mean that there is still value in these types of developments when there is occupier demand. Our analysis therefore suggests there is reasonable scope for justifying CIL without adversely affecting viability.

Town Centre Retail (Comparison) and Town Centre Retail (Convenience)

- 7.8 Our testing indicates very little scope for charging CIL for town centre comparison and convenience retail units. There is insufficient value in town centre comparison development to set a levy. Whilst town centre convenience testing does show a positive value, it is not significant and may be considered as more marginal than out of centres retail uses.

Local Convenience (out of centre)

- 7.9 Local convenience stores are another area that could form part of the charging schedule, albeit not to the same degree as supermarket and retail warehouse units. In setting a suitable charge the authority should be mindful that setting a separate charge for small scale convenience, whilst possible, requires a more substantial evidence base to support a threshold for the development type. It should also be noted that within Monmouthshire because of its rural nature, potentially a lot of new convenience floorspace will either utilise existing floorspace or be under 100 sq. m. Therefore if the authority chooses to set out a more simple levy regime with a catch all charge for out of centre retailing, which is higher than a smaller convenience store has shown as viable then it is not considered that this will put at risk the provision of smaller units for the reasons set out above and would not significantly impact delivery of the Plan.

Summary

- 7.10 The appraisal summary shown in Table 7.2 is for all retail development. As discussed there is scope for charging, to various degrees, on all types except town centre stores. Our testing shows that residual values are lower for town centre comparison and convenience units than it is for out of town units such as supermarkets and retail parks. Whilst we have identified scope

for a charge, the authority may wish a to set a simple and less complex charging regime with a levy of zero for in centre development and a levy of up to £604 for out of centre development.

7.11 It should be noted that whilst out of centre development is shown as viable in respect of the generic models tested, there may be limited circumstances for specific types of retail development where a specific scheme’s viability may not be as positive. However, these will be very limited in number and are not considered as critical to delivery of the Plan as they have not been identified, therefore they have not been tested. If such a circumstance arises and a scheme is found to be unviable but otherwise is in accordance with Plan policy and objectives then, the Council, under the appropriate regulation, could choose to set out an exceptions policy to assist delivery of this and other proposals with similar circumstances.

Table 7-2 Summary of Retail uses

Use	Supermarket	Retail warehouse	Town Centre retail (Comparison)	Town Centre retail (Convenience)	Local store (Convenience)
Residual value per sq m (inc. allowance for EUV + uplift)	£604	£331	-£59	£68	£101

Source: PBA research

Hotel development

7.12 As can be seen in Table 7.3, hotel development in Monmouthshire does not realise sufficient residual value to warrant a positive levy charge.

Table 7-3 Hotel viability

Use	Hotels
Residual value per sq m (inc. allowance for EUV + uplift)	-£107

Source: PBA research

Care homes

7.13 We have tested the viability of the care sector. There has been significant private sector investment in care homes in recent years, fuelled by investment funds seeking new returns. However, there have been concerns about the occupancy rates and the ability to sustain prices, for instance, evidence provided by Knight Frank suggests income per bed for care homes in Wales is less than half of the UK average. The high level analysis suggests that care homes are unlikely to be viable enough in Monmouthshire.

Table 7-4 Care homes viability

Use	Care homes
Residual value per sq m (inc. allowance for EUV + uplift)	-£1,010

Source: PBA research

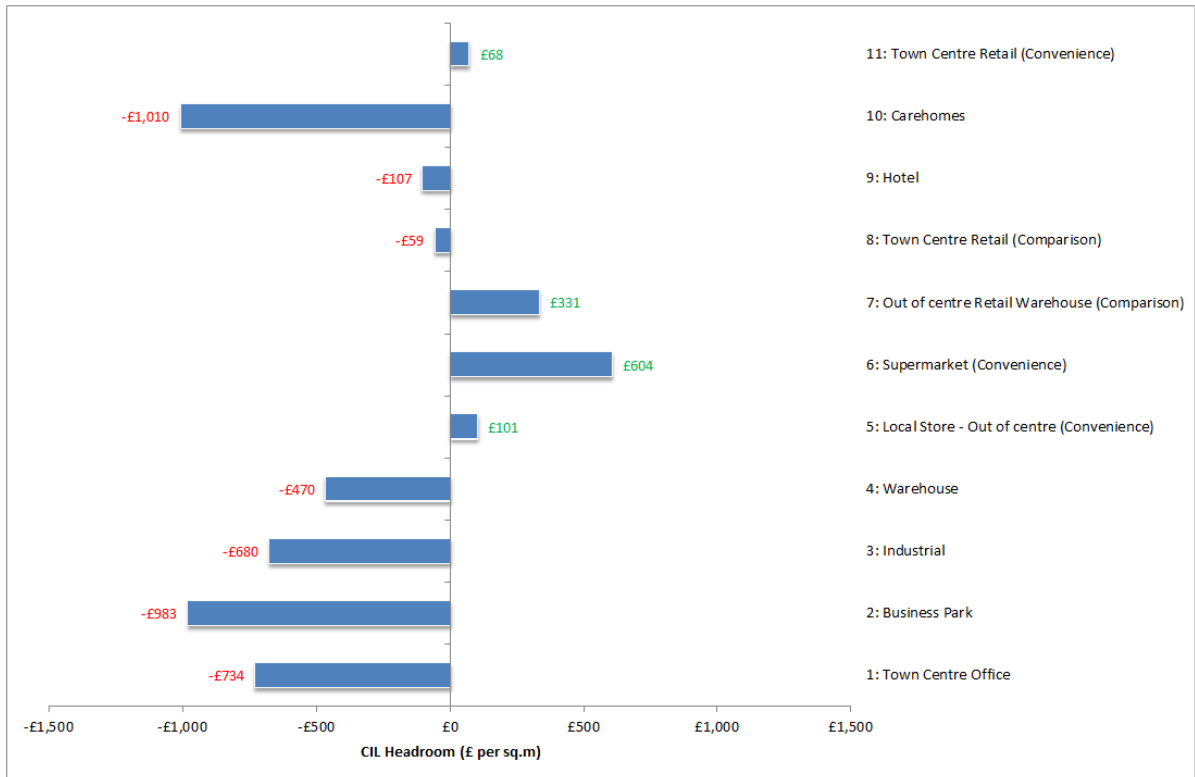
Other non-residential development

- 7.14 In addition to the development considered above there are other non-residential uses that we have considered. PAS guidance suggests that there needs to be evidence that community uses are not able to support CIL charges. Our view is that it would not be helpful to set a CIL for the type of facilities that will be paid for by CIL (amongst other sources).
- 7.15 Our approach to this issue is that the commercial values for community uses are £0 but there are build costs of around £1,800 per sq m plus the range of other development costs; with a net negative residual value. Therefore we recommend a £0 CIL for these uses.

Results summary

- 7.16 The following figure (7.1) illustrates the levels of value in our tested schemes when all costs have been subtracted from the values. As can be seen positive values exist for all convenience and out of town centre comparison retail development.
- 7.17 As can be seen below there is scope to charge a maximum of £604 per sq m for Supermarkets, £331 per sq m for Retail warehouse, £68 per sq m for Town centre convenience retail units and £101 per sq m for local store - out of centre convenience units.
- 7.18 The evidence suggests that a zero charge applies to all the other forms of non-residential development. All other tested uses show negative values, although, it is important to note that this does not mean that these uses will never come forward in Monmouthshire. Bespoke schemes with identified end users and land owners willing to sell at lower prices will enable development to come forward in the future.

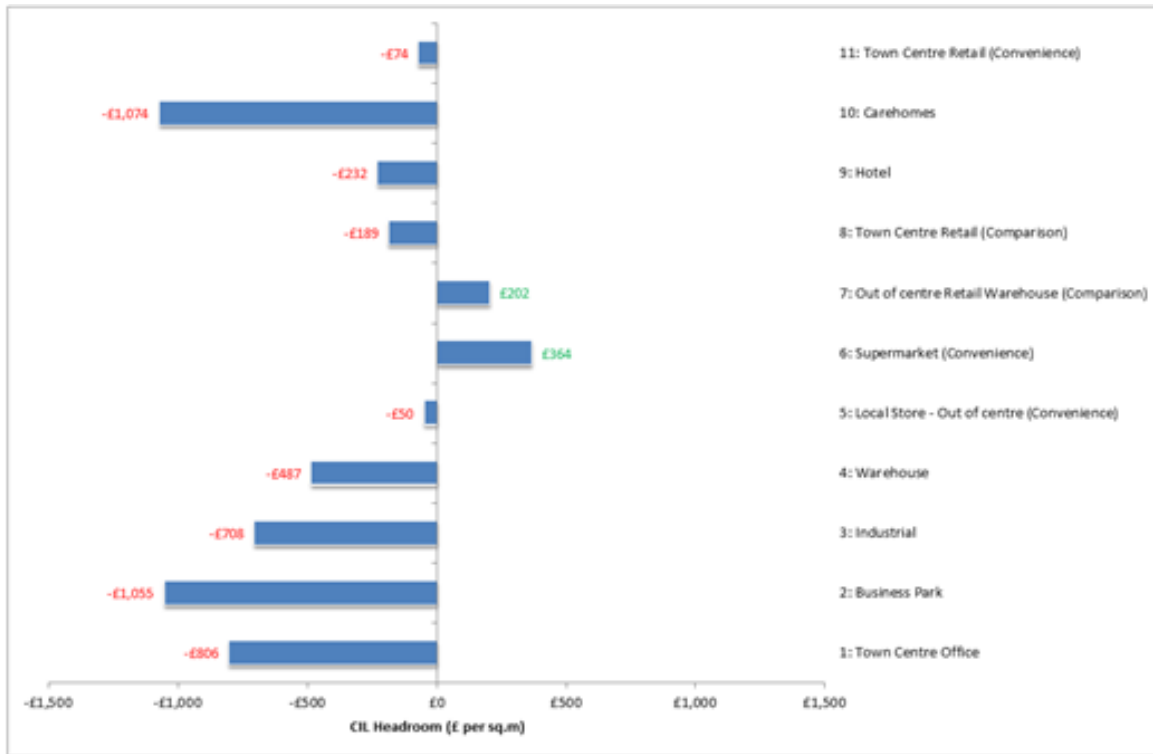
Figure 7-1 Scope for CIL



Source: PBA research

- 7.19 To help the council decide as to where they may wish to set their CIL rates we have also undertaken some sensitivity testing in terms of values rising and falling. This will assist the council by illustrating how sensitive particular uses are to shifts in the market. The council will need to decide in setting the rate how much they want to put at risk that particular development type and what effect non delivery would have on the plan delivery strategy. The sensitivity analysis will also help the council in thinking about suitable trigger points whereby a review of the CIL is required – for example if the economy worsens and retail values drop by 10% then it may be appropriate to lower or drop the charge. Alternatively if the economy recovers there may be scope to charge CIL on more uses in the future.
- 7.20 Figure 7.2 shows what will happen if there is depreciation in the values of 10%. As can be seen all of the retail units suggested are still viable with a depreciation of rents of 10%. Both supermarkets and out of town retail units appear relatively resilient to fluctuations in the rental market however, with these lower rental values, both town centre convenience units and local out of centre units become unviable. Therefore the council may wish to exercise caution for charging a levy on town centre units, particularly comparison units.
- 7.21 Based on these sensitivity test findings, if town centre retail comparison is an important part of the plan’s delivery strategy and the council is risk adverse, this sensitivity test would suggest that in the current climate whereby there is potential for values to drop, setting a lower charge may be appropriate.

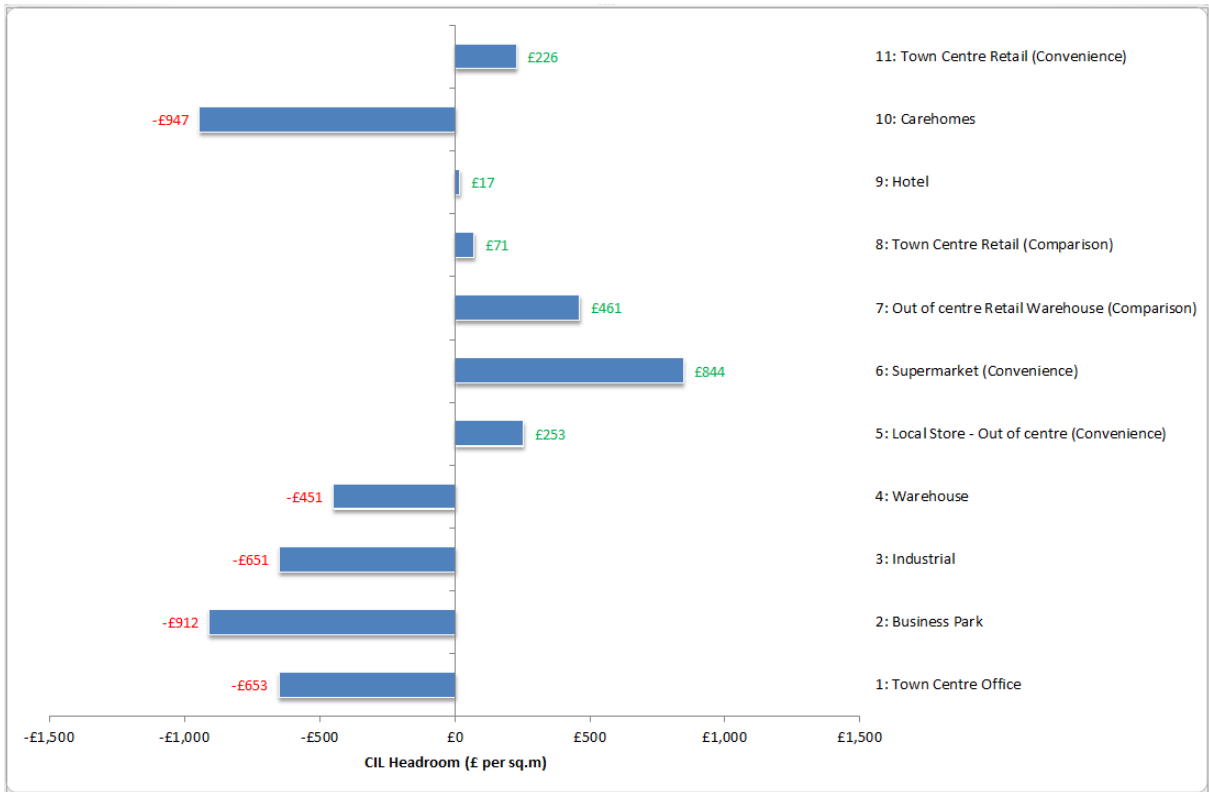
Figure 7-2 Sensitivity analysis – minus 10% on values



Source: PBA research

7.22 However if the council has a more optimistic view of the market and believes that values will rise, Figure 7.3 indicates that the retail uses identified are more viable. A 10% increase in rental values for hotels and town centre retail comparison units improves their viability from a negative to a positive value, however this is still only a very minimal figure and would be very difficult to justify a levy here. All other uses such as employment and care homes continue to be negative.

Figure 7-3 Sensitivity analysis – plus 10% on values



Source: PBA research

Synthesising the results

- 7.23 The assessment shown above illustrates the **maximum theoretical rates** rather than recommended rates. We draw attention to the need for the council to set CIL rates that are not at the margin of viability and provide a buffer to allow for individual site circumstances and market change.
- 7.24 Unlike the residential market where there is substantial supporting data on values and costs, viability assessment for commercial and other non-residential development is based on far fewer transactions both in terms of assessing development cost and values. Whilst we have analysed the best available data, the Council needs to be wary about setting CIL rates at the margin of viability if the form of development is important to the delivery of the Plan.
- 7.25 The only form of tested non-residential development that is sufficiently viable in Monmouthshire is retail development. As previously described the retail sector performs differently across the different types, i.e. convenience and comparison and in centre and out of centre. However in the interest of a simple charging regime as recommended by the guidance it is recommended that the authority take a two zone charging approach as opposed to scale or specific types and set a charge for in centre and a charge for out of centre development, utilising the existing policy boundaries for identified centres as set out in the Plan.

- 7.26 The charge for in centre, regardless of specific retail use would be £0 per sq. m, because the appraisals show that retail development in these locations of the type envisaged as likely to come forward would either be limited or marginal at best.
- 7.27 Out of centre is more complex as the maximums for the type of development that could come forward range from £101-£604 per sq m. The Council could choose a cautious approach and set the charge at the lowest denominator, however as discussed above it is considered that whilst a buffer should be applied that this should be to the middle use value (out of centre retail park/warehouse) of £331 per sq m, rather than the lowest value use (local out of centre convenience store) of £101 per sq m, as developments of this type are more likely to be either under the threshold or reuse existing floorspace and therefore not chargeable. Therefore as there is limited data of transactions it is recommended that a 40% buffer is applied in this instance, which means a recommended charge for out of centre retail development of £200 per sq m.

Summary

- 7.28 The potential CIL rates that the Council may like to consider are:
- Out of centre retail - £200 sq. m
 - All other non-residential development - £0 sq. m

ANNEX 1

Benchmark Land Values

Land value benchmarks

1. Establishing suitable land value benchmarks is an important part of any viability testing. Welsh Government guidance¹ states that viability is a key factor in striking the balance between collecting revenue and not setting rates too high (para 2.2); and that viability studies should concentrate on sites where the imposition of CIL may have an impact on viability (para 2.18). It is noted that land values across an area may already result in development becoming unviable or marginal and this needs to be considered (para 2.20).
2. Department for Communities and Local Government CIL guidance² applies in Wales and states that a charging authority should use 'appropriate available evidence', recognising that it is unlikely to be fully comprehensive and this will include values of land in both existing and planned uses (2.2.2.4).
3. The Advice for planning practitioners³ sets out a preferred approach in the following extract from page 29:

"We recommend that the Threshold Land Value is based on a premium over current use values and credible alternative use values (noting the exceptions below.....)."
4. The exceptions referred to in the Advice for planning practitioners reflect the significant differences in the types of current use found within settlements and on greenfield land adjoining settlements. The exceptions are summarised as:
 - Larger scale sites for urban extensions on greenfield land where the uplift on current use value (agricultural land) sought by the landowner will be significantly higher than in an urban context.
 - Smaller, edge-of-settlement greenfield sites, where landowners' required returns will be more like those for sites within the settlement.
5. Advice for planning practitioners states that reference to market values can still provide a useful 'sense check' on the benchmark values that are being used for testing, but it is not recommended that these are used as the basis for the input to a model. This is an important concept and explains why the land value benchmark used to test plan policies (and CIL rates) can be **less** than the value at which land is being traded in the market. This point was highlighted in a recent CIL examiner's report⁴:

"Finally the price paid for development land may be reduced. As with profit levels there may be cries that this is unrealistic, but a reduction in development land value is an inherent part of the CIL concept. It may be argued that such a reduction may be all very well in the medium to long term but it is impossible in the short term because of the price already paid/agreed for development land. The difficulty with that argument is that if accepted the prospect of raising funds for infrastructure would be forever receding into the future. In any event in some instances it may be possible for contracts and options to be re-negotiated in the light of the changed circumstances arising from the imposition of CIL charges." (para 32)
6. The Homes and Communities Agency is the housing and regeneration agency for England. As part of its work it is concerned with viability to ensure delivery of market and affordable

¹ Welsh Government, 2011, Community Infrastructure Levy Preparation of a Charging Schedule,

² DCLG, 2014, Community Infrastructure Levy Guidance

³ Local Housing Delivery Group, 2012, Viability Testing Local Plans

⁴ Report to The Mayor of London, by Keith Holland January 2012

housing. It provides some generic guidance on land value benchmarking⁵ which states that in relation to the required premium above existing use value (EUV):

“Benchmarks and evidence from planning appeals tend to be in a range of 10% to 30% above EUV in urban areas. For greenfield land, benchmarks tend to be in a range of 10 to 20 times agricultural value”. (page 9)⁶

7. Another report in 2011 also undertaken in England for the Department for Communities and Local Government⁷ also provides generic guidance on land value benchmarking. It suggested that a premium of 25% over existing use value was required to bring forward industrial land for redevelopment. The premium for greenfield land was said to be higher, recognising that while the existing use value base is low, the costs normally associated with realising new development on unserviced greenfield land are considerable.
8. For residential land, current use value is taken as industrial land for urban sites and agricultural land for strategic sites/urban extensions, with appropriate uplifts applied.

Implications for Residential Benchmark Land Values in Monmouthshire

9. The key factors to be taken into consideration are:
 - The land values used for the Affordable Housing Viability Study in the Local Development Plan, which was examined in 2013 and adopted in 2014.
 - Published research reports on land values.
 - Consultation with the development industry active in Monmouthshire.
 - Data from Land Registry.

Local Development Plan

10. The Monmouthshire Local Development Plan examination ended in October 2013 and the Plan was adopted in February 2014. The evidence base for this plan was also considered at examination and included land values as part of the Affordable Housing Viability Study (AHVS). The AHVS was originally undertaken and then updated in 2011 and 2012 to reflect progress in the LDP and to take account of market changes. The AHVS stated that

“Based on information from the Valuation Office Agency (VOA), local data and local industry experience a benchmark of £650,000 per hectare, allowing for an uplift on industrial land values (as an alternative/existing use), appears to be a realistic minimum level at which land might be expected to come forward for residential development.”

Published Land Value Research

11. Recent information on agricultural land values can be found through the reports published by estate agents. In 2014, Smiths Gore⁸ suggests that the value of farmland in Wales has risen since 2010, and varied between £20,000 and £28,000 per ha. Knight Frank stated that

⁵ Annex 1 (Transparent Viability Assumptions) to the Homes and Communities Agency guidance for its Area Wide Viability Model, August 2010

⁶ Homes and Communities Agency, 2010, Annex 1 (Transparent Viability Assumptions)

⁷ Turner Morum, 2011, Cumulative impacts of regulations on house builders and landowners

⁸ Smiths Gore, 2014, Farmland Market Great Britain 2014Q1

Wales farmland is between £11,000 per ha to £27,000 per ha in 2014⁹ (excluding upland grazing, which has less value).

12. The latest information from the Valuation Office Agency showed that cleared industrial development sites 0.5-1 ha in Cardiff had a value of £620,000 per ha in 2011¹⁰, although we acknowledge that this information is somewhat dated.
13. Elsewhere in South Wales, the residential benchmark land values referred to in the Caerphilly CBC CIL examination¹¹ were typically £500,000 per ha, although this fell to £200,000 per hectare in some areas. The benchmark land values in Merthyr Tydfil (jointly examined with Caerphilly¹²), ranged between £250,000 per ha to £500,000 per ha. In Caerphilly the examiner rejected evidence of higher value land transactions which were based on permissions with lower affordable housing. House price data¹³ shows that Monmouthshire has higher values than Caerphilly and Merthyr Tydfil and this may result in higher land values.

Consultation with the Development Industry

14. The development industry workshop held at Monmouthshire Council's offices in March 2014 discussed the proposed threshold land values of £650,000 per ha for urban sites based on an uplift on alternative use (taken to be industrial land) and £250,000 per ha for strategic greenfield sites. Development industry representatives considered that these values are low but no specific alternatives were put forward and it was acknowledged that there has been limited activity in recent years. Taking into account that the benchmark should represent what a realistic landowner might be willing to bring land forward for with policies in place rather than the highest values that might be achieved, £650,000/ha was considered acceptable. The development industry workshop did not suggest that there were specific different thresholds within Monmouthshire.
15. The discussion in the development industry workshop was supported by separate discussion with agents, which indicated land values for industrial and other non-residential development were in the region of £400,000 to £700,000 depending largely upon location.

Land Registry

16. Land registry is able to provide information on recorded sale prices in land titles. Titles were identified within the strategic site allocations in the Local Development Plan and a subset of these were able to reveal the price paid. This information from Land Registry shows that there have been agricultural value land transactions at £11,600 per ha to £14,500 per ha in Monmouthshire 2010-2012, similar to the data noted above.
17. There is also evidence of prices rising well above agricultural values as the residential development potential is identified as part of the site promotion process. The variation in these transaction values is large, both above and below the benchmarks suggested in the workshop. By itself, the transaction evidence does not indicate that the suggested benchmarks are incorrect although the paucity of transactions and spread of values mean

⁹ Knight Frank, 2014,

¹⁰ VOA, 2012, Property Market Report

¹¹ Philip Staddon, 2014, Report to Caerphilly CBC

¹² Philip Staddon, 2014, Report to Merthyr Tydfil CBC

¹³ Land Registry, 2014, House price index

that it would be difficult to set a benchmark on this evidence alone. The transaction data did not suggest that it was necessary to set specific benchmarks in different part of Monmouthshire.

Land Value Summary

18. As illustrated above, there is no single source of information or approach that can be drawn on to identify an appropriate land value benchmark. Furthermore the guidance suggests a composite view is taken based on premium over existing use, checked against market values.
19. There is a measure of consensus that £650,000 per gross ha is a suitable benchmark for urban sites. This figure is 60% over the estimated industrial land value. There is also some consensus that the £250,000 per gross ha is a suitable benchmark for strategic greenfield sites, which is 15-20 times agricultural values.
20. The benchmarks are applicable across Monmouthshire as there is no clear evidence to vary them by location.

ANNEX 2

Testing Assumptions

Residential Development Assumptions

All market value areas to be tested at 30dph, 40dph and 50dph.

The affordable housing requirements for each market value area are noted in the table below. These were provided by MCC.

% affordable housing

Market Value Area	% AH
Sevenside	25%
Market towns (Monmouth, Chepstow and Abergavenny)	35%
Rural rest of Monmouthshire	35%
	60%

The standard tenure make up for affordable housing is 50% social rent, 25% intermediate rent and 25% Homebuy (Equity Share, 50% average share size with no rent payment on unbought share).

The breakdown of units per tenure is as follows:-

%ages of total Affordable homes	Social Rent	Intermediate Rent	Homebuy	Total
1 bed flat	20%			20%
2 bed flat	10%	10%		20%
2 bed terrace	2.5%	15%	12.5%	30%
3 bed terrace	7.5%		12.5%	20%
4 bed terrace	10%			10%
Total	50%	25%	25%	100%

Rents (net of service charge)/week

House type	Social Rent	Intermediate Rent
1 bed flat	£78	£90
2 bed flat	£85	£110
2 bed terrace	£85	£115
3 bed terrace	£89	£135
4 bed terrace	£92	£160

Other Affordable Homes Costs

Model as capitalized net rent, without grant, with the following assumptions:-

Cost of management/ maintenance/ voids etc £1,500

Capitalisation Rate

6%

Mixes (for notional 1 hectare scheme)

For Market units

	30 dph	40 dph	50 dph
	%s	%s	%s
1 bed flat			
2 bed flat		5%	10%
2 bed terrace		10%	15%
3 bed terrace	10%	25%	40%
4 bed terr			
3 bed semi	15%	35%	15%
3 bed det	5%	5%	
4 bed det	60%	20%	20%
5 bed det	10%		

Dwelling sizes (in sq m GIA)

House type description	Affordable	Market
1 Bed Flat	48	45
2 Bed Flat	60	55
2 Bed Terrace	73	65
3 Bed Terrace	80	80
4 bed terrace	100	
3 Bed Semi		80
3 Bed Detached		85
4 Bed Detached		130
5 Bed Detached		155

Assume all flats are 1 - 2 storey. No circulation space allowed for flats.

Development costs

Build costs

£s /sq m – using Building Cost Information Service (BCIS 5) year median values, using location factor for Gwent with a 15% uplift for external works.

Houses £993

Flats £1,080 (assume 1 and 2 storey)

For small sites of 3 dwellings or less, BCIS indicates that build costs will be higher. For small sites we have therefore used a 10% increase over the figures noted above.

Houses £1,092

Flats £1,188

For the retirement case study site, a build cost of £1,163/ sq m has been used.

Additional build costs per dwelling

- Sprinklers £3,075/house
£879/flat

Other development costs

- Professional Fees % 10% of build costs
- Finance 6% of build costs
- Marketing Fees 3% of market value
- Developers Return 20% of GDV
- Contractors Return 6% of development costs
- Agents Fees 2.0%
- Legal Fees 0.5%
- SDLT Variable

DCF Assumptions (for larger case study sites)

- Debit Interest Rate 6%
- Credit Interest Rate 2%
- Annual Discount Rate 3.5%

Residual s106 costs

£1,000 per dwelling (market and affordable)

Market Values

	Abergavenny	Chepstow	Monmouth	Sevenside	Rural rest of Monmouthshire
1 bed flat	£115,000	£120,000	£125,000	£100,000	£115,000
2 bed flat	£130,000	£140,000	£140,000	£120,000	£130,000
2 bed terrace	£170,000	£180,000	£180,000	£140,000	£170,000
3 bed terrace	£190,000	£200,000	£190,000	£170,000	£190,000
3 bed semi	£190,000	£210,000	£190,000	£170,000	£200,000
3 bed detached	£210,000	£215,000	£195,000	£185,000	£215,000
4 bed detached	£300,000	£330,000	£290,000	£260,000	£330,000
5 bed detached	£350,000	£380,000	£320,000	£290,000	£380,000

On case study sites of 3 units or less, the selling prices listed above have been uplifted by 10% to reflect the higher prices achievable on small sites.

Retirement Housing Market Values used are as follows

	Abergavenny	Chepstow	Monmouth	Sevenside	Rural rest of Monmouthshire
1 bed flat	£173,000	£180,000	£188,000	£150,000	£173,000
2 bed flat	£215,000	£231,000	£231,000	£198,000	£215,000

Retirement Housing scheme

- 50 unit - 20x1 bed (50 sq m), 30x2 bed (75 sq m).
- 25% of total area is communal (non-saleable) space

Retirement Housing affordable housing assumptions are the same to those used in the other case studies:

- 50% shared ownership
- 50% intermediate rent
- Use intermediate rents - 1 bed £90, 2 bed £110

Other retirement housing assumptions are:

- Marketing – 6%
- Empty Property costs allowed - £120,000 (as scheme built before any significant number of occupations) for utilities, staff etc.

Retirement housing delivery:

- 12 months until 1st sale.
- 40% sales in yr 1
- 30% sales in yr 2
- 30% sales in yr 3

ANNEX 3

Case Study Profiles

Large Case Studies

AREA/ LOCATION/ DETAILS											
Case Study	Scheme	MVA	Dwgs	Gross ha	Net ha	Net to gross (%)	Opening Up Costs (Strategic sites)	Additional Development Costs	Development Rate; Dev Period	Market %	AH %
STRATEGIC SITES											
1	SAH1 Deri Farm Abergavenny	Abergavenny	250	8.70	7.70	89%	100,000	4,250,000	20pa yr 1 then 40 pa; 7 yrs	65%	35%
2	SAH2 Crick Road Portskewett	Severnside	285	9.95	7.70	77%	100,000	120,000	55pa; 6 yrs	75%	25%
3.1	SAH3 Fairfield Mabey, Chepstow (alt 1)	Chepstow	350	13.10	9.50	73%	100,000	3,600,000	40pa yr 1 then 80 pa; 5 yrs	65%	35%
3.2	SAH3 Fairfield Mabey, Chepstow (alt 2)	Chepstow	350	13.10	9.50	73%	100,000	5,290,000	40pa yr 1 then 80 pa; 5 yrs	65%	35%
4	SAH4 Wonastow Rd Monmouth	Monmouth	450	19.61	16.46	84%	100,000	420,000	62pa yr 1 then 100 pa; 5 yrs	65%	35%
5.1	SAH5 Rockfield Farm Undy (Alt 1)	Severnside	270	9.00	7.45	83%	100,000	1,700,000	55pa; 5 yrs	75%	25%
5.2	SAH5 Rockfield Farm Undy (Alt 2)	Severnside	270	9.00	7.45	83%	100,000	1,970,000	55pa; 5 yrs	75%	25%
5.3	SAH5 Rockfield Farm Undy (Alt 3)	Severnside	270	9.00	7.45	83%	100,000	400,000	55pa; 5 yrs	75%	25%
6.1	SAH6 Vinegar Hill Undy (Alt 1)	Severnside	225	7.81	6.91	88%	100,000	2,000,000	50pa; 5 yrs	75%	25%
6.2	SAH6 Vinegar Hill Undy (Alt 2)	Severnside	225	7.81	6.91	88%	100,000	2,320,000	50pa; 5 yrs	75%	25%
6.3	SAH6 Vinegar Hill Undy (Alt 3)	Severnside	225	7.81	6.91	88%	100,000	450,000	50pa; 5 yrs	75%	25%
7	SAH7 Paper Mill Sudbrook	Severnside	190	6.60	6.60	100%	100,000	38,000	50pa; 4 yrs	75%	25%

Note – opening up costs are per net hectare.

Small Case Studies

Case Study	Scheme	MVA	Dwgs	Net ha	Net to gross (%)	Development period	Market %	AH %
8	Severnside Windfall (35 dwgs)	Severnside	35	1.17	100%	1 year	75%	25%
9	Severnside Windfall (10 dwgs)	Severnside	10	0.33	100%	1 year	75%	25%
10	Severnside Small (4 dwgs)	Severnside	4	0.13	100%	1 year	75%	25%
11	Severnside Small (3 dwgs)	Severnside	3	0.10	100%	1 year	75%	25%
12	Main Towns Windfall (35 dwgs)	Abergavenny	35	1.17	100%	1 year	65%	35%
13	Main Towns Windfall (10 dwgs)	Abergavenny	10	0.33	100%	1 year	65%	35%
14	Main Towns Small (4 dwgs)	Abergavenny	4	0.13	100%	1 year	65%	35%
15	Main Towns Small (3 dwgs)	Abergavenny	3	0.10	100%	1 year	65%	35%

Other Case Studies

Case Study	Scheme	MVA	Dwgs	Gross ha	Net ha	Net to gross (%)	Development period	Market %	AH %
16	Main villages Small (4 dwgs)	Rural	4	0.13	0.13	100%	1 year	40%	60%
17	Main villages Small (3 dwgs)	Rural	3	0.10	0.10	100%	1 year	40%	60%
18	Main Villages (15dwgs)	Rural	15	0.50	0.50	100%	1 year	40%	60%
19	Minor Village Small (4 dwgs)	Rural	4	0.13	0.13	100%	1 year	25%	75%
20	Minor Village Small (3 dwgs)	Rural	3	0.10	0.10	100%	1 year	33%	67%

ANNEX 4

Development Industry Workshops 18th March – notes

Monmouthshire County Council
Community Infrastructure Levy – Development Industry Workshop
18th March 2014

Organisations attending the workshop:

- Taylor Wimpey
- Edenstone Homes
- Monmouthshire Housing Association
- Melin Homes
- Persimmon Homes
- Savills
- Johnsey Estates
- Martin Davies (MD), Monmouthshire County Council
- Shirley Wiggam, Monmouthshire County Council
- Rachel Jones, Monmouthshire County Council
- Jane Coppock, Monmouthshire County Council
- Deb Hill-Howells, Monmouthshire County Council
- Ben Winstanley, Monmouthshire County Council
- Lin Cousins (LC), Three Dragons
- Dominic Houston (DH), Three Dragons
- Mark Felgate (MF), PBA

MD welcomed everyone to the workshop.

Community Infrastructure Levy (CIL) Introduction

LC introduced CIL and described how it operates and process for setting CIL. She explained that CIL applies to all development (that people go into) and is based on a payment rate per sq m. The rate could be set at £0. Setting rates for a local authority area must be based on viability evidence and not policy considerations. Presentation slides for this section of the workshop are shown in the Annex.

Workshop attendees who wanted to understand better the process for setting CIL and the stages of consultation may find the following WG publication helpful -

<http://wales.gov.uk/docs/desh/publications/110912cilleafleten.pdf>. DCLG has also published CIL guidance.

Other questions raised were:

- What happens about brownfield versus greenfield sites (brownfield sites have extra costs and an established use value – both factors need to be taken into account – LC indicated that if viability analysis indicated the need for a lower CIL rate, this could be accommodated in a charging schedule (as long as a distinct zone could be identified on an OS base).
- How is CIL reviewed? What triggers a review? - LC explained that it was up to the charging authority when a review takes place but when this happens, the authority need to complete a full CIL setting process.

Update on Local Development Plan and Introduction of CIL

MD explained that the LDP has been found sound by the planning inspector who presided over its examination and is currently subject to a 6 week period for legal challenge. The onward timetable is as follows:

Monmouthshire Local Development Plan

- Adopted 27 February 2014
- Six week legal challenge period from 6 March 2014

Level of Growth

- 450 dwellings per year 2011-21
- Provision for a total of 4,500 dwellings 2011-2021 by identifying opportunities for 4,950 dwellings to enable a 10% flexibility allowance

The level of growth set out in the LDP is:

Achieving the LDP Level of Housing Growth

	Dwellings
Committed 1/4/13	1012
Completions 2011 -2013	596
Large Site Windfall	338
Small Site Windfall	566
New Site Allocations	2445
Total	4957

MD set out the key housing allocations in the Plan and highlighted that the new site allocations account for about half of housing supply over the plan period (2011 to 2021) at 2,445.

The 7 strategic sites in the LDP are:

Strategic Housing Sites

Location	Dwellings
Abergavenny/Llanfoist – Deri Farm, Mardy	250
Caldicot/Portskewett – Crick Road, Portskewett	285
Chepstow – Land at Lower Chepstow (Fairfield Mabey)	350
Monmouth – Land at Wonastow Road, Monmouth	450
Magor/Undy – Rockfield Farm, Undy	270
Magor/Undy – Land at Vinegar Hill, Undy	225
Sudbrook, Former Paper Mill	190
Total	2,020

MD outlined that there is also a series of smaller housing sites as follows:

Smaller Housing Sites

Sites	Dwellings
Wyesham	35
Coed Glas, Abergavenny	60
Usk	20
Penperlleni	65
Raglan	45
Total	225

- Rural Allocations (200 dwellings)
 - 17 ‘Main Villages’
 - Maximum 15 dwellings per site
 - To provide affordable housing for local people
 - Affordable/Market Split 60:40

MD outlined the council’s approach to s106 and CIL. MCC has a draft infrastructure plan that sets out requirements associated with delivery of the Plan. Policy S7 in the Plan sets out a list of infrastructure requirements to be met and indicates priorities for delivery.

If CIL is introduced it will be used for strategic and place making elements as follows:

Council's Approach to s106/CIL - 3

- s106 to provide site infrastructure plus scaled back S106 on-site requirements (e.g. play areas at, say, £1,000 per dwelling)
- CIL to be used for more general 'place making' schemes, e.g.
 - Green Infrastructure
 - Sustainable transport
 - Education
 - Strategic sports/leisure/adult recreation
 - Town centre improvements
 - Digital (i.e. broadband)

In answer to a question from a workshop attendee, MD stated that CIL could to be used to fund drainage infrastructure if the council chooses to include this in their R123 list (yet to be decided), but care would be needed to ensure that CIL was not used to fund infrastructure that was the responsibility of Welsh Water. MD also emphasised that, in terms of sites allocations, no issues had been raised re flooding issues for the sites (that had not already been taken onto account in the allocation).

LC explained that the CIL Regulations allowed for different CIL rates (even £0 CIL rates) for different areas and that this could include, subject to the viability testing, rural sites where the council's priority is delivery of affordable housing.

MD emphasised that the council appreciates the importance of balancing s106 requirements and use of CIL (and how it is set).

The timetable for preparation of the CIL is as follows:

Council's Approach to s106/CIL - 4

- Timetable:
 - Development industry workshop 18th March
 - Finalise all testing assumptions (including strategic sites) - end March
 - Testing completed - mid April
 - Draft final report - end April
 - Report finalised - May 12th
- Council resolution to consult on Draft Charging Schedule June/July

Non-residential development testing approach and assumptions

MF described the types of non-residential uses that it was intended to test. This was agreed by the workshop.

Non residential uses – are these the right ones?

	GIA sq.m	Net site area (ha)
1: Town Centre Office	500	0.04
2: Business Park	2,000	0.29
3: Industrial	1,000	0.20
4: Warehouse	2,000	0.40
5: Local Store - Out of centre (Convenience)	200	0.02
6: Supermarket (Convenience)	1,200	0.24
7: Out of centre Retail Warehouse (Comparison)	1,000	0.20
8: Town Centre Retail (Comparison)	200	0.02
9: Hotel	800	0.10
10: Carehomes	2,600	0.37
11: Town Centre Retail (Convenience)	250	0.03

MF then reviewed the assumptions to be used.

Non-residential model assumptions

- Building costs: £ per GIFA sqm (BCIS)
- Add on external works = +10%
- Project/design team fees = 10% of build costs
- Contingency – 5% of construction costs
- Marketing, legal and sales – 4% of GDV
- Finance – 6.5% of development cost
- Market incentive based on rent free periods (3 months?)
- Developer return – 20% of GDV incl: overheads

Build costs assumptions

	£/Sqm
1: Town Centre Office	£1,103
2: Business Park	£1,251
3: Industrial	£665
4: Warehouse	£440
5: Local Store - Out of centre (Convenience)	£785
6: Supermarket (Convenience)	£1,073
7: Out of centre Retail Warehouse (Comparison)	£615
8: Town Centre Retail (Comparison)	£785
9: Hotel	£993
10: Carehomes	£1,223
11: Town Centre Retail (Convenience)	£846

Land value assumptions

1: Town Centre Office	£800,000
2: Business Park	£500,000
3: Industrial	£400,000
4: Warehouse	£400,000
5: Local Store - Out of centre (Convenience)	£800,000
6: Supermarket (Convenience)	£1,000,000
7: Out of centre Retail Warehouse (Comparison)	£800,000
8: Town Centre Retail (Comparison)	£800,000
9: Hotel	£500,000
10: Carehomes	£500,000
11: Town Centre Retail (Convenience)	£800,000

Workshop generally felt that rent free periods – should be longer than 3 months and 12 months was put forward.

In reply to a Q – MF noted that acquisition costs would be included in the analysis and using the following assumptions

Post meeting note – for clarity the following sets out the assumptions regarding sales and land purchase costs:

Sale costs	Industry standards	These rates are based on industry accepted scales at the following rates: Legals, surveyors, marketing etc	4.0%	Gross development value
Professional fees on Land Purchase	Industry standards	Fees associated with the land purchase are based upon the following industry standards: Surveyor - Legals -	1.00% 0.75%	

Generally development funding is not available without a pre let in place. There may be more funding available but rates are still high. DH explained that finance assumed for 100% of the development. In reality this is likely to be a mix of borrowed and equity money. Workshop indicated that interest rates are on the increase and LC asked for any further information to justify higher interest rates in the testing.

Require a 7/8% interest costs. Lenders are still looking for a higher rate of return. Situation is not as bad as 2 or 3 years ago but still considered to be risky.

Require 25/30% return on value was suggested but MF explained that the consultant team would need to see some evidence to change a figure that has generally been accepted elsewhere i.e. why is Monmouthshire different?

MF set out assumptions on rent and yields and explained that these were sourced from property transaction databases and reports such as CoStar Focus and Estates Gazette.

Rent and yield assumptions

	Rent	Yield
1: Town Centre Office	£90	8.00%
2: Business Park	£80	8.00%
3: Industrial	£51	13.00%
4: Warehouse	£35	13.00%
5: Local Store - Out of centre (Convenience)	£152	8.00%
6: Supermarket (Convenience)	£190	5.50%
7: Out of centre Retail Warehouse (Comparison)	£140	7.50%
8: Town Centre Retail (Comparison)	£165	8.50%
9: Hotel	£130	7.27%
10: Carehomes	£3,700	7.00%
11: Town Centre Retail (Convenience)	£185	8.00%

No comments were offered as to whether the proposed figures were correct. MF stated that he would undertake further consultation with local agents and asked for suggestions of who to speak to consult.

MF explained that lack of activity in Monmouthshire means have had to widen search to include surrounding areas.

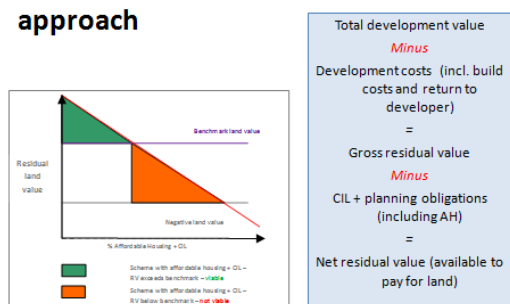
Comments indicated that it was important to understand the hotel market and that future development was likely to be budget hotels – modelling must reflect the way the hotel market operates.

Land values – no immediate comments were received.

Residential development approach and assumptions

DH set out the overall approach to be taken to the assessment of viability, using a residual value approach as follows:

Residual value approach



DH noted that the consultant team would make use of the guidance set out in the Harman report (*Viability Testing Local Plans - Advice for planning practitioners*)¹⁴ MD commented that the 'Harman guide' is being used widely by local authorities in Wales. Workshop agreed that this is not a problem but the viability testing must take into account specific Welsh issues. DH also noted that the DCLG CIL guidance is also common across England and Wales.

The principles by which the modelling is to be undertaken were set out as follows:

What assumptions to use

- Current costs and values
- Must take into account all plan policies (with a viability implication)
- Must allow for affordable housing
- Must allow for realistic 'scaled back' s106

DH explained the approach to identifying the land value threshold to be used. As with the previous studies, two thresholds are to be used (per **gross hectare**) - £650,000 for sites generally and £250,000 for larger scale strategic sites. The former is over 30% above CUV (industrial/commercial) and the latter is over 15 times agricultural land value at £15k per hectare.

Threshold Land Values

Site Type	Value per gross hectare	Notes
Generally	£650,000	Over 30% premium over industrial EUV
Strategic sites	£250,000	About 15 times agricultural value

The workshop generally considered that these values are too low but no specific alternatives were put forward and it was acknowledged that there has been limited activity in recent years. The consultant team also emphasised that the benchmark should represent what a realistic landowner might be willing to bring land forward for with policies in place; the benchmark was not intended to represent the highest values that might be achieved in the market today.

Through debate it became clear that different measures were being used when discussing land values— including a value per **net** hectare and a value for the element of schemes that is market

¹⁴ The guide was published in June 2012 and is the work of the Local Housing Delivery Group, chaired by Sir John Harman, which is a cross-industry group, supported by the Local Government Association and the Home Builders Federation.

housing only. It also became clear that views on threshold land values depended on the stage of the development process, with some land cost suggestions referring to development-ready land with consent.

It was noted by one attendee that the average land cost per dwelling was £8/10k per plot at the previous policy of 20%. Through this discussion it was suggested that for 40 units or more with 20% affordable housing (as under the former unitary development plan) and some open space and highways obligations, £650k/ha was acceptable.

LC asked for evidence of land values within 2 weeks (say by 11 April). Consultant team will also explore available data further and, with feedback from the workshop, provide a separate land value note for workshop attendees.

LC noted that experience to date in Wales allowed testing below AH policy.

Testing 1 ha scheme

Minimum density to be tested should be 30 dph generally. Densities at c 50 dph relevant only to town centres – these densities are not found in more rural developments.

DH presented the following notional mix for a 30 dph scheme:

What to test – 1 ha scheme

Dwelling type	Market dwellings	Affordable dwellings
1 bed flat		2
2 bed flat		1
2 bed terrace		2
3 bed terrace		1
4 bed terrace		1
3 bed semi	2	
3 bed detached	6	
4 bed detached	14	
5 bed detached	1	
Total	23	7

- What densities to test?
– 30, 40 and 50 dph for the AH study
- Mix on left - 30 dph at 25% AH – based on recent applications. Any views? Should it include smaller market units? (We will take away and develop other mixes for feedback)

Workshop comments:

- Mixes are moving towards the middle of the market – with an emphasis on 3 bed detached and small 4 bed detached; and flats are not favoured as a market product, although may be required for affordable housing.

Post meeting note – in light of the workshop comments, following revised mix for market housing put forward for further comment:

Type	%	Dwg size sq m GIA
2 bed terrace	15%	60
3 bed terrace	15%	70
3 bed detached	20%	85
4 bed detached (small)	20%	110
4 bed detached (large)	30%	140
5 bed detached	Nil	160

Consultant team will review this proposal in light of mixes for recent permitted developments.

DH then presented the proposed case studies and assumptions for testing:

What to test - case studies

Notional Sites	Dwellings	Net to gross
Severnside strategic sites	300	*90%
Market Towns strategic sites	300	*90/100%
Severnside windfall	100, 35 and 10	85%-100%
Market Towns windfall	100, 35 and 10	85%-100%
Severnside small sites	5, 4 and 3	100%
Market Towns small sites	5, 4 and 3	100%
Main Villages small sites	4, 3 and 2	100%

- Net to gross - * as previously tested (not Sudbrook)
- Delivery pace
 - Large sites 1-2 year to first completions, max 60 completions pa
 - Smaller sites 30-35pa, complete within a year

Workshop comments:

- Net/gross development area must allow for the LPA standard for open space – NPFA standards (Policy CRF2) and which include play (likely provided on site) and other open spaces (with details of provision sorted out on a site by site basis);
- Some attendees suggested that viability analysis should be on basis of net developable area so that issues around net/gross area of sites would be minimised;
- Maximum pace of development is 50 per developer but schemes over 250 dw would expect 2 developers to be active and therefore assume a max annual pace of 80 to 100 dwellings per annum (say 90 dw per annum).

Market values

DH presented following notional market values for new houses. He explained that the values were derived from a number of sources including Land Registry data for new build properties 2011 to 2012. This had been supplemented by available information for 2014 sales (of current properties on the market - deducting 8% from asking prices to derive best estimate of actual sales values).

Market Housing Values

Type/location	Abergavenny	Chepstow	Severnside	Monmouth	Rural
1 bed flat	£114,000	£123,500	£104,500	£114,000	£118,750
2 bed flat	£126,000	£136,500	£115,500	£126,000	£131,250
2 bed terrace	£180,500	£190,000	£156,750	£185,250	£171,000
3 bed terrace	£199,500	£210,000	£173,250	£204,750	£189,000
3 bed semi	£205,000	£215,000	£200,000	£200,000	£210,000
4 bed detached	£350,000	£360,000	£270,000	£290,000	£330,000
5 bed detached	£385,000	£396,000	£297,000	£319,000	£363,000

Data = 3 years Land Registry (new only) + current sales (92% asking price)
 Market appears to be driven by detached properties – certainly not flats (5 in 2013!)
 Severnside – big increase on AHVS values – Caerwent development – how typical?
 Monmouth and Chepstow – very little market evidence (even with 3 years data)

Workshop comments:

- Reflecting earlier comments about typical mixes – market values for 3bed detached and small 4 bed detached need to be sourced. Small 4 bed at c 1200 sq ft;

- Caerwent is not typical for Severnside and the values for Severnside should be amended to reflect this;
- Persimmon selling in Monmouth – 3 bed semis at £150K and struggling (note average Land Registry sales price for new build semi detached in Monmouth in 2013 was £191,000 but sample size very limited)
- Alternative approach to market values is to identify an average price per sq ft for each location – which will vary with mix of dwellings in a scheme – depending on relative values for different dwelling types. Suggested values from developers present as follows:
 - Abergavenny/Monmouth - £185 per sq ft;
 - Severnside similar
 - Chepstow will be higher than this
 - Rural areas are very mixed but suggested at £175 per sq ft

Post workshop note – consultant team to review market values in light of workshop feedback and analysis of actual per sq m sales values. Separate note to follow.

Dwelling size

The following presented as average dwelling sizes:

Dwelling sizes – sq m GIA

Dwelling sizes	Affordable	Market
1 bed flat	48	50
2 bed flat	60	55
2 bed terrace	73	55
3 bed terrace	80	80
3 bed semi	80	80
4 bed detached	100	130
5 bed detached	???	150

Affordable 4 bed = 4 bed terr = 100 sq m
Flats + 10% non saleable

Workshop comments:

- 1 bed flat – 500 sq ft – with nil circulation space
- 2 bed flat - 550-600 sq ft
- 2 bed terrace – 600-650 sq ft
- 3bed terrace – 750-800sq ft
- 3 bed semi – 800-900 sq ft
- 3 bed detached – 900-950 sq ft
- 4 bed detached – 1200-1500 sq ft
- 5 bed detached – 1600-1700 sq ft

Post workshop note: - Following put forward by consultant team as GIA for market units (in light of workshop comments and review of recent planning permissions)

Type	Sq m GIA
1 bed flat*	45
2 bed flat	55
2 bed terrace	65
3 bed terrace	75
3 bed semi	80
3 bed detached	90
4 bed detached (small)	110
4 bed detached (large)	140
5 bed detached	160

*Nil circulation space

Development costs

Following were presented to the workshop:

Development Costs

Build - Flats (1-2 storeys)	£1,080/1134	sq m includes 15% for external works (Gwent v Monmouthshire)
Build - Houses (2-3 storeys)	£993/1043	sq m includes 15% for external works (Gwent v Monmouthshire)
Sprinklers	£3,075 houses, £879 flats	But not until Jan 2016 (sensitivity test?)
Professional fees	10%	of build costs
Finance	6%	of development costs
Marketing fees	3%	of market GDV
Developer return (market)	20%	of market GDV
Contractor return (AH)	6%	of build costs
SDLT	Variable	
Agents/legal costs	2.5%	Of RV
Residual s106	£1,500	Per dwelling for immediate site access and children's play
Abnormals	Depends....	Assessment for each case study
Strategic infrastructure costs	£100,000	net ha for strategic sites

Workshop feedback:

- Build costs for mainstream development are similar across south Wales and reasonable to use the averages shown;
- But traditionally a lot of smaller development/developers and costs tend to be higher;
- Sprinkler costs agreed;
- Other costs agreed (noted that c60% borrowed for development);
- Developer return of 20% is more realistic in the current market;
- Return for affordable housing should be c£15k per dw (but this is necessary to cover prof fees and finance) – Three Dragons agreed to use this as a sensitivity test. But LC also noted that Savills had agreed 6% return in statement of common ground for Caerphilly CIL examination;
- Abnormals – for strategic sites, LC explained that consultant team will review information used in previous strategic sites testing and MCC will contact scheme promoters to update this information (including infrastructure requirements);
- LC also asked for any evidence about need to include a standard abnormal cost for smaller sites

Affordable housing testing

LC explained that the team would assume nil grant for all the testing. The following proposed assumptions were presented:

Affordable Housing

- Test policy – 25% Severnside, 35% market towns and higher % AH in villages
- Composition of AH = 50% rent and 50% intermediate (Homebuy/intermediate rent) (50% average share)
- ACG versus 'capitalised net rent' for social rent – views please
- If ACG – assume 38% for rent, 50% Homebuy, 60% intermediate rent)

The workshop agreed that, for rental housing, the capitalised net rent approach should be followed and this would represent the minimum payment possible from a housing association. On this basis, LC presented the following proposed assumptions for comment.

Affordable Housing – if not ACG based

Property	Rent pw (net of service charge)	
	Social	Intermediate
1 bed flat	£60	£90
2 bed flat	£65	£110
2 bed house	£80	£115
3 bed house	£85	£135
4 bed house	£95	£160
5 bed house	?	?
Management, maintenance, repairs, voids etc	£1,500	
Capitalisation rate	6%	

The discussion indicated that:

- The policy position was noted and agreed
- The affordable housing tenure was noted and agreed
- Values – discussion suggested that capitalised net rent should be the main approach but ACG should be used as a sensitivity test; with the higher value of the two used in the modelling.
- There are additional costs to meet Development Quality Requirements (DQR) say £1100/sq m for social rent; while shared ownership would just be building regulations. Discussion indicated that DQR could amount to £3,500 per dwelling. Consultant team and SW to follow up with housing associations, on use of DQR.
- Rents were broadly correct.

Annex – other information presented to the workshop

Purpose

- What is the Community Infrastructure Levy – how does it work?
- Local Development Plan update
- Council's approach to CIL and timetable
- Viability evidence – residual value approach
- Assumptions - non residential
- Assumptions - residential
- Next steps – meeting note, further comment

CIL

- By regulation + guidance notes
- For infrastructure needed because of development
- Wide definition - transport, flood defences, schools, health, social care facilities, green spaces, leisure etc
- Collected from new development - with few exceptions
- Not mandatory BUT.....
2015 deadline – stopping pooled s 106 contributions

Council's Approach to s106/CIL - 1

- 27 June 2013 resolved to commence preparatory work for CIL
- Interim Policy Approach to Planning Obligations March 2013
- Draft Infrastructure Plan March 2013
- Appendix 1 of Adopted LDP – Schedule of Infrastructure Provision for Strategic Sites

Council's Approach to s106/CIL - 2

- LDP Strategic Policy S7 – Infrastructure Provision
- Long List of Potential Planning Obligations but priority given to:
 - Measures necessary to physically deliver development and ensure acceptable in planning terms
 - Affordable Housing

Annex 5

1ha Notional Site Results

Notional 1ha sites								
AREA/ LOCATION								
Housing Market Area	DPH	Market %	AH %	Total Mkt Floor Area (Sq m)	Residual Value	Benchmark	RV less benchmark	Max CIL £s per sq m
Severnside	30 dph	75%	25%	2,649.38	£709,000	650,000	59,000	£22
Severnside	40 dph	75%	25%	2,625.00	£763,000	650,000	113,000	£43
Severnside	50 dph	75%	25%	3,196.88	£909,000	650,000	259,000	£81
Monmouth	30 dph	65%	35%	2,296.13	£922,000	650,000	272,000	£118
Monmouth	40 dph	65%	35%	2,275.00	£1,016,000	650,000	366,000	£161
Monmouth	50 dph	65%	35%	2,770.63	£1,268,000	650,000	618,000	£223
Chepstow	30 dph	65%	35%	2,296.13	£1,420,000	650,000	770,000	£335
Chepstow	40 dph	65%	35%	2,275.00	£1,371,000	650,000	721,000	£317
Chepstow	50 dph	65%	35%	2,770.63	£1,629,000	650,000	979,000	£353
Abergavenny	30 dph	65%	35%	2,296.13	£1,054,000	650,000	404,000	£176
Abergavenny	40 dph	65%	35%	2,275.00	£1,031,000	650,000	381,000	£167
Abergavenny	50 dph	65%	35%	2,770.63	£1,246,000	650,000	596,000	£215
Rural	30 dph	65%	35%	2,296.13	£1,373,000	650,000	723,000	£315
Rural	40 dph	65%	35%	2,275.00	£1,213,000	650,000	563,000	£247
Rural	50 dph	65%	35%	2,770.63	£1,421,000	650,000	771,000	£278
Rural	30 dph	40%	60%	1,413.00	£589,000	650,000	-61,000	-£43
Rural	40 dph	40%	60%	1,400.00	£410,000	650,000	-240,000	-£171
Rural	50 dph	40%	60%	1,705.00	£452,000	650,000	-198,000	-£116

Annex 6

Case Study Results

Case Study	Scheme	MVA	Dwgs	Gross ha	Net ha	Net to gross (%)	AH %	Total Mkt Floor Area (Sq m)	Scheme Residual Value	sq m/gross ha	Residual value/gross ha	Upper Benchmark/gross ha	Lower Benchmark/gross ha	Residual Value less upper benchmark/gross ha	Residual Value less lower benchmark/gross ha	Upper Benchmark Max CIL £s per sq m	Lower Benchmark Max CIL £s per sq m
STRATEGIC SITES																	
1	SAH1 Deri Farm Abergavenny	Abergavenny	250	8.70	7.70	89%	35%	19,134.38	£4,299,942	2,199.35	£494,246	£300,000	£250,000	£194,246	£244,246	£88	£111
2	SAH2 Crick Road Portskewett	Severnside	285	9.95	7.70	77%	25%	18,703.28	£5,240,711	1,879.73	£526,705	£300,000	£250,000	£226,705	£276,705	£121	£147
3.1	SAH3 Fairfield Mabey, Chepstow (alt 1)	Chepstow	350	13.10	9.50	73%	35%	19,906.25	£10,203,212	1,519.56	£778,871	£650,000	£650,000	£128,871	£128,871	£85	£85
3.2	SAH3 Fairfield Mabey, Chepstow (alt 2)	Chepstow	350	13.10	9.50	73%	35%	19,906.25	£8,674,864	1,519.56	£662,203	£650,000	£650,000	£12,203	£12,203	£8	£8
4	SAH4 Wonastow Rd Monmouth	Monmouth	450	19.61	16.46	84%	35%	34,441.88	£12,783,907	1,756.34	£651,908	£300,000	£250,000	£351,908	£401,908	£200	£229
5.1	SAH5 Rockfield Farm Undy (Alt 1)	Severnside	270	9.00	7.45	83%	25%	23,844.38	£4,911,732	2,649.38	£545,748	£300,000	£250,000	£245,748	£295,748	£93	£112
5.2	SAH5 Rockfield Farm Undy (Alt 2)	Severnside	270	9.00	7.45	83%	25%	23,844.38	£4,675,816	2,649.38	£519,535	£300,000	£250,000	£219,535	£269,535	£83	£102
5.3	SAH5 Rockfield Farm Undy (Alt 3)	Severnside	270	9.00	7.45	83%	25%	23,844.38	£6,065,977	2,649.38	£673,997	£300,000	£250,000	£373,997	£423,997	£141	£160
6.1	SAH6 Vinegar Hill Undy (Alt 1)	Severnside	225	7.81	6.91	88%	25%	19,870.40	£3,528,484	2,544.22	£451,791	£300,000	£250,000	£151,791	£201,791	£60	£79
6.2	SAH6 Vinegar Hill Undy (Alt 2)	Severnside	225	7.81	6.91	88%	25%	19,870.40	£3,239,092	2,544.22	£414,736	£300,000	£250,000	£114,736	£164,736	£45	£65
6.3	SAH6 Vinegar Hill Undy (Alt 3)	Severnside	225	7.81	6.91	88%	25%	19,870.40	£4,899,641	2,544.22	£627,355	£300,000	£250,000	£327,355	£377,355	£129	£148
7	SAH7 Paper Mill Sudbrook	Severnside	190	6.60	6.60	100%	25%	16,779.38	£4,509,569	2,542.33	£683,268	£650,000	£650,000	£33,268	£33,268	£13	£13

Other Sites Results

Case Study	Scheme	MVA	Dwgs	Net ha	Net to gross (%)	Market %	AH %	Total Mkt Floor Area (Sq m)	Scheme Residual Value	sq m/gross ha	Residual value/gross ha	Benchmark/gross ha	Residual Value less benchmark/gross ha	Max CIL £s per sq m
OTHER SITES														
8	Severnside Windfall (35 dwgs)	Severnside	35	1.17	100%	75%	25%	3,091.02	£827,000	2,641.90	£706,838	£650,000	£56,838	£22
9	Severnside Windfall (10 dwgs)	Severnside	10	0.33	100%	75%	25%	883.13	£239,000	2,676.14	£724,242	£650,000	£74,242	£28
10	Severnside Small (4 dwgs)	Severnside	4	0.13	100%	75%	25%	353.25	£97,000	2,717.31	£746,154	£650,000	£96,154	£35
11	Severnside Small (3 dwgs)	Severnside	3	0.10	100%	75%	25%	265.02	£80,000	2,650.20	£800,000	£650,000	£150,000	£57
12	Main Towns Windfall (35 dwgs)	Abergavenny	35	1.17	100%	65%	35%	2,678.90	£1,228,000	2,289.65	£1,049,573	£650,000	£399,573	£175
13	Main Towns Windfall (10 dwgs)	Abergavenny	10	0.33	100%	65%	35%	765.38	£356,000	2,319.32	£1,078,788	£650,000	£428,788	£185
14	Main Towns Small (4 dwgs)	Abergavenny	4	0.13	100%	65%	35%	306.15	£146,000	2,355.00	£1,123,077	£650,000	£473,077	£201
15	Main Towns Small (3 dwgs)	Abergavenny	3	0.10	100%	65%	35%	229.70	£117,000	2,296.95	£1,170,000	£650,000	£520,000	£226

Case Study	Scheme	MVA	Dwgs	Gross ha	Net ha	Net to gross (%)	AH %	Total Mkt Floor Area (Sq m)	Scheme Residual Value	sq m/gross ha	Residual value/gross ha	Benchmark/gross ha	Lower Benchmark/gross ha	Residual Value less upper benchmark/gross ha
OTHER SITES														
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16	Main villages Small (4 dwgs)	Rural	4	0.13	0.13	100%	60%	208.00	£97,000	1,600.00	£746,154	£600,000	£146,154	£91
17	Main villages Small (3 dwgs)	Rural	3	0.10	0.10	100%	60%	156.00	£79,000	1,560.00	£790,000	£600,000	£190,000	£122
18	Main Villages (15dwgs)	Rural	15	0.50	0.50	100%	60%	855.00	£324,000	1,710.00	£648,000	£600,000	£48,000	£28
19	Minor Village Small (4 dwgs)	Rural	4	0.13	0.13	100%	75%	130.00	£25,000	1,000.00	£192,308	£600,000	-£407,692	-£408
20	Minor Village Small (3 dwgs)	Rural	3	0.10	0.10	100%	67%	130.00	£52,000	1,300.00	£520,000	£600,000	-£80,000	-£62


Case Study	Scheme	MVA	Dwgs	Gross ha	Net ha	Net to gross (%)	AH %	Total Mkt Floor Area (Sq m)	Scheme Residual Value	sq m/gross ha	Residual value/gross ha	Benchmark/gross ha	Residual Value less benchmark	Max CIL £s per sq m
RETIREMENT SCHEMES														
21a	Sevenside Retirement (50 dwgs)	Sevenside	50	0.50	0.50	100%	25%	3,255.00	-£83,691	6,510.00	-£167,382	£650,000	-£817,382	-£126
21b	Monmouth Retirement (50 dwgs)	Monmouth	50	0.50	0.50	100%	35%	2,821.00	£342,413	5,642.00	£684,826	£650,000	£34,826	£6
21c	Chepstow Retirement (50 dwgs)	Chepstow	50	0.50	0.50	100%	35%	2,821.00	£264,711	5,642.00	£529,422	£650,000	-£120,578	-£21
21d	Abergavenny Retirement (50 dwgs)	Abergavenny	50	0.50	0.50	100%	35%	2,821.00	-£38,472	5,642.00	-£76,944	£650,000	-£726,944	-£129
21e	Rural Retirement (50 dwgs)	Rural	50	0.50	0.50	100%	35%	2,821.00	-£38,472	5,642.00	-£76,944	£650,000	-£726,944	-£129


Annex 7


Non-residential Testing Assumptions and Results

Assumption	Source	Notes																																																
Costs																																																		
		<p>Through the course of the development plan period the Council envisages commercial development to occur. We have reflected future commercial development through testing the following commercial uses and unit sizes:</p> <table border="1"> <thead> <tr> <th></th> <th>GIA sq.m</th> <th>NIA sq.m</th> <th></th> </tr> </thead> <tbody> <tr><td>1: Town Centre Office</td><td>500</td><td>475</td><td></td></tr> <tr><td>2: Business Park</td><td>2,000</td><td>1,900</td><td></td></tr> <tr><td>3: Industrial</td><td>1,000</td><td>950</td><td></td></tr> <tr><td>4: Warehouse</td><td>2,000</td><td>1,900</td><td></td></tr> <tr><td>5: Local Store - Out of centre (Convenience)</td><td>200</td><td>190</td><td></td></tr> <tr><td>6: Supermarket (Convenience)</td><td>1,200</td><td>1,140</td><td></td></tr> <tr><td>7: Out of centre Retail Warehouse (Comparison)</td><td>1,000</td><td>950</td><td></td></tr> <tr><td>8: Town Centre Retail (Comparison)</td><td>200</td><td>190</td><td></td></tr> <tr><td>9: Hotel</td><td>800</td><td>760</td><td></td></tr> <tr><td>10: Carehomes</td><td>2,600</td><td>2,470</td><td>40</td></tr> <tr><td>11: Town Centre Retail (Convenience)</td><td>250</td><td>238</td><td></td></tr> </tbody> </table>		GIA sq.m	NIA sq.m		1: Town Centre Office	500	475		2: Business Park	2,000	1,900		3: Industrial	1,000	950		4: Warehouse	2,000	1,900		5: Local Store - Out of centre (Convenience)	200	190		6: Supermarket (Convenience)	1,200	1,140		7: Out of centre Retail Warehouse (Comparison)	1,000	950		8: Town Centre Retail (Comparison)	200	190		9: Hotel	800	760		10: Carehomes	2,600	2,470	40	11: Town Centre Retail (Convenience)	250	238	
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Net to gross site developable area	PBA & developer workshop	<p>We have assumed the following net to gross site development percentages to allow for roads, SuDs, landscape and open space:</p> <table border="1"> <thead> <tr> <th></th> <th>Net site area (ha)</th> </tr> </thead> <tbody> <tr><td>1: Town Centre Office</td><td>0.04</td></tr> <tr><td>2: Business Park</td><td>0.29</td></tr> <tr><td>3: Industrial</td><td>0.20</td></tr> <tr><td>4: Warehouse</td><td>0.40</td></tr> <tr><td>5: Local Store - Out of centre (Convenience)</td><td>0.02</td></tr> <tr><td>6: Supermarket (Convenience)</td><td>0.24</td></tr> <tr><td>7: Out of centre Retail Warehouse (Comparison)</td><td>0.20</td></tr> <tr><td>8: Town Centre Retail (Comparison)</td><td>0.02</td></tr> <tr><td>9: Hotel</td><td>0.10</td></tr> <tr><td>10: Carehomes</td><td>0.33</td></tr> <tr><td>11: Town Centre Retail (Convenience)</td><td>0.03</td></tr> </tbody> </table>		Net site area (ha)	1: Town Centre Office	0.04	2: Business Park	0.29	3: Industrial	0.20	4: Warehouse	0.40	5: Local Store - Out of centre (Convenience)	0.02	6: Supermarket (Convenience)	0.24	7: Out of centre Retail Warehouse (Comparison)	0.20	8: Town Centre Retail (Comparison)	0.02	9: Hotel	0.10	10: Carehomes	0.33	11: Town Centre Retail (Convenience)	0.03																								
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	BCIS Quarterly Review of Building Prices Issue (January 2014)	<p>Build costs are based on median rates adjusted for location derived from BCIS Review of Building Prices online version data of actual prices in the marketplace. All major non-domestic development which does not qualify for assessment under Code for Sustainable Homes will be encouraged to be built to a minimum BREEAM (Building Research Establishment Assessment Method) Very Good standard.</p> <p>This excludes any allowance for externals which is treated separately.</p> <table border="1"> <thead> <tr> <th></th> <th>£/Sqm</th> </tr> </thead> <tbody> <tr><td>1: Town Centre Office</td><td>£1,103</td></tr> <tr><td>2: Business Park</td><td>£1,251</td></tr> <tr><td>3: Industrial</td><td>£665</td></tr> <tr><td>4: Warehouse</td><td>£440</td></tr> <tr><td>5: Local Store - Out of centre (Convenience)</td><td>£945</td></tr> <tr><td>6: Supermarket (Convenience)</td><td>£1,251</td></tr> <tr><td>7: Out of centre Retail Warehouse (Comparison)</td><td>£615</td></tr> <tr><td>8: Town Centre Retail (Comparison)</td><td>£907</td></tr> <tr><td>9: Hotel</td><td>£993</td></tr> <tr><td>10: Carehomes</td><td>£1,223</td></tr> <tr><td>11: Town Centre Retail (Convenience)</td><td>£1,062</td></tr> </tbody> </table>		£/Sqm	1: Town Centre Office	£1,103	2: Business Park	£1,251	3: Industrial	£665	4: Warehouse	£440	5: Local Store - Out of centre (Convenience)	£945	6: Supermarket (Convenience)	£1,251	7: Out of centre Retail Warehouse (Comparison)	£615	8: Town Centre Retail (Comparison)	£907	9: Hotel	£993	10: Carehomes	£1,223	11: Town Centre Retail (Convenience)	£1,062																								
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Plot external	Industry standards	<p>These covers external build costs for site preparation and includes items such as internal access roads, car parking, landscaping, drainage, utilities and services within the site. We have allowed the following percentage of build costs for these items.</p> <p>10%</p> <p>These exclude abnormal site development costs and exceptional offsite infrastructure.</p>																																																
Developer contribution (Section 106/278)	Client team & developer workshop	<p>In discussion with the local authority it is considered that S106/278 requirements for these types of uses are likely to be focused on mitigating transport impacts and thus an allowance has been made within our appraisals.</p> <table border="1"> <thead> <tr> <th>Amount</th> <th>Apply?</th> </tr> </thead> <tbody> <tr> <td>£25,000</td> <td>Yes</td> </tr> </tbody> </table> <p>Calculated as a £ psm</p>	Amount	Apply?	£25,000	Yes																																												
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Professional Fees	Industry standards	Professional fees are based upon accepted industry standards and has been calculated as a percentage of build costs at 12%																																																
Contingency	Industry standard & developer workshop	Contingency is based upon the risk associated with each site and has been calculated as a percentage of construction costs at 5%																																																
Sale costs	Industry standards	These rates are based on industry accepted scales at the following rates: Legals, surveyors, marketing etc 4.0% Gross development value																																																
Finance costs	Industry standards	Based upon the likely cost of development finance we have used current market rates of interest. 6.5%																																																
Stamp Duty on Land Purchase	HMRC	These are the current rates set by Treasury at the following rates: up to £150,000 0.00% Over £150,000 to £250,000 1.00% Over £250,000 to £500,000 3.00% Over £500,000 4.00%																																																
Professional fees on Land Purchase	Industry standards	Fees associated with the land purchase are based upon the following industry standards: Surveyor - 1.00% Legals - 0.75%																																																
Profit	Industry standards	Gross development profit (includes overheads) taken as a percentage of total development costs 20%																																																
Time-scales - build rate units/per annum	Consultations	Build rate time-scales reflect solely the construction period of the commercial unit itself and assumes a cleared service site free of abnormals. The build rates for each of the commercial uses are set out as follows: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: right;">Length in months</th> </tr> </thead> <tbody> <tr><td>1: Town Centre Office</td><td style="text-align: right;">6</td></tr> <tr><td>2: Business Park</td><td style="text-align: right;">9</td></tr> <tr><td>3: Industrial</td><td style="text-align: right;">9</td></tr> <tr><td>4: Warehouse</td><td style="text-align: right;">9</td></tr> <tr><td>5: Local Store - Out of centre (Convenience)</td><td style="text-align: right;">6</td></tr> <tr><td>6: Supermarket (Convenience)</td><td style="text-align: right;">9</td></tr> <tr><td>7: Out of centre Retail Warehouse (Comparison)</td><td style="text-align: right;">9</td></tr> <tr><td>8: Town Centre Retail (Comparison)</td><td style="text-align: right;">6</td></tr> <tr><td>9: Hotel</td><td style="text-align: right;">9</td></tr> <tr><td>10: Carehomes</td><td style="text-align: right;">12</td></tr> <tr><td>11: Town Centre Retail (Convenience)</td><td style="text-align: right;">6</td></tr> </tbody> </table>		Length in months	1: Town Centre Office	6	2: Business Park	9	3: Industrial	9	4: Warehouse	9	5: Local Store - Out of centre (Convenience)	6	6: Supermarket (Convenience)	9	7: Out of centre Retail Warehouse (Comparison)	9	8: Town Centre Retail (Comparison)	6	9: Hotel	9	10: Carehomes	12	11: Town Centre Retail (Convenience)	6																								
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Revenue																																																		
Capital values (rents, yields, and tenant incentives)	CoStar/Focus & consultations	We have assumed that the completed commercial unit is sold on practical completion as an investment sale. The income on the investment sale will be deferred depending on the length of rent free period required to attract a tenant. The rent free period is therefore the tenants incentive. Rents, yield and rent free periods are based upon market evidence and are set out as follows: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: right;">Rent</th> <th style="text-align: right;">Yield</th> <th style="text-align: right;">Rent free (months)</th> </tr> </thead> <tbody> <tr><td>1: Town Centre Office</td><td style="text-align: right;">£90</td><td style="text-align: right;">8.00%</td><td style="text-align: right;">3.00</td></tr> <tr><td>2: Business Park</td><td style="text-align: right;">£80</td><td style="text-align: right;">8.00%</td><td style="text-align: right;">3.00</td></tr> <tr><td>3: Industrial</td><td style="text-align: right;">£50</td><td style="text-align: right;">13.00%</td><td style="text-align: right;">3.00</td></tr> <tr><td>4: Warehouse</td><td style="text-align: right;">£35</td><td style="text-align: right;">13.00%</td><td style="text-align: right;">3.00</td></tr> <tr><td>5: Local Store - Out of centre (Convenience)</td><td style="text-align: right;">£160</td><td style="text-align: right;">7.50%</td><td style="text-align: right;">3.00</td></tr> <tr><td>6: Supermarket (Convenience)</td><td style="text-align: right;">£190</td><td style="text-align: right;">5.50%</td><td style="text-align: right;">3.00</td></tr> <tr><td>7: Out of centre Retail Warehouse (Comparison)</td><td style="text-align: right;">£140</td><td style="text-align: right;">7.50%</td><td style="text-align: right;">3.00</td></tr> <tr><td>8: Town Centre Retail (Comparison)</td><td style="text-align: right;">£165</td><td style="text-align: right;">9.00%</td><td style="text-align: right;">3.00</td></tr> <tr><td>9: Hotel</td><td style="text-align: right;">£130</td><td style="text-align: right;">7.27%</td><td style="text-align: right;">3.00</td></tr> <tr><td>10: Carehomes</td><td style="text-align: right;">£3,700</td><td style="text-align: right;">7.00%</td><td style="text-align: right;">3.00</td></tr> <tr><td>11: Town Centre Retail (Convenience)</td><td style="text-align: right;">£185</td><td style="text-align: right;">8.00%</td><td style="text-align: right;">3.00</td></tr> </tbody> </table>		Rent	Yield	Rent free (months)	1: Town Centre Office	£90	8.00%	3.00	2: Business Park	£80	8.00%	3.00	3: Industrial	£50	13.00%	3.00	4: Warehouse	£35	13.00%	3.00	5: Local Store - Out of centre (Convenience)	£160	7.50%	3.00	6: Supermarket (Convenience)	£190	5.50%	3.00	7: Out of centre Retail Warehouse (Comparison)	£140	7.50%	3.00	8: Town Centre Retail (Comparison)	£165	9.00%	3.00	9: Hotel	£130	7.27%	3.00	10: Carehomes	£3,700	7.00%	3.00	11: Town Centre Retail (Convenience)	£185	8.00%	3.00
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Benchmark land value per ha																																																		
	CoStar/Focus & consultations	Our estimates of benchmark land values are based on market comparables derived through consultation with stakeholders and analysis of published data on CoStar. At this current point in the economic cycle there is much uncertainty surrounding land values due to the small number of transactions occurring. <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td>1: Town Centre Office</td><td style="text-align: right;">£800,000</td></tr> <tr><td>2: Business Park</td><td style="text-align: right;">£500,000</td></tr> <tr><td>3: Industrial</td><td style="text-align: right;">£400,000</td></tr> <tr><td>4: Warehouse</td><td style="text-align: right;">£400,000</td></tr> <tr><td>5: Local Store - Out of centre (Convenience)</td><td style="text-align: right;">£800,000</td></tr> <tr><td>6: Supermarket (Convenience)</td><td style="text-align: right;">£1,000,000</td></tr> <tr><td>7: Out of centre Retail Warehouse (Comparison)</td><td style="text-align: right;">£800,000</td></tr> <tr><td>8: Town Centre Retail (Comparison)</td><td style="text-align: right;">£800,000</td></tr> <tr><td>9: Hotel</td><td style="text-align: right;">£500,000</td></tr> <tr><td>10: Carehomes</td><td style="text-align: right;">£500,000</td></tr> <tr><td>11: Town Centre Retail (Convenience)</td><td style="text-align: right;">£800,000</td></tr> </tbody> </table>	1: Town Centre Office	£800,000	2: Business Park	£500,000	3: Industrial	£400,000	4: Warehouse	£400,000	5: Local Store - Out of centre (Convenience)	£800,000	6: Supermarket (Convenience)	£1,000,000	7: Out of centre Retail Warehouse (Comparison)	£800,000	8: Town Centre Retail (Comparison)	£800,000	9: Hotel	£500,000	10: Carehomes	£500,000	11: Town Centre Retail (Convenience)	£800,000																										
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1: Town Centre Office							
							
ITEM							
Net Site Area	0.04	Residual value		-£7,402,279.36 per ha			
1.0 Development Value							
1.1	1: Town Centre Office	No. of units 1	Size sq.m 475	Rent 90	Yield 8.00%	Value per unit £534,375	Capital Value £534,375.00
					No. of months	Rent free period 3	Adjusted for rent free £524,192
							5.75%
Total development value							£494,051
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						-£303,124
							Less Purchaser Costs 1.75%
							-£308,428.31
2.2 Build Costs							
2.2.1	1: Town Centre Office	No. of units 1	Size sq.m 500	Cost per sq.m £1,103			Total Costs £551,500
							£551,500
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%				£55,150
							£55,150
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%				£72,798
							£72,798
Total construction costs							£679,448
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%				£33,972.40
							£33,972
TOTAL DEVELOPMENT COSTS (including land payment)							£404,992
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate 20%				£80,998
							£80,998
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£485,991
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£8,060
5.00 Finance Costs							
			APR 6.50%			PCM 0.526%	-£8,060
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£494,051
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2: Business Park							
ITEM							
Net Site Area	0.29	Residual value	-£6,295,487.70 per ha				
							
1.0 Development Value							
1.1	2: Business Park	No. of units	Size sq.m	Rent	Yield	Value per unit	Capital Value
		1	1900	80	8.0%	£1,900,000	£1,900,000
					No. of months	Rent free period	Adjusted for rent free
						3	£1,863,793
							5.75%
Total development value							£1,756,625
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						-£1,767,775
							Less Purchaser Costs
							1.75%
							-£1,798,711
2.2 Build Costs							
2.2.1	2: Business Park	No. of units	Size sq.m	Cost per sq.m			Total Costs
		1	2,000	£1,251			£2,502,000
							£2,502,000
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%				£250,200
							£250,200
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%				£330,264
							£330,264
Total construction costs							£3,082,464
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%				£154,123.20
							£154,123
TOTAL DEVELOPMENT COSTS (including land payment)							£1,437,876
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate				£287,575
			20%				
							£287,575
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£1,725,452
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£31,173
5.00 Finance Costs							
			APR		PCM		-£31,173
			6.50%		0.526%		
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£1,756,625
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3: Industrial							
ITEM							
Net Site Area	0.20	Residual value	-£2,873,052.90 per ha				
							
1.0 Development Value							
1.1	3: Industrial	No. of units	Size sq.m	Rent	Yield	Value per unit	Capital Value
		1	950	50	13.0%	£365,385	£365,385
					No. of months	Rent free period	Adjusted for rent free
						3	£354,389.34
							4.75%
Total development value							£348,028.85
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						-£564,728
	Less Purchaser Costs						1.75%
							-£574,610.58
2.2 Build Costs							
2.2.1	3: Industrial	No. of units	Size sq.m	Cost per sq.m		Total Costs	
		1	1,000	£665		£665,000	
							£665,000
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%		£66,500		
							£66,500
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%		£87,780		
							£87,780
Total construction costs							£819,280
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%		£40,964.00		
							£40,964
TOTAL DEVELOPMENT COSTS (including land payment)							£285,633
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate		20%		
							£57,127
							£57,127
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£342,760
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£5,269
5.00 Finance Costs							
		APR	6.50%		PCM	0.526%	
							-£5,269
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£348,029
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4: Warehouse							
ITEM							
Net Site Area	0.40	Residual value	-£1,886,549.68 per ha				
1.0 Development Value							
1.1	4: Warehouse	No. of units	Size sq.m	Rent	Yield	Value per unit	Capital Value
		1	1900	£35	13.0%	£511,538	£511,538
					No. of months	Rent free period	Adjusted for rent free
						3	496,145
							5.75%
Total development value							£467,617
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						-£741,641
							Less Purchaser Costs
							1.75%
							-£754,620
2.2 Build Costs							
2.2.1	4: Warehouse	No. of units	Size sq.m	Cost per sq.m			Total Costs
		1	2,000	£440			£880,000
							£880,000
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%				£88,000
							£88,000
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%				£116,160
							£116,160
Total construction costs							£1,084,160
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%				£54,208.00
							£54,208
TOTAL DEVELOPMENT COSTS (including land payment)							£383,748
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate				£76,750
			20%				
							£76,750
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£460,498
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£7,119
5.00 Finance Costs							
			APR		PCM		
			6.50%		0.526%		-£7,119
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£467,617



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5: Local Store - Out of centre (Convenience)							
ITEM							
Net Site Area	0.02	Residual value	£2,836,878.75 per ha				
1.0 Development Value							
1.1	5: Local Store - Out of centre (Cc)	No. of units	Size sq.m	Rent	Yield	Value per unit	Capital Value
		1	190	160	7.5%	£405,333	£405,333
					No. of months	Rent free period	Adjusted for rent free
						3	398,071
							4.75%
Total development value							£379,162
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						£61,957
							Less Purchaser Costs
							1.75%
Total development value							£63,042
2.2 Build Costs							
2.2.1	5: Local Store - Out of centre (Cc)	No. of units	Size sq.m	Cost per sq.m			Total Costs
		1	200	£945			£189,000
Total development value							£189,000
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%				£18,900
Total development value							£18,900
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%				£24,948
Total development value							£24,948
Total construction costs							£232,848
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%				£11,642.40
Total development value							£11,642
TOTAL DEVELOPMENT COSTS (including land payment)							£307,532
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate				£61,506
			20%				
Total development value							£61,506
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£369,039
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£10,124
5.00 Finance Costs							
			APR		PCM		
			6.50%		0.526%		-£10,124
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£379,162





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6: Supermarket (Convenience)							
ITEM							
Net Site Area	0.24	Residual value	£4,124,424.59 per ha				
1.0 Development Value							
1.1	6: Supermarket (Convenience)	No. of units	Size sq.m	Rent	Yield	Value per unit	Capital Value
		1	1140	190	5.5%	£3,938,182	£3,938,182
					No. of months	Rent free period	Adjusted for rent free
						3	3,885,820
							5.75%
Total development value							£3,662,385
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						£936,040
							Less Purchaser Costs
							5.75%
							£989,861.90
2.2 Build Costs							
2.2.1	6: Supermarket (Convenience)	No. of units	Size sq.m	Cost per sq.m			Total Costs
		1	1,200	£1,251			£1,501,200
							£1,501,200
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%				£150,120
							£150,120
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%				£198,158
							£198,158
Total construction costs							£1,849,478
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%				£92,473.92
							£92,474
TOTAL DEVELOPMENT COSTS (including land payment)							£2,931,814
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate				£586,363
			20%				
							£586,363
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£3,518,177
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£144,208
5.00	Finance Costs		APR		PCM		-£144,208
			6.50%		0.526%		
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£3,662,385





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7: Out of centre Retail Warehouse (Comparison)							
ITEM							
Net Site Area	0.20	Residual value	£2,582,305.93 per ha				
							
1.0 Development Value							
1.1	7: Out of centre Retail Warehouse	No. of units 1	Size sq.m 950	Rent £140	Yield 7.5%	Value per unit £1,773,333	Capital Value £1,773,333
					No. of months	Rent free period 3	Adjusted for rent free £1,741,559
							5.75%
Total development value							£1,641,420
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						£493,042
							Less Purchaser Costs 4.75%
							£516,461
2.2 Build Costs							
2.2.1	7: Out of centre Retail Warehouse	No. of units 1	Size sq.m 1,000	Cost per sq.m £615			Total Costs £615,000
							£615,000
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%				£61,500
							£61,500
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%				£81,180
							£81,180
Total construction costs							£757,680
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%				£37,884.00
							£37,884
TOTAL DEVELOPMENT COSTS (including land payment)							£1,312,025
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate 20%				£262,405
							£262,405
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£1,574,430
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£66,989
5.00 Finance Costs							
			APR 6.50%			PCM 0.526%	-£66,989
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£1,641,420
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8: Town Centre Retail (Comparison)							
ITEM							
Net Site Area	0.02	Residual value	£1,459,164.04 per ha				
							
1.0 Development Value							
1.1	8: Town Centre Retail (Comparis	No. of units 1	Size sq.m 190	Rent £165	Yield 9.0%	Value per unit £348,333	Capital Value £348,333
					Rent free period No. of months 3		Adjusted for rent free £340,908.96
							4.75%
Total development value							£324,716
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						£28,681
			Less Purchaser Costs				1.75%
							£29,183
2.2 Build Costs							
2.2.1	8: Town Centre Retail (Comparis		Size sq.m 200	Cost per sq.m £907			Total Costs £181,400
							£181,400
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%				£18,140
							£18,140
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%				£23,945
							£23,945
Total construction costs							£223,485
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%				£11,174.24
							£11,174
TOTAL DEVELOPMENT COSTS (including land payment)							£263,842
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate 20%				£52,768
							£52,768
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£316,611
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£8,105
5.00 Finance Costs							
		APR 6.50%			PCM 0.526%		-£8,105
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£324,716
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9: Hotel									
ITEM									
Net Site Area	0.10	Residual value		-£106,993.31 per ha					
1.0 Development Value									
1.1	9: Hotel	No. of units 1	No of Bed's 0	Size sq.m 760	Rent 130	Yield 7.3%	Value per unit £1,359,010	Capital Value £1,359,010	
							Rent free period No. of months 3	Adjusted for rent free £1,335,374.15	
								5.75%	
Total development value								£1,258,590	
2.0 Development Cost									
2.1 Site Acquisition									
2.1.1	Site value (residual land value)							-£10,515	
							Less Purchaser Costs	1.75%	
								-£10,699	
2.2 Build Costs									
2.2.1	9: Hotel	No. of units 1	Size sq.m 800	Cost per sq.m £993		Total Costs £794,400			
								£794,400	
2.3 Externals									
2.3.1	external works as a percentage of build costs			10.0%		£79,440			
								£79,440	
2.4 Professional Fees									
2.4.1	as percentage of build costs & externals			12%		£104,861			
								£104,861	
2.5 Total construction costs								£978,701	
3.0 Contingency									
3.1.1	as a percentage of total construction costs			5%		£48,935.04			
								£48,935	
TOTAL DEVELOPMENT COSTS (including land payment)								£1,016,937	
4.0 Developers' Profit									
4.1	as percentage of total development costs			Rate 20%		£203,387			
								£203,387	
TOTAL PROJECT COSTS [EXCLUDING INTEREST]								£1,220,324	
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]								£38,266	
5.00	Finance Costs		APR 6.50%	PCM 0.526%		-£38,266			
TOTAL PROJECT COSTS [INCLUDING INTEREST]								£1,258,590	
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10: Carehomes							
ITEM							
Net Site Area	0.33	Residual value		-£7,505,394.53 per ha			
							
1.0 Development Value							
1.1	10: Carehomes	No. of units 1	No of Bed's 40	Size sq.m 2470	Rent 3700	Yield 7.0%	Value per unit £52,857
							Capital Value £2,114,285.71
							Adjusted for rent free
					Rent free period No. of months 3	£2,078,824.04	
							1.75%
Total development value							£2,042,445
2.0 Development Cost							
2.1 Site Acquisition							
2.1.1	Site value (residual land value)						-£2,397,300
							Less Purchaser Costs
							1.75%
							-£2,439,253
2.2 Build Costs							
2.2.1	10: Carehomes	No. of units 1	Size sq.m 2,600	Cost per sq.m £1,223		Total Costs £3,179,800	
							£3,179,800
2.3 Externals							
2.3.1	external works as a percentage of build costs		10.0%		£317,980		
							£317,980
2.4 Professional Fees							
2.4.1	as percentage of build costs & externals		12%		£419,734		
							£419,734
2.5 Total construction costs							£3,917,514
3.0 Contingency							
3.1.1	as a percentage of total construction costs		5%		£195,875.68		
							£195,876
TOTAL DEVELOPMENT COSTS (including land payment)							£1,674,136
4.0 Developers' Profit							
4.1	as percentage of total development costs		Rate 20%		£334,827		
							£334,827
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£2,008,963
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£33,481
5.00 Finance Costs							
			APR 6.50%	PCM 0.526%		-£33,481	
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£2,042,445
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11: Town Centre Retail (Convenience)										
ITEM										
Net Site Area	0.03	Residual value	£2,484,964.69 per ha							
1.0 Development Value										
1.1	11: Town Cer	No. of units 1	Size sq.m 238	Rent 185	Yield 8.0%	Value per unit £549,219	Capital Value £549,218.75			
					No. of months	Rent free period 3	Adjusted for rent free £538,752.65			
							5.75%			
Total development value							£507,774			
2.0 Development Cost										
2.1 Site Acquisition										
2.1.1	Site value (residual land value)						£61,056			
	Less Purchaser Costs						1.75%			
							£62,124.12			
2.2 Build Costs										
2.2.1	11: Town Centre Retail (Convenie	No. of units 1	Size sq.m 250	Cost per sq.m £1,062			Total Costs £265,500			
							£265,500			
2.3 Externals										
2.3.1	external works as a percentage of build costs		10.0%				£26,550			
							£26,550			
2.4 Professional Fees										
2.4.1	as percentage of build costs & externals		12%				£35,046			
							£35,046			
2.5 Total construction costs							£327,096			
3.0 Contingency										
3.1.1	as a percentage of total construction costs		5%				£16,354.80			
							£16,355			
TOTAL DEVELOPMENT COSTS (including land payment)							£405,575			
4.0 Developers' Profit										
4.1	as percentage of total development costs		Rate 20%				£81,115			
							£81,115			
TOTAL PROJECT COSTS [EXCLUDING INTEREST]							£486,690			
TOTAL INCOME - TOTAL COSTS [EXCLUDING INTEREST]							£21,084			
5.00 Finance Costs										
		APR 6.50%			PCM 0.526%		-£21,084			
TOTAL PROJECT COSTS [INCLUDING INTEREST]							£507,774			

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SUBJECT: Discussion Paper for Monmouthshire Events Strategy

MEETING: Economy & Development Select Committee

DATE: Thursday 16 October 2014

DIVISIONS/WARDS AFFECTED: All

1 PURPOSE

- 1.1 To provide members with a discussion paper which will inform the strategy that sets out to underpin the Council's commitment, approach and vision for supporting, hosting and staging events within the county.

2 BACKGROUND

- 2.1 The need to establish an event strategy and align us to Welsh Government events will enable Monmouthshire County Council to move forward in this important area.
- 2.2 The Council is committed to delivering many key events. At the moment, there is no dedicated team and no framework for measuring or understanding the benefits that staging events bring.
- 2.3 This discussion paper will form the foundations of an Events Strategy for Monmouthshire.

3 KEY ISSUES

- 3.1 This report outlines Monmouthshire's current position on events within the county and recognises the exceptional value of its active communities in staging well-operated events.
- 3.2 This report suggests a more supportive stance on staging events to assist the coordination of the Council's resources and skills to best lend itself in enabling events to flourish and develop.
- 3.3 Whilst events could play a significant role in generating income for the County, it is more about creating value, enhancing the skillset and ideas of our most active communities, utilising our assets and resources to their absolute potential and promoting a 'can-do' attitude and mindset through our organisation.

4 RECOMMENDATIONS

- 4.1 Members should use this information and document to understand discuss the issues to contribute to the development of the strategy.

AUTHOR

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DISCUSSION PAPER FOR EVENT STRATEGY

INTRODUCTION

Events are an important component of the cultural, social and economic life in Monmouthshire and are valued as such by residents, businesses and visitors alike. In order to consolidate and develop this position, an Events Strategy is required to provide the context in which events are supported and encouraged in Monmouthshire.

Monmouthshire is fortunate to be home to some of the most creative, active and passionate communities who are keen to showcase the place in which they live. Abergavenny Food Festival, county agricultural shows, Monmouth Festival and Chepstow Walking Festival are prime examples that our communities have the skill required to develop exciting ideas to provide a platform to promote and shout about Monmouthshire's culture and beauty. The Events Strategy has been put together to develop and support this existing programme, to create a framework within which new events can be encouraged and flourish, whilst ensuring they make a meaningful contribution to the local economy. Recent Tourism reports estimate 94% of visitors recommend Monmouthshire to others once they have experienced our wonderful County.

As such the Events Strategy helps us to support existing organisers to ensure that their events are the best they can be, and to decide which events Monmouthshire should encourage and develop itself. The strategy and supporting information will also play a key role in encouraging new event organisers to see Monmouthshire as a natural partner for future development.

Any successful Events Strategy will rely on both the natural and physical assets that the County can offer, and will be fundamentally influenced by the attitude of the entire organisation to coordinate its resources and infrastructure. Monmouthshire provides event organisers with outstanding locations and assets. The County has a wide range of natural resources, including glorious countryside, a rich portfolio of Castles and historic buildings, scenic coastal paths, all found amongst our unique, picturesque market towns and villages.

The natural strengths of the County make it a great location for a broad range of activities. This means that Monmouthshire is in a strong position to add value to any event held in the County's beautiful surroundings. The strategy aims to pull together these key factors into a robust and sustainable approach, ensuring that the County gets best value from investment in events which bring with them cultural, economic and social value.

CURRENT POSITION

Range of events

The wide range of existing events demonstrates a long history of successful management delivered through many different models. Some are organised privately with the Council's support and others are organised by or funded by Monmouthshire County Council.

Sporting events include the National Road Race Cycling Championships, the Tour of Britain, various town events and grassroots tournaments. The scenic backdrop and interesting routes makes the County a natural choice for outdoor events. Walking, cycling and orienteering festivals are regularly and keenly attended by participants from across the country, enjoying the vista of historic hills and tackling the infamous Tumble climb.

Music, Arts and Culture Events range from local town based events, which showcase local and national talent such as Chepstow's Castell Roc, Usk Agricultural Show, Abergavenny Food Festival, Devauden Music Festival, Monmouth Walking Festival, re-enactments and associated events at Caldicot Castle and activities at Chepstow Racecourse.

Business events help our local employers to network and celebrate their contribution to the national economy whilst giving them an opportunity to sell their products to the public.

Event locations and infrastructure

Events can be held in traditional venues such as the fully serviced Abergavenny Borough Theatre, our collection of leisure centres or Council assets such as the Shire Hall in Monmouth, through to spaces such as Brewery Yard and the Market Hall in Abergavenny, Tintern's Railway Station or the idyllic grounds and country park surrounding Caldicot Castle which has staged a number of open air events. There are also performance spaces at privately or externally owned facilities such as David Broome Equestrian Centre, a range of historic castles, Chepstow Racecourse, Tintern Abbey or Usk Showground. Alternatively, arrangements can be made for events to be held in surprising locations; The Tumble in Abergavenny became the featured finish for the third stage of the Tour of Britain this year.

It is recognised that Monmouthshire County Council has lacked the function of event coordination in recent years and support for events has relied on individual departments to offer their services. It is to be proposed that a dedicated event and marketing team is to be set up, to assist the coordination of the Council's resources and skill to best lend itself in enabling events to flourish and develop.

Monmouthshire provides a wide range of other assistance to support events, such as traffic management, road closures and licencing. The Events Team should help guide organisers through each process to ensure that events run smoothly and that the Council's response is seamless.

In recent years the County has demonstrated that it has the potential to attract and hold successful events appealing to a wide range of visitors. This track record gives confidence that the aspirations of this Strategy are a natural fit and provide a solid base from which to expand.

NATIONAL CONTEXT

The Monmouthshire strategy for events does link to WG events strategy especially regarding the context of developing a portfolio of events designed to achieve positive outcomes for Wales. Outcomes include improving the wellbeing of its people, ensuring events "run with the grain" of our communities making connections with the needs and aspirations of the people of Wales in the twenty first century. The shared desire to ensure the best of our heritage and traditions in a vibrant, contemporary outlook balanced with the need to support innovation and the quirky.

The Monmouthshire team will aspire to deliver world class events and help deliver some of the future events that WG are developing across South East Wales – an example being the Wales Velothon, similar to Ride London, which will be delivered annually from the summer 2015.

Developing a strategy in line with WG key drivers will enable MCC to link directly to funding opportunities and closer working with WG Major Event's team.

LOCAL CONTEXT

The function and support of events within the county falls within the Tourism, Leisure and Culture Service of the Council's new Enterprise division which connects our people and performance with the Council's core purpose of delivering sustainable and resilient communities.

Events embrace a spirit of enterprise which empowers people to have ideas and make things happen in line with purpose. The Events Team should advocate for, support and encourage our county's organisers and community animators in challenging the status quo to develop more effective ways of working and turn ideas into action with confidence and clarity. One of the three objectives identified in Monmouthshire's Improvement Plan is to enable our county to thrive.

Delivering events and showcasing our county within a time of unparalleled financial constraint requires us to think, to operate and be enterprising. Whilst events could play a significant role in generating income for the County, it is more about creating value, enhancing the skillset and ideas of our most active communities, utilising our assets and resources to their absolute potential and above all, promoting a 'can-do' attitude and mind-set through our organisation. Fundamentally, events are a vehicle to connect people to contributing to our purpose; to delivering sustainable and resilient communities.

THE CHALLENGES

During the current financial climate strategy must be clear on why events are so important to our communities and societies. The team must establish expertise in commercialisation and deliver income targets through key events. The team must also establish sophisticated methods of measuring return on investments both financial and social factors and work hard to evaluate and showcase this information. Chief Officer Enterprise report 2014 highlighted the reasons for delivering events and also the importance of the huge social returns and gains for all our communities.

"Enterprise may be more focussed on returns, yield and the bottom line – but it only does so to enable reinvestment in scaling social impact and furthering our social mission. A special or major event is not just about tourism gains or a higher visitor profile – it is about community spirit, volunteering, mentoring, growing confidence and investability. Without a buoyant local economy, there is no vibrant national economy. A declining national economy means more pressure on and cuts to public finance."

Discussion points for Select

- Develop expertise and specialist skills in this field
- Volunteers, trainee opportunities
- Ensure sponsorship and business are working in partnership
- To be fully sighted on opportunities throughout Monmouthshire

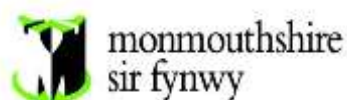
- Monmouthshire is the County of festivals and events - Grow and develop what is already out there – work with organisers of festivals
- Maximise Tourism opportunities – e.g. food and cycling (out of season events to ensure more return on investment(ROI))
- Help utilise council assets especially Leisure and attractions to generate income
- Explore new markets in Sport, Culture.
- Move quickly to adapt to new trends and opportunities

STRATEGY TO ACTION

- An events programme
- A dynamic tool to galvanise community and local event organisers
- An events toolkit
- A strategic decision making process for selecting events to be supported directly by the Council
- An action plan for delivery of the Strategy

MEASURING SUCCESS

- Ensure ROI and full evaluation models are available



SUBJECT: VALE OF USK LOCAL DEVELOPMENT STRATEGY

MEETING: CABINET

DATE: 15th October 2014

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 To endorse and approve the draft Vale of Usk Local Development Strategy (LDS) for wider consultation with associated partners. The purpose of the LDS is to inform how the RDP funding for the 2014-2020 period will be spent.

2. RECOMMENDATIONS:

- 2.1 To endorse and approve the draft Vale of Usk LDS for wider consultation with associated partners.
- 2.2 To provide in principle agreement to a 20% match funding contribution required to fund the RDP activities in the Monmouthshire wards, acknowledging that a level of budget provision already exists under the existing RDP.
- 2.3 To endorse the current Partnership with Newport City Council (NCC) and approve the extended partnership requirements requested by Torfaen County Borough Council (TCBC), with MCC acting as Administrative Body.

3. KEY ISSUES:

- 3.1 As a predominantly rural county, the main source of European funding for Monmouthshire is the Rural Development Programme (RDP). The current round of funding (2007 – 2013) is now coming to an end and there is a need to submit a new bid to Welsh Government (WG) for the 2014-2020 funding period.
- 3.2 RDP LEADER funding is slightly different to most European funds in that the activity is governed by an independent local body, a Local Action Group (LAG) representing local people from the public, private and third sectors. Since 2001 the LEADER funding in Monmouthshire has been governed by the Adventa LAG. However in this funding period, WG have stipulated that local authorities are required to brigade forces to reduce administrative costs.
- 3.3 As a result an approach was made by Newport City Council (NCC) and it has been agreed that for RDP funding purposes there will be a joint LAG with Newport, the Vale of Usk LAG. The Vale of Usk LAG was therefore established in January 2014 to oversee the governance, strategic direction and successful delivery of the Vale of Usk 2014-2020 LDS which is funded via the RDP and WG (80%) with 20% match funding support from project sponsors. The LAG territory covers the rural wards and service centres of Monmouthshire and Newport and succeeds the adventa LAG, established in 2001, which previously governed the rural wards of Monmouthshire only.

Agenda Item 7

- 3.4 The total population covered by the Vale of Usk LAG area is 127,964. This is made up of the Monmouthshire rural wards population of 55,063 with an additional 32,772 located in the service centre areas plus the rural wards population of Newport of 26,009 with an additional 14,220 in the service centres.
- 3.5 Given the WG stipulation to brigade forces, Members also need to be aware that a further approach has been made by TCBC to join the Vale of Usk LAG which has recently been approved by TCBC Cabinet and their existing LAG. If this is approved then a further revised LDS will be required to reflect the needs of the wider territory and a new name for the Vale of Usk LAG will also have to be agreed. If Torfaen joined the partnership then a population of a further 38,157 would be added bringing the total population for the revised LAG territory to 166,121.
- 3.6 The development and design of the draft LDS recognises the need to undertake actions that will provide consensus within the new rural territory across Monmouthshire and Newport, to *“combine and integrate to achieve the maximum results”*. Through a recent community engagement process which included community consultations, attendance at Monmouthshire and Usk show and an on-line survey, findings have been reviewed to ascertain how the LEADER approach can add value and avoid duplication. This has been met by:
- Understanding what has been achieved through Adventa to date and how to build on historical rural development investment whilst also recognising new and added value activity can take place in order to create sustainable impact;
 - Reviewing emerging programmes and projects within the territory and assessing whether the RDP can complement or not;
 - Hosting workshop based sessions to look at synergy and linkages between the two local authority areas and how common projects can be co-ordinated. Examples of this include:
 - Living Levels Partnership
 - Destination Management Plans
 - Strategic paths and trails
 - Community transport
 - Assessing project ideas and proposals that have arisen through the on-line survey and through face to face engagement in terms of pulling together local support measures and looking at both spatial and sectoral linkages so that maximum benefits are achieved.
- 3.7 From the analysis and a prioritisation process undertaken by the LAG a number of suggestions have been made in relation to using the RDP funds to generate the right change for the area. This includes the development of a proposed vision:
- “A connected territory, in a beautiful landscape, focussed on fostering thriving communities and building resilient local economies whilst embracing the natural and cultural assets of the area”***
- 3.8 A complimentary hierarchy of objectives have been proposed which will underpin activity undertaken under the five key themes namely:
- Adding Value to local identity and natural and cultural resources
 - Facilitating pre-commercial development, business partnerships and short supply chains
 - Exploring new ways of providing non-statutory local services
 - Renewable energy at Community level
 - Exploitation of digital technology

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- 3.9 It has also been proposed that funding is allocated according to the priority weighting that each of the themes were given as part of the consultation process. This means that activity will take place under all themes but particular emphasis will be placed on 'Exploitation of Digital Technology' and 'Adding Value to local identity and natural and cultural resources' and so on. This can of course be adjusted throughout the delivery period.
- 3.10 The LAG will make a regular call for projects under all five themes and, following the completion of an initial expression of interest, communities of interest will be invited to apply for funds. Support to develop projects will come from the RDP delivery team, will be hosted by MCC as Administrative Body and will therefore be 100% funded through the RDP. The delivery team will be much smaller than the last funding period, reducing from fifteen to a core team of five, due to shift in emphasis between the two programmes and the new greater focus on up-skilling, enabling and other activities such as mobilising community resources and volunteering.
- 3.11 WG has also stipulated that there will be one lead partner or 'Administrative Body' in administrative and financial matters relating to the delivery of the LDS. MCC will be the Administrative Body for the Vale of Usk LAG and a Collaboration Agreement has been drafted determining the joint arrangements to discharge these functions. If TCBC also join the partnership then there will be one single LAG for the combined territory for which MCC will be the 'Administrative Body'.
- 3.12 The Local Development Strategy will be subject to consultation until the end of December, with the LAG agreeing to any subsequent amendments during this period. The current RDP programmes will be finalised early in 2015 and the LAG is intending to commence the 2014-20 RDP programme with effect from 1st April 2015. A final version of the LDS will be submitted to the Cabinets of the respective administrations in the New Year.

4. REASONS

- 4.1 To endorse and approve the draft Vale of Usk Local Development Strategy (LDS) for wider consultation with associated partners, with the LDS informing how RDP funding for the 2014-2020 period will be spent.
- 4.2 Investment in the new RDP programme has the potential to:
- Make the area more connected in terms of rural programme identity and linking common assets for mutual benefit;
 - Provide more opportunity for communities to learn from each other with the opportunity for Monmouthshire as a mature rural development area to share lessons learnt as well as for Newport to trial new ideas and projects that Monmouthshire has never piloted;
 - Consolidate the significant investment has taken place in Monmouthshire through previous rural development programmes and extend the reach in terms of physical and digital improvements and community led initiatives;
 - Recognise the value of countryside and landscape and how this connects rural and semi-urban places. This will be key in making the Vale of Usk area coherent and understanding how the environment can play a part in access, heritage, identity, mobility, tourism, exploration and realising local economic development initiatives; this is about whole place and community;

Agenda Item 7

- Place digital technology as a horizontal activity as a way to delivering smart, dynamic and enterprising communities and businesses whilst being underpinned by a training and mentoring culture.

5. RESOURCE IMPLICATIONS:

- 5.1 The RDP provides the authority with the means, through a 20% match funding contribution, to access a significant revenue grant funding opportunity. The proposed vision outlined in 3.7 above is consistent with the Authority's vision to build sustainable and resilient communities and is wholly aligned with the Whole Place approach.
- 5.2 This is a significant programme with a predicated £2.7m RDP funding provision based on a 5% EU funding allocation to LEADER activities. If the EU funding allocation was to be increased to 6% then the total funding will be £3.24m. The Authority anticipates WG confirmation of the funding levels in the coming months. The costs for administering and managing delivery of the programme amount to £675,000 on a 5% EU funding allocation (£810,000 at 6%) and are 100% funded.
- 5.3 The total programme for implementation amounts to £2.53m on a 5% EU funding allocation (£3.04m at 6%), with the Authority and NCC's funding packages amounting to £2.10m and £430,000 respectively (£2.52m and £516,000 respectively at 6%). WG/EU funds 80% of these costs, with constituent authorities match funding the remaining 20%. This would require a £420,315 match funding to be underwritten by MCC based on Monmouthshire's eligible wards. The remaining £85,935 will be underwritten by NCC. If the EU funding allocation was to be increased to 6% then the match funding elements rise to £504,378 (MCC) and £103,112 (NCC).
- 5.4 The revenue match funding contribution for MCC would be payable over the 7 year life of the 2014-2020 RDP programme. An estimated profile has been established that indicates that greater levels of expenditure will be incurred in the latter stages of the programme. The match funding contribution therefore peaks in year 7 at £116,754 (5%) or £140,105 (6%), with lower levels of match funding contribution being required in earlier years of the programme. Given that the average match funding contribution per annum of £60,045 (£72,054) falls within the existing 2014/15 revenue budget that exists to support the current programme it is proposed that a designated earmarked reserve is used to carry forward funding that would be required to fund the later years of the programme.
- 5.3 If TCBC are to join the partnership then the funding 'pot' would be expanded by a further £995,000 (5%) or £1,194,000 (6%). TCBC would then be required to underwrite the match funding of £175,588 or £210,706 respectively.
- 5.4 As explained the LDS is yet to be finalised and so are the budgets. A final version of the LDS will be submitted to the Cabinets of the respective administrations in the New Year, seeking approval for the required match funding contributions.

6. SUSTAINABILITY AND EQUALITY IMPACT ASSESSMENT

- 6.1 This report is presented to enable Cabinet to release the draft LDS for consultation and further development purposes. As a result there are no sustainability or equality impacts to be assessed at this stage. However, equality and sustainability impacts will be assessed during the consultation period, and subsequently reported alongside the finalised LDS that will be submitted to Cabinet in the New Year.

7. CONSULTEES:

Senior Leadership Team
Cabinet Members

Head of Legal Services
Vale of Usk LAG
Wider Monmouthshire and Newport Communities

8. BACKGROUND PAPERS:

Draft Vale of Usk Local Development Strategy

9. AUTHORS:

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LEADER 2014-2020

VALE OF USK LOCAL DEVELOPMENT STRATEGY



SEPTEMBER 2014



Cronfa Amaethyddol Ewrop ar gyfer Datblygu
Gwledig: Ewrop yn Buddsoddi
mewn Ardaloedd Gwledig
The European Agricultural Fund for
Rural Development: Europe Investing in
Rural Areas



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

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Preface

At the point of submitting this Local Development Strategy the Vale of Usk LAG is in the process of considering an opportunity to extend the Monmouthshire/Newport partnership to include the rural wards of Torfaen.

Given the geographical proximities of the three counties this extended joint approach would not only enable the development of a stronger partnership but would also present an enhanced opportunity for coherence with the increased benefits from the economies of scale. Should the formal alliance be agreed management and administrative structures will be shared to reduce administration and management costs. This will take the form of one extended single LAG for the three counties with Monmouthshire County Council taking on the role of the Administrative Body for the three areas.

Subject to the formal approval of this proposal by the three Local Authorities and the Vale of Usk LAG it is proposed that a revised LDS be produced and re-submitted to Welsh Government in November. It is also likely that the name of the LAG will be changed to reflect the extended geographical area.

In the interim however please accept this draft Local Development Strategy as the formal submission of the Vale of Usk LAG.

i. **NAME OF LAG AND CONTACT DETAILS**

Name of Local Action Group	Vale of Usk
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LOCAL DEVELOPMENT STRATEGY IMPLEMENTATION TIMESCALES

Proposed Start Date (no earlier than 1 January 2015)	1 st April 2015
End Date (no later than 31 December 2021)	31 December 2021

1. STRATEGIC FIT

1.1 Definition of the area and population covered by the strategy

1.1.1 Background

The Vale of Usk Local Action Group (LAG) was established in January 2014 to oversee the governance, strategic direction and successful delivery of the Vale of Usk 2014-2020 Local Development Strategy (LDS) which is funded via the Rural Development Programme (RDP) and Welsh Government (80%) with 20% match funding support from project sponsors. The Vale of Usk LAG territory covers the rural wards of Monmouthshire and Newport and succeeds the adventa LAG, established in 2001, which previously governed the rural wards of Monmouthshire only.

1.1.2 Key facts:

- The total population covered by the Vale of Usk LAG area is **127,964**. This is made up of the Monmouthshire rural wards population of 55,063 with an additional 32,772 located in the service centre areas plus the rural wards population of Newport of 26,009 with an additional 14,220 in the service centres;
- In June 2012, 79% of Monmouthshire's population (highest in Wales) and 77% of Newport's population were economically active of which 74% and 69.8% respectively were in employment;
- However, in 2011, average gross weekly full-time earnings in Monmouthshire stood at £494. (Weekly full-time earnings by workplace were £427.00 in 2013, NOMIS) This was the ninth lowest in Wales indicating that although those living in Monmouthshire are amongst the highest earners, those working in Monmouthshire have some of the lowest earnings suggesting a strong element of out-commuting;
- Approximately 2.1 million people visit Monmouthshire, and 2.37 million people visit Newport each year;
- Tourism contributes £163.5 million to Monmouthshire's local economy supporting 10.1% of employment; in Newport tourism contributes £207.11 M to the local economy supporting 2784 jobs; and
- In 2011, Monmouthshire had 663 active businesses per 10,000 of the population. This is the second highest level in Wales, however over 80% of these businesses are micro enterprises with few or no employees. 23% of all local VAT/ PAYE registered businesses are based within rural areas of Newport.

The headline objective for Monmouthshire and Newport Wards in terms of the new LEADER programme is to ensure that people in the locale benefit from an economy which is prosperous and supports enterprise and sustainable growth. This is based around a need to embrace the counties truly entrepreneurial spirit whilst adding true value to local communities.

Given the high level of micro enterprises and low earnings a wide range of employment and training opportunities are needed in the LAG area, not only for our young people who are starting out but also for our older people whose retirement age has been extended.

The largest employer in Monmouthshire and Newport is the Public Service sector where 34.7% (2013) and 30% respectively of people are employed however the reported budget cuts over the next four years are likely to see this percentage reduce significantly. There is therefore a need for more bespoke support for businesses to assist in the development of start-ups and support existing enterprises, providing local networking opportunities and actively encouraging job creation. This will help bridge the forthcoming gaps and reduce the need for increased out-commuting and migration which will also reduce the carbon impact in the counties whilst supporting the local economy.

The natural environment of the LAG area is its biggest asset but the associated terrain and restricted planning regulations present their own problems in terms of economic sustainability due to the understandably protectionist nature of planning policies. The Brecon Beacons National Park and the Wye Valley are two areas nationally recognised as places of natural beauty that create excellent opportunities for outdoor recreation and wildlife tourism. The area has extensive heritage sites and areas of historical significance with an estimated 26 castle sites.

However while tourism contributes significantly to the local economies, it has the potential to contribute much more. The proposed LEADER programme would aim to encourage local communities to take a more active role in maximising sustainable economic advantage and competitiveness from their cultural and natural assets by encouraging product development to encourage visitors in the off peak seasons. Monmouthshire and Newport already have strong Destination Marketing strategies so the aim of activities detailed in this strategy are to encourage communities to work closely with the LAG to identify opportunities for sustainable development that maximise the economic potential whilst reducing the environmental impact on the landscape.

While the take-up of broadband is high in the LAG area, coverage and performance in rural areas is poor which in part is due to the terrain. This can act as a barrier to encouraging new enterprise into the county, as well as exacerbating rural isolation in outlying communities. There is also a growing demand and need for ICT exploitation support and training activities which is particularly pertinent in the farming sector where farmers are being encouraged to submit claims, etc. 'on line'. This coupled with the Superfast Cymru Broadband rollout and other WG ICT exploitation schemes present real opportunities to digital inclusion and ICT exploitation for communities.

Agriculture also faces other challenges. Monmouthshire particularly is predominantly a rural county having a relatively low population density of 100 people per square kilometre compared to an average for Wales of 141 per square kilometre. In fact, over 60% of the population is concentrated in 20% of the county area i.e. the M4 corridor and Abergavenny district. A dependence upon traditional farming in Monmouthshire has led to a struggling rural economy with poor employment opportunities and as a result, depopulation. The decline in agricultural activities has also had a significant impact on the landscape as some traditional farm holdings have been sold off to 'hobby' farmers who have developed different uses for the land rather than agriculture.

It is also the LAG's intention to take steps to address poverty. The LAG area will experience a significant increase in its older population during the next 10 years and the gap in life expectancy between the least and most deprived areas is significant and must be closed. It

has also been found that between 35-40% of families in social housing accommodation in the LAG area will be negatively affected by the new welfare reforms with over 360 households making a homelessness application to the Councils in 2011/2012, with 65% of tenants in social housing in receipt of benefits. The LAG area also experiences fuel poverty in households in the most deprived wards which also needs to be addressed.

It is LAG's overall intention to work towards achieving 'The ten key characteristics of a Sustainable Rural Community'¹ – this will establish our communities as economically, socially, culturally, and environmentally sustainable;

- A population with a viable age structure i.e. a healthy mix of old and young;
- A diversified economic base beyond the primary agricultural and production sectors;
- A viable and sustainable primary sector which provides both fresh food and other needs;
- A rural population with the physical and mental health which is at least as good as it is elsewhere;
- Access to an attractive and clean environment;
- Pride in the local identity i.e. history, culture and environment;
- Widespread business ownership i.e. high rates of locally financed and initiated new small enterprises;
- Public agencies working together towards common goals and agreed values;
- Local communities working together to assess risks and prepare for change; and
- Healthy rural communities doing their own development and not having it done to them by others.

1.1.3 Population Analysis

As noted the total population of the LAG area is 127,964. The eligible areas to be covered can be viewed in the attached maps highlighting the relevant wards (Monmouthshire see *Appendix One*, Newport see *Appendix Two*). The population size and distribution is broken down as follows:

Monmouthshire

Monmouthshire is a rural county, geographically, the seventh largest in Wales. However, although its population has risen from 84,885 in the 2001 census to 91,323 in the 2011 census it remains one of the least densely populated counties in Wales. Half of the population live in the main towns of Abergavenny, Monmouth, Usk, Caldicot and Chepstow whilst the other half live in the rural areas. Tables One and Two following, detail the ward population in 2011 which has been split between rural wards and service centre wards for clarity.

¹ 'Commission for Rural Communities' a think piece by Prof John Bryden and Amanda Bryan, based on the 'Dynamics for Rural Areas in Europe (DORA)' project

Table One: Monmouthshire's Rural Wards

Caerwent (1, 791)	Llanelly Hill (3,899)	Mill (2,482)	Shirenewton (2,201)
Crucorney (2,121)	Llanfoist Fawr (1,868)	Mitchel Troy (1,253)	The Elms (3,658)
Devauden (1,480)	Llangybi Fawr (1,861)	Overmonnow (2,388)	Trellech United (2,759)
Dixton with Osbaston (2,569)	Llanover (2,284)	Portskewett (2,133)	Usk (2,834)
Drybridge (3,432)	Llantillio Crossenny (1,755)	Raglan (1,928)	Wyesham (2,119)
Goetre Fawr (2,393)	Llanwenarth Ultra (1,447)	Rogiet (1,813)	
Llanbadoc (1,299)	Mardy (1,469)	St.Arvals (1,618)	

Table Two: Monmouthshire's Service Centre Wards

Caldicot Castle (1,919)	Dewstow (1,983)	Larkfield (2,014)	St.Mary's (1,847)
Cantref (2,036)	Green Lane (2,069)	Priory (2,196)	Severn (1,689)
Croesonen (2,437)	Grofield (1,853)	St.Christopher's (2,582)	Thornwell (2,749)
	Lansdown (2,196)	St.Kingsmark (3,158)	West End (1,944)

Newport

Conversely Newport is predominantly an urban county with 145,736 residents with 7.6 people per hectare compared to 1.1 in Monmouthshire. There are therefore only five eligible wards in Newport, two rural wards and three service centres as per the breakdown in tables three and four below.

Table Three: Newport's Rural Wards

		All usual residents		Area (hectares)		Density (number of persons per hectare)
Ward	Llanwern	2961	2.03%	3988	20.93%	0.7
Ward	Marshfield	6270	4.30%	3549	18.63%	1.8

Table Four: Newport's Service Centre Wards

Ward	Graig	6159	4.23%	1434	7.53%	4.3
Ward	Caerleon	8061	5.53%	1394	7.32%	5.8
Ward	Langstone	4425	3.04%	3034	15.92%	1.5

1.1.4 Cross Boundary working

The submission of this joint Local Development Strategy is clear evidence of the LAG's intention to work across administrative boundaries. The Vale of Usk LAG area incorporates both Monmouthshire and Newport wards and offers a sensible and tangible opportunity to form a partnership between two areas which already work closely together. This is not only because both counties share transport and infrastructure systems but also because they have already done so very successfully, especially in terms of tourism. This is exemplified through the long established Wye Valley and Vale of Usk tourism Destination Marketing area/brand.

However, the membership of the LAG also offers opportunities to extend cross boundary working further as exemplified by the appointment of a regional Officer of Natural Resources Wales. The Wye Valley AONB and Brecon Beacons National Park have both been members of the previous adventa LAG since its inception in 2001 and as a result strong working relationships have been established. Although not named as proposed members of the Vale of Usk LAG it is the intention to appoint staff members of the organisations as advisors to the LAG working groups to ensure that this relationship is maintained.

The extent of these relationships has been exemplified particularly well in the current LEADER cooperation project which is managed by adventa, [Walking with Offa](#). This is a strategic cross border project which has brought together rural development and tourism bodies along the Welsh-English border to promote walking, sustainable tourism and transport along either side of the Offa's Dyke National Trail, both the Wye Valley AONB and the BBNPA are partners. It is the intention of the LAG to submit a Phase II application for this RDP delivery period.

Other examples of cross geographical border working in the area include the [Wye Valley and Forest of Dean tourism association](#) who have participated fully in RDP activities during the last 2007 – 2013 funding period and will be invited to do so again. In addition [Severn Wye Energy Agency](#) has been a key partner in delivering current energy projects. It is the LAGs intention to continue working with these and many other cross border organisations during the next phase of delivery.

1.1.5 Extension of the current partnership

As explained in the preface, at the time of writing Monmouthshire County Council has been approached by Torfaen County Borough Council to extend the current partnership with Newport City Council to include their rural territories within this application. Although all partners are agreed in principle, given the short timescales associated with the submission of the LDS it has been agreed to proceed with the submission of two separate strategies at this point. Subject to formal approval by the LAG, Monmouthshire County Council and Newport City Council Cabinets it is the partners' intention to edit and merge the two strategies in the next few weeks with a view to submitting a revised joint LDS in November 2014.

1.2 Description of Integration

In order to attain maximum value for money and avoid any duplication of effort this strategy takes into account current local, national and regional programmes, to ensure complementarity at a strategic level.

1.2.1 LEADER - Complementarity, Coherence and Consistency

The development and design of this LDS has recognised the need to ensure its objectives and resulting actions provide consensus within the new rural territory across Monmouthshire and Newport, to “*combine and integrate to achieve the maximum results*”. Through the community involvement process and through strategic officer discussions findings have been reviewed to ascertain how the LEADER approach can add value and not result in duplication. This has been undertaken in the following way:

- Understanding what has been achieved through adventa to date and how to build on historical rural development investment and where new and added value activity can take place and create sustainable impact;
- Reviewing emerging programmes and projects within the territory and assessing whether the RDP can complement or not;
- Hosting workshop based sessions to look at synergy and linkages between the two local authority areas and how common projects can be co-ordinated; Examples of this include;
 - Living Levels Partnership
 - Destination Management Plans
 - Strategic paths and trails
 - Community transport; and
- Assessing project ideas and proposals that have arisen through the on-line survey and through face to face engagement in terms of pulling together local support measures and looking at both spatial and sectoral linkages so that maximum benefits are achieved.

From the analysis and taking into account the need for coherence and consistency of approach to integration the following choices have been made in relation to generating the right change for the area. These include:

1. The need to make the area connected in terms of rural programme identity and association in terms of delivery as well as linking assets that are common to both or have a mutual benefit of partnering;
2. The need for communities across the territory to learn from each other, with the opportunity for Monmouthshire as a mature rural development area to share lessons learnt with Newport; there is also the opportunity for innovation and some trail-blazing for Newport to trial new ideas and projects that Monmouthshire has never piloted before;
3. Recognition that significant investment has taken place in Monmouthshire through previous rural development programmes and that new investment needs to now bring about consolidation and extend the reach in terms of physical and digital improvements and community led initiatives; this

- approach is about whole place and community;
4. The value of countryside and landscape and how this connects rural and semi-urban places is key to making the Vale of Usk area coherent and understanding how the environment can play a part in access, heritage, identity, mobility, tourism, exploration and realising local economic development initiatives; and
 5. The need to place digital technology as a horizontal activity as a way to delivering smart, dynamic and enterprising communities and businesses, supported by a training and mentoring culture.

1.2.2 Strategic Policy Fit

The following policies are key instruments and statements that will relate to the strategy in future development and delivery.

Welsh Government

Wales Rural Development Programme 2014-2020 (RDP)

The main strategy and framework that is directing this LDS is the Wales Rural Development Programme 2014-2020 (RDP), a seven year European Agricultural Fund for Rural Development (EAFRD) programme funded by the European Union and Welsh Government.

The Wales RDP 2014-2020, submitted to the European Commission on 11 July 2014, can provide £953m of European and Welsh Government funding to rural Wales to help:

- increase the productivity, diversity and efficiency of Welsh farming and forestry businesses, improving their competitiveness and resilience, reducing their reliance on subsidies;
- improve the Welsh environment, encouraging sustainable land management practices, the sustainable management of our natural resources and climate action in Wales; and
- promote strong, sustainable rural economic growth in Wales and encourage greater community-led local development.

There are 6 Rural Development Priorities which set the context for the EAFRD and any actions that form part of the RDP 2014-2020 will fit within this structure of priorities:

- fostering knowledge transfer and innovation in agriculture, forestry, and rural areas;
- enhancing competitiveness of all types of agriculture and enhancing farm viability;
- promoting food chain organisation and risk management in agriculture;
- restoring, preserving and enhancing ecosystems dependent on agriculture and forestry;
- promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors; and
- promoting social inclusion, poverty reduction and economic development in rural areas.

It can be noted further in this LDS that the LAG has chosen to select “*promoting social inclusion, poverty reduction and economic development in rural area*” as our key focus which has been prioritised through LAG and the community involvement process.

Other Welsh Government Strategies

In Table Five below are detailed key strategies and policies that the LAG will consider and link to include:

Table Five: Key Strategies

<ul style="list-style-type: none"> • Partnership for Growth – The Welsh Government Strategy for Tourism – 2013-2020 • Pollinator Action Plan – Welsh Government • Pollinator Implementation Plan – Welsh Government • Food and Drink Action Plan – Welsh Government • Local Sourcing Action Plan – Welsh Government • ICT Strategy for Wales – Welsh Government • ICT Infrastructure Policy – Welsh Government 	<ul style="list-style-type: none"> • Digital Inclusion Stronger Communities – Wales Co-operative Centre • One Wales, One Planet – Welsh Government • Energy Wales: A Low Carbon Transition – Welsh Government • Sustainable Development Policy – Monmouthshire County Council • Climate Change and Sustainable Energy Strategy • Superfastcymru Wales broadband scheme • Town Centre Partnership Fund – Welsh Government • Youth Entrepreneurship Strategy – An Action Plan for Wales, 2010-2015
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The following section relates to local corporate, economic development and rural development/tourism development policy.

Monmouthshire

Monmouthshire’s Single Integrated Plan 2013

Monmouthshire’s SIP centres on creating and maintaining the County’s economic and environmental health, promoting social equity, and increasing citizen participation in planning and implementation. Health and well-being is central to quality of life, our economic success, interdependent with our success in improving education, training and employment outcomes. An individual’s ability to achieve their educational, social and economic potential is greatly influenced by their own sense of well-being. Across Monmouthshire, ‘The Five Ways to Wellbeing’ is being introduced at individual, community and organisational level to enable our communities to be more capable and resilient. Working towards this vision they have

identified three themes which form part of a cohesive story about how the vision will be achieved.

- **Nobody is Left Behind:** we want to be a place of of cohesive communities where everybody is treated with dignity and respect and has the same opportunity to achieve what they wish.
- **People are Confident, Capable and Involved:** we want Monmouthshire to feel safe and people to be confident. We want to create a place where people want to be involved; they are confident in themselves and their abilities and what they contribute to their own community.
- **Our County Thrives:** we want our county to thrive which includes the economy that supports our communities and families to live a good life. It also means that our environment, its range of habitats and biodiversity thrives.



Draft Monmouthshire Business Growth and Enterprise Strategy

Monmouthshire’s new vision for its Enterprise Directorate is “*to develop and promote an enterprising culture, which builds business resilience and creates excellent outcomes for our communities*” with the mission to “*build the enterprise capacity and reinvent our future*”.

The enterprise strategy is also supported by “iCounty” which is the County’s digital centre piece and key means to ensuring technology contributes to the county-wide vision for building sustainable and resilient communities. The three strands to iCounty are:

- Enabling inclusive and connected communities
- Creating commercial products and assets
- Improving internal systems in order to continually reinvent the services that matter most to Monmouthshire’s communities

The three strategic priorities of the draft Monmouthshire Business Growth and Enterprise Strategy are:

1. Supporting business growth
2. Encouraging inward investment
3. Growing entrepreneurs

Cross cutting themes include the need to embrace and capitalise on digital technology opportunities and to raise skills levels, to meet the needs and aspirations of individuals and employers, with a view to creating high level employment opportunities and raise wage levels.

In working towards Tomorrow’s Monmouthshire success is built upon a place where:

1. Ideas can flow
2. A workforce where the relevant skills exist
3. Capital investment can be raised
4. Relevant infrastructure is in place and
5. There are opportunities for networking

There are other supporting local economic development, tourism and community strategies which include:

- “iCounty” strategy
- Monmouthshire Destination Development Plan
- Abergavenny Visitor Experience Development Plan and Feasibility

This strategy underpins a wide range of issue and areas of focus for rural development within the Vale of Usk area with digital and physical connectivity seen as a key strand to its strategic direction.

Whole Place Plan Approach

Under the banner ‘Your County, Your Way’ Monmouthshire County Council has embarked on a journey of cultural and organisational change to enable it to respond creatively to the needs and aspirations of the communities of Monmouthshire.

As part of this process, the Council aims to create opportunities that empower local communities to shape and enhance their future prospects, supported by the council but with residents, community organisations and the business community taking the opportunity and responsibility to themselves realise their shared aspirations and ambitions for their area. Whole place plans have formed part of the delivery of this cultural change with plans developed for the following communities and areas, with complementary proposals that embrace rural communities Community engagement has taken place in these areas, plans adopted, with some of the project areas highlighted below:

- Seven for Severnside Plan
 - Wales coast path/Festival of the coast
 - Local heritage proposals
 - Targeted business support
 - Integrated marketing
 - Low carbon Severnside
 - Digital Severnside
 - Start-up Severnside
- Bryn y Cwm Plan
 - Area tourism development plan – completed
 - Area transport strategy
 - Waste minimisation
 - Local business and young people accessing work programme

There are also forward plans to deliver additional plans in Usk, **Chepstow and Monmouth across 2015-2021.**

Community Planning

The Whole Place Plan process has also been also augmented by community led plan work undertaken by adventa which includes community development activity in Llandogo, Llangybi, Raglan with other engagement taking place in The Narth. A range of issues and ideas have been raised by respective communities as part of this LDS and community involvement process.

Newport

One Newport: Local Service Board Single Integrated Plan (SIP)

One Newport Local Service Board (LSB) works with local communities and other groups to identify actions to improve the quality of life of the people of Newport. It recognises that no single organisation can meet the total needs of a community, acknowledging a requirement to plan and deliver services in collaboration with other public and private sector organisations.

Its Single Integrated Plan contains the LSB's vision for improving Newport, has been developed around a set of priority themes, some of which contribute to this LDS:

- Skills and Work – by seeking to use and develop the local labour force
- Health and Wellbeing - by developing new green space, the physical environment and the impact on health and wellbeing connected to addressing area based multiple deprivation
- Safe and Cohesive Communities – activities have potential to develop and support social and community cohesion and improve neighbourhood engagement, planning and integration of services to meet local needs
- Economic Opportunity - Take forward opportunities for funding to support the development of the rural economy in Newport with a future focus on business development, digital technology and renewable energy.
- Economic Opportunity/ Physical Activity in the Environment – potential initiatives to increase participation in the outside environment, and encourage greater use of alternatives transport i.e. walking, cycle routes.

Newport City Council Economic Development Strategy 2011-2015

Newport's future economic performance will depend on how Newport rises to the challenge of the critical global business drivers to unlock its' underlying potential. Consultation with local businesses, commercial agents, investors/ developers, community groups and officers within the City Council all endorsed the following priorities for focused and concerted attention going forward:

- Improving Newport's Identity & Image.
 - Creating a Distinct Sense of Place.
- Building a Clear Vision for the Future through Strong Civic Leadership – backed up by Consistent Action for Delivery.

- Maximising Newport's Strategic Location through Improved Connectivity – embracing Sustainable Transport & ICT.

A ten point action plan identifies projects that will bring about a step change in Newport's economic performance. Below are those that link in to this LDS:

- Tackle Negative Business Perceptions
 - Implement Destination Marketing Plan & City Tourism Strategy: Ensure that the marketing of Newport is continued to attract new businesses and visitors to the area
- Engage Newport's Business Leaders in the Economic Vision
 - Business responsive education and training:
 - Respond to needs of local businesses
- Secure Sustainable Transport Town Status
 - Apply for Sustainable Travel Town Status
 - Improve public transport to Llanwern
- Continue to Invest in Local Business
 - Work with learning partners – skills match training and business needs
 - Tackle worklessness and improve economic activity rates
 - Develop stronger Business networks
 - Schools enterprise programme: Develop links between local businesses and schools
 - Social Enterprise Support: Support and foster social enterprise through grant assistance and sign-posting
- Establish Newport as a Green Business City
 - Re-balance land supply to accommodate "Good Industrial" occupiers: Ensure LDP delivers a broad range of sites to support the local economy
 - Encourage photo-voltaics where appropriate: Investigate opportunity for the creation of locally manufactured photovoltaic
 - Renewable energy strategy for the city: Establish Newport as a green city for potential investors
 - Green roofs initiative: Explore the scope for developing green roofs
 - Future proof city centre – Plugged in Places: Explore potential benefits of recharging points for electric cars
 - Waste to Energy Plan: Explore potential for utilising waste as an energy product
 - Enhance Local/Regional logistics – internet delivery growth: Continue to develop Newport's image as a digital city

1.2.3 LDS Integration

The range of RDP schemes and activities to which the LDS can make a contribution, is shown in the Table Six below:

Table Six: LDS Integration

Human and social Capital	LDS to signpost to activities such as: <ul style="list-style-type: none">• Knowledge transfer and innovation• Advisory services• Co-operation• The European Innovation Partnership for Agricultural Productivity and Sustainability
Investment Measures	Where opportunities exist, the LDS will signpost activities to: <ul style="list-style-type: none">• Investment in Physical Assets• Farm and Business Development• Quality Schemes• Risk Management• Restoration of Agricultural Production Potential• Restoration of Forestry Potential
Area Based Measures	<ul style="list-style-type: none">• Agri-Environment Climate• Organic• Forestry• Natura 2000/Water Framework Directive

Funding

In relation to funding, the LAG is aware of other European and domestic funding streams that are operational within the Vale of Usk territory. These include:

- European Regional Development Fund
 - Next Generation Broadband
 - Exploitation of ICT
 - TEN-T road and rail improvements
 - Business support
 - Business mentoring
- Community Innovation Fund
- Lottery Funding
- Natural Resources Wales
- Respective charitable trusts

The LAG will ensure that emerging projects and activities are screened in terms of avoiding duplication and ensuring maximum leverage is obtained through direct programme activity as well as signposting people to other forms of funding support for non-eligible projects and funding.

2. FINANCE AND COMPLIANCE

2.1 Management and Administration

2.1.1 Constitution: Rules and Principles

The Vale of Usk Local Action Group is governed by the rules and principles set by the European Commission and Welsh Government. As defined the governing principles are as follows:

Membership

- As the LAG is inclusive it needs to evolve to meet the changing needs of the area and priorities of the strategy. The LAG is therefore made up of a group of natural persons who represent businesses, local organisations, public authorities and other representation of local civic society to include a representative from the Administrative Body. A proposed list of the LAG members is detailed in section 2.1.2 below.
- The Administrative Body for the LAG is Monmouthshire County Council who is the lead partner in administrative and financial matters (see section 2.1.4 below).
- The LAG aims to be gender balanced and have a fair representation of specific target groups addressed by the LDS e.g. young people, disadvantaged groups, vulnerable groups, etc.
- To avoid conflicts of interest neither public authorities nor any single interest group will have more than 49% of the voting rights at the decision-making level of the LAG.
- The LAG will ensure that at least 51% of votes in selection decisions are cast by members that are NOT public authorities and allow selection by written procedure. This is to ensure an inclusive and transparent process, diversity in the strategy and a reasonable spread of the projects across a range of different sectors.

Project Selection

- The LAG has designed a non-discriminatory and transparent selection procedure and objective criteria for the selection of projects and activities which will be delivered using RDP funding this can be found in Section 2.1.7 below.
- The LAG will ensure that projects and activities demonstrate coherence with the LDS and are prioritised according to the weighting given to the theme and their subsequent contribution to meeting the objectives and targets of the strategy. Details of the themes can be found in section 2.1.3.
- The LAG will:
 - prepare and publish regular calls for proposals for projects and activities including defining selection criteria;

- Receive and assess applications for support;
 - Select projects and activities based on the priority weighting of the theme under which the project has been submitted, fix the amount of support and, where relevant, present the proposals to the Administrative Body for final verification of eligibility before approval; and
 - Ensure that written working procedures, rules and structures for decision-making are in place to guarantee the selection of projects is consistent with the objectives of the LDS whilst indicating how this in an instance of any conflict of interest;
- The LAG will monitor the implementation of the LDS and the projects that are supported and carry out specific evaluation activities linked to the LDS.

2.1.2 Proposed Vale of Usk LAG Members

In line with the LAG constitution and Terms of Reference the proposed Vale of Usk LAG members are detailed in Table Seven below:

Table Seven: Proposed LAG Members

Chairman: Alan Michie, Bryn y Cwm Forum (Third Sector)	
<i>Alistair Robertson</i> Babington Meadows Trust (Third sector)	<i>Gareth Baker</i> Monmouthshire Wye Valley Apiaries: (Private Sector) or alternative <i>Nicola Bradbear</i> Monmouthshire Bees for Development (Private Sector)
<i>Cllr Bob Greenland</i> Deputy Leader Monmouthshire County Council (Public Sector)	<i>Cllr John Richards</i> Cabinet Member for Regeneration and Development (Public Sector)
Redwick Community Council (name tbc – Voluntary Sector)	Newport Local Access Forum (name tbc – Voluntary Sector)
<i>Rachel Harding</i> Natural Resources Wales (Public Sector)	<i>Chrissie Webber</i> University of South Wales (Public Sector)
<i>Peter Cole</i> Tourism Consultant (Private Sector)	

In discussing the Membership of the LAG it has been agreed that in order to have equal geographic, sectoral and natural representation there will be three representatives from each geographical area; three regional strategic representatives to encourage cross boundary working and the Chairman. Should it be agreed that Torfaen County Borough Council join the partnership then a further three representatives from their area will be asked to join the LAG. Torfaen will be asked to provide a representative from each of the public, private and third sectors.

2.1.3 Terms of Reference for the LAG

In order to fulfil its main purpose in being responsible for the successful delivery of the 2014-2020 LDS the LAG will:

- Develop a strategy which will address the needs and opportunities of the area in line with the following five themes:
 1. Adding value to local identity and natural and cultural resources;
 2. Facilitating pre-commercial development, business partnerships and short supply chains;
 3. Exploring new ways of providing non-statutory local services;
 4. Renewable energy at a community level; and
 5. Exploitation of digital technology.
- Build the capacity of local stakeholders to develop and implement projects and activities including fostering their project management skills;
- Promote, receive, assess and select projects and activities to be delivered that are not only in line with the objectives of the LDS but are also robust and offer good value for money;
- Assess projects against the weighting that has been allocated to each of the five themes following a prioritisation exercise which formed part of the LDS consultation process;
- Ensure that financial and monitoring targets for the LDS are set and met and reviewed regularly to include an annual re-assessment by Welsh Government;
- Assess the weighting of the five themes on an annual basis to ensure that the weighting is in line with community demand;
- Raise awareness of the programme, its aims and objectives in accordance with the Vale of Usk promotional plan for the 2014-2020 programme;
- Participate fully in Regional, National and European Network activities/ events wherever possible, in line with the requirements of the RDP; and
- Ensure that everyone is treated equally and that equality of opportunity is promoted in allocating resources, engaging local communities and in employing staff.

LAG Membership

- The maximum number of members on the LAG at any time will be 12 representing the public, private and third sectors;
- Only individuals with an area interest in the delivery of the programme will be eligible to apply for membership;
- Each Member is required to abide by the LAG member protocol;

- Partnership members who are unable to attend a particular meeting may arrange for a substitute from their group/ organisation to attend in his/her place;
- If a member of the LAG is absent for two consecutive meetings, the Chairman shall have the right (in default of an acceptable reason being given by such member) to declare a vacancy, whereupon the individual shall cease to be a member; and
- Individuals with particular skills may be co-opted on to the LAG as non-voting advisors and for a specified period.

Changes to the Membership

- Changes to the membership will not be permitted if they result in the 49/51% balance being unachievable;
- All new applications will be considered by the LAG at the next available meeting or through written procedures. Successful applicants will be invited to attend the next available meeting/ event. Unsuccessful applicants will be written to by the Chair, outlining the reasons why their application was rejected; and
- An up-to-date list of members will be held by the RDP Programme Team and made available upon request.

The Chair and Vice-Chair

- The LAG shall hold an annual review process for the appointment of the Chair and Vice-Chair. Where there is more than one candidate, voting should take place. As the Vale of Usk is a newly formed LAG it has been agreed that the adventa LAG Chairman be requested to stay for the first year of its operation. Mr Alan Michie has extensive experience and therefore can make a valuable contribution in assisting the new LAG in its formation process.

2.1.4 Administrative Body

The Vale of Usk LAG and Newport City Council have appointed MCC to act as the lead partner or '**Administrative Body**' in administrative and financial matters relating to the delivery of the Rural Development Programme EU funding entitlement for the period 2014 – 2020. A separate Collaboration Agreement exists determining the joint arrangements to discharge these functions.

Although the LAG is responsible for the overall delivery of the LDS the management of project activities will fall to the Administrative Body, however the Administrative Body may commission 3rd party or delivery organisations to deliver projects on their behalf where specific expertise is required.

2.1.5 Operating Procedures

The LAG will be guided by their Terms of Reference as detailed above however below is a list of operating procedures and principles that will guide the operation of

the Vale of Usk LAG:

- The LAG will meet at least four times a year with the Chair given discretion to call additional meetings as and when necessary;
- The Administrative Body will provide secretariat support to the LAG and its members;
- LAG meetings will be held at a venue within the programme area whenever possible, but may be located elsewhere to ensure full participation of members at all times;
- The Chair (in conjunction with the groups Secretariat) will have the right to invite representatives of other bodies to the Local Action Group to discuss particular issues where necessary;
- A LAG meeting will be postponed if less than 51% of non-public sector LAG members are present;
- An agenda will be circulated at least one week before each meeting. Members with significant items for discussion must notify the Programme Team of these in time for them to be included on the agenda;
- Minutes will be kept to record all decisions made by the LAG and to minimise the risk of any conflict of interest issues; and
- The LAG may establish Task and Finish working groups to undertake specific areas of work on its behalf, as and when required. Working Group members may include both LAG members and others co-opted for their specific skills.

Voting

- The LAG will seek to reach agreement on recommendations by discussion and consensus. On occasions when a formal vote is required each Member or substitute shall be entitled to one vote and decisions will be made on the basis of a simple majority. A formal vote will not take place unless there are at least 51% of non-public sector LAG members present;
- In the event of an equal split of votes, the Chair will have the casting vote;
- LAG members with any personal or financial interest in a matter being discussed, must declare that interest and will not be entitled to vote on that item. This written declaration will be included in the minutes of the meeting to demonstrate non-discrimination and transparency; and
- Advisors are not entitled to vote.

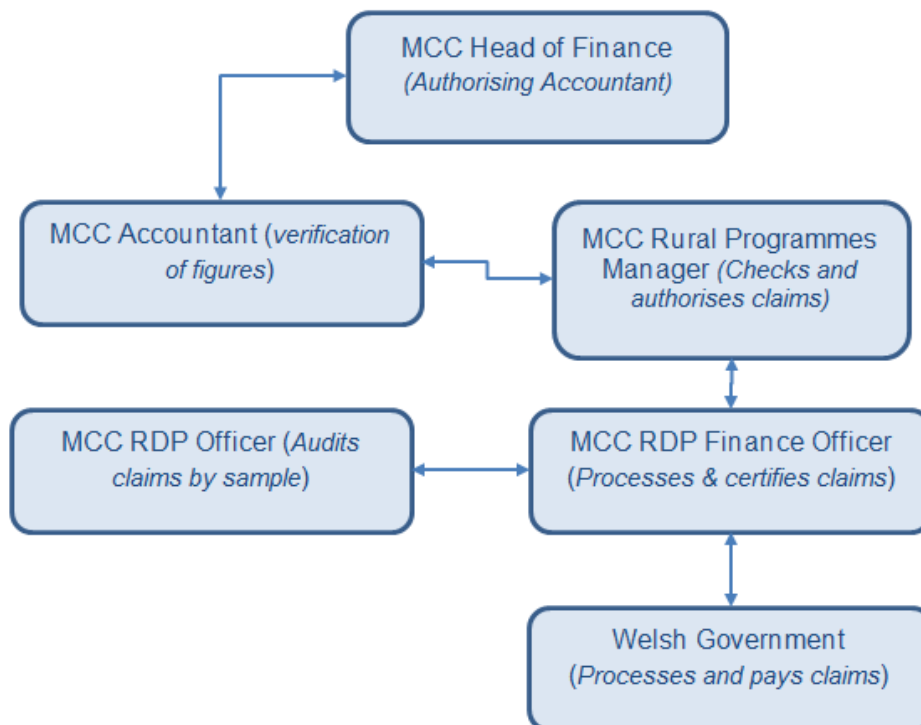
2.1.6 Compliance Procedures

As Administrative Body MCC will be responsible for all issues of compliance in relation to financial and administrative matters on behalf of the LAG, in terms of financial administration specifically MCC will follow the systems and procedures as detailed below:

- Claims will be submitted on behalf of the LAG by MCC to the Welsh Government quarterly in arrears (based on expenditure defrayed). Where 3rd party/delivery organisations are involved claims will be submitted to MCC and then aggregated before submission to Welsh Government;
- MCC will only claim eligible defrayed expenditure from Welsh Government that can be supported by evidence (i.e. an invoice) by the project;
- MCC will retain certified copies of the supporting evidence for inspection by Welsh Government during re-performance checks; and
- MCC will submit to Welsh Government a certified transaction schedule for each project in a format required.

As Figure One below details there is no individual with responsibility for more than one of the tasks of authorising, paying, or accounting for the funding. No officer within the Administrative Body will perform one of the tasks without their work being under the supervision of a second officer.

Figure One



2.1.7 Project Selection, Appraisal and Approval Process

The LAG is fully aware of the need to be very clear in how they set out the application and selection procedures and criteria for the projects to be funded via the LDS. It is the LAG's intention to operate in a fair, open and transparent manner to ensure applicants have a clear and consistent understanding of how they can apply for funds and the mechanisms that will be used to assess their applications. Full details of the management process can be found in Section 4 – Management and Administration.

The assessment criteria has been clearly linked to the results of the community consultation and the subsequent analysis as detailed in sections 3.1 and the Intervention Logic Table detailed in Appendix Three.

2.1.7.1 Project Selection

It is envisaged that a call will be made at regular intervals throughout the programme period.

Beneficiaries will be invited to submit EOIs and RDP animation staff will work with project applicants to screen out ineligible activity. Projects will then be presented and discussed at Theme Working Groups who will not only consider the project eligibility but also its fit with the Intervention Logic Table. Once projects are considered to be suitably worked up they will be presented to the LAG for consideration. It is envisaged that the approved EOIs will guide the priorities of the future activities to give balance to the themes as the programme is being developed.

Selection Process

a) Filtering EOIs

The filtering process will be performed by the Theme Working group comprising of LAG members (with special interests or skills in the particular theme that is being considered) with assistance from project officers and specialist advisors as required. Consideration will be required by the group for the following:

- Eligibility criteria against RDP and LDS specific criteria such as;
 - prioritisation of themes;
 - target beneficiaries ;
 - collective projects benefiting the wider territory thus providing greater economy of scale and improved value for money;
- Level of support (exact figures yet to be determined by the LAG);
 - That the finance required is proportionate to the PIs being achieved against the theme however consideration will be given to;
 - the risk of failure of larger projects;
 - the number of rural wards and service centres supported by a project; and
 - A maximum value for each project supported by theme.
 - That the target beneficiaries are proportionate to the value supported

- Budget availability versus demand for a particular theme being developed
 - Whether the EOI covers more than one theme
- b) Selection of EOI's for submission to the LAG

The selection process will require the following criteria to be considered;

- Extent to which projects contributes to achievement of the LDS and complements other activities and initiatives;
- That the EOI is in line with the specific themes criteria;
- Extent to which the EOI responds to identified need and is supported by evidence of prospective demand;
- Inclusion of realistic and measurable milestones and targets associated with Performance Indicators ;
- The project selection will use the following techniques;
 - Use an averaging scoring process which is theme specific and weighted by the LDS and WG priorities which will;
 - robust and consistent in its use;
 - be approved by the LAG before use ;
 - be quantitative ; and
 - have a minimum project acceptance threshold score agreed
 - Have a methodology to rank EOI's where multiple EOI's for the same theme may be considered;
 - Have a mechanism for deferring EOI's even if the threshold score is achieved;
 - Have a mechanism for project approvals containing caveats;
 - Have a mechanism for rejection or recommendations for resubmission of EOI's; and
 - Have a mechanism for recording as evidence the decisions that have been reached

2.1.8 Declaration and Management of Conflict of Interest

In line with the LAG Terms of Reference the LAG will seek to reach agreement on recommendations by discussion and consensus. LAG members with any personal or financial interest in a matter being discussed, must declare that interest and will not be entitled to vote on that item. This written declaration will be included in the minutes of the meeting to demonstrate non-discrimination and transparency.

3. DELIVERY

3.1 Description of the Strategy and hierarchy of objectives

3.1.1 How can the LAG improve the area?

A **mild expansion of the economy** is taking place in the Vale of Usk area as population growth is causing growth in the labour force. However **planning policies are restrictive** as the **environment and landscape are important** and need protecting. The area is **comfortable but not rich**: unemployment and deprivation are low but wages and incomes are relatively low and there are small **pockets of**

relative deprivation. By developing and delivering this strategy the Vale of Usk LAG can improve and develop the area in the following ways:

- Encouraging competitive, high value-added industries, especially knowledge-based sectors to the area to create higher paid job opportunities;
- Targeting and supporting land based activities (agriculture and timber) as although important they are in decline;
- Investigating and supporting professional and business services, fashion, cultural/craft/TV/film industries and e-commerce opportunities to help them realise their potential;
- Growing the potential for Entrepreneurship and inward investment;
- Offering re-skilling opportunities to support a wider range of job opportunities to support the high qualifications and skill levels;
- Retaining and encouraging School-leavers to return after obtaining skills; and
- Encouraging the take up and exploitation of digital skills and technologies to take advantage of the Superfast Broadband rollout currently being undertaken in Wales.

3.1.2 The Hierarchy of objectives

3.1.2.1 Approach

The design and development of this strategy and hierarchy of objectives has been informed through a combination of LAG workshops through to a range of community involvement opportunities that have been provided in recent months. The timeline for the development of the objectives commenced in December 2013 and has recently culminated with the 2014 SWOT analysis enabling the team to check assumptions against real community need and prioritisation.

The initial messages on what the LDS should address was first discussed in December 2013, when the LAG and Rural Partnership met to discuss the evaluation of Axis 3 and 4 under Business Case 2 of the 2007-2013 Rural Development Plan for Wales.

Table 8 - Process for Development of Hierarchy of Objectives



This workshop also provided the opportunity to discuss findings that could shape the emerging LDS. Some of the key points included:

- The programme’s success in supporting community facilities in becoming more energy efficient and comfortable places should now be used to encourage an increase in up-take and maximisation of their use, thereby

increasing the number of activities offered in rural communities, supporting social inclusion, and job creation (for facilitators, sports instructors, etc.;

- Research has demonstrated that even the smallest interventions can be very successful, when coupled with imagination and vision, integrating with other initiatives to enlarge the reach and impact of projects; and
- Whilst the BP2 delivery approach has worked well and built capacities in delivery agents, it has required a substantial amount of resources from the RDP support team.

The workshop also agreed that all five RDP themes should be selected in terms of testing through the community involvement process and in developing the draft 2014-2020 LDS document. This was further endorsed at the July 2014 LAG meeting, where members sought wider community engagement, feedback and validation of the initial LDS ideas.

To facilitate this, as later detailed in Section 7 of this strategy, the LAG has undertaken extensive engagement with local residents, community and stakeholder groups and relevant organisations across the two Authority areas. Activities have included an on-line survey and face to face engagement exercises, all of which have been aggregated into a SWOT analysis and issues and ideas have been clustered into thematic groupings.

3.1.2.2 Findings

Findings from the community involvement stage centred on the following overarching results which have helped shape the LDS objectives.

- Figure Two demonstrates the **rating of importance and prioritisation** for each of the five LDS themes. The overall weighting illustrates the themes have been prioritised in the following order:

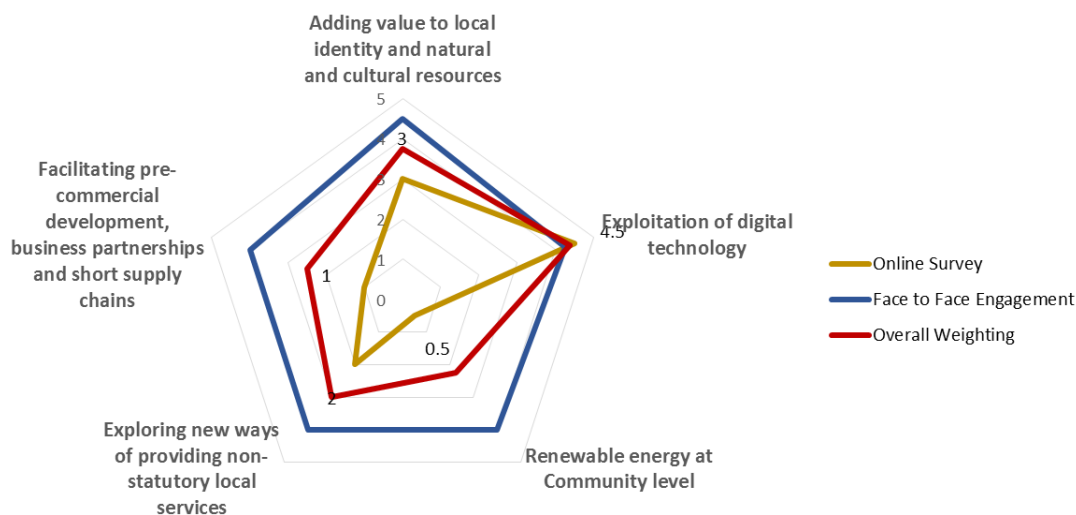
Ranking	
1	i) exploitation of digital technology and ii) adding value to local identity and natural and cultural resources are equally weighted;
2	iii) exploring new ways of providing non-statutory services is not far behind in terms of weighting;
3	iv) renewable energy at a community level and v) facilitating pre-commercial development, business partnerships and short supply chains both have equal weighting and importance.

Second to this, responses from the on-line survey and those collated via face to face engagement have also identified a number of common issues and themes that relate to the following areas:

- Need to develop connected places through people, place and technology;
- Need to extend digital advances across the wider territory in terms of access, learning, buying/shop local, training and building local enterprise;

- Need to focus on hubs that are physically and digitally connected that ensure sustainability of local assets, community, social inclusion, enterprise and networking;
- Need to ensure more isolated communities are connected in terms of transport, ICT, services as well as having access to local hubs, villages and communities;
- Need to provide places and the environment for rural business to network, cluster and be aided through more targeted support and advice;
- Need to ensure the wider destination is integrated in terms of tourism and other activities so that the whole territory benefits; and
- Need to ensure the countryside, natural assets and rural environment is maximised in terms of access, activity and use of resources, where appropriate, for renewable energy use.

Figure Two - LDS Thematic Ratings



In terms of the SWOT analysis, it was clear that the main focus of conversation was based on:

- fostering local development in rural areas;
- enhancing accessibility to, use and quality of information and communication technologies (ICT) in rural area; and
- facilitating diversification through the creation of new small enterprises and jobs.

This wide range of focus leads the LAG to choose **RDP Focus Area Six** as the main area for attention, namely:

“Promoting social inclusion, poverty reduction and economic development in rural areas, with a focus on the following areas”.

The focus for the strategy is therefore a combination of the five LDS themes with some key drivers:

- Focus on key areas of activity to mobilise and exploit digital advances to enable communities to network, exchange ideas, foster and sustain activities, and develop products and services with technology being a key focus and cross cutting theme;
- Outwardly facing in terms of tourism destination management and information in relation to local hubs, communities and places, with the role of people and ambassadors having great importance;
- Encourage community hubs to align non statutory services to their daily function, as well as being places to demonstrate innovation and best practice e.g. community renewables, digital technology;
- Community hubs to also act as orientation and navigational points in terms of the immediate countryside, local and strategic walking/cycling trails whilst supporting volunteering, guiding and other activity;
- Wrapped around this is also the need to ensure the natural and cultural assets are safeguarded and managed so that they generate local economic prosperity as well as protecting and growing local habitats and green assets e.g. meadows, growing space, etc.

In determining this hierarchy of objectives a number of other factors have also been considered namely i) the new Vale of Usk territory of Monmouthshire and Newport and ii) eligibility of funding actions.

The Vale of Usk LAG is conscious that due to the wider geographical reach there is a need to ensure that the strategy and its objectives allow for incremental change and relationship building between the two specific areas. In addition there is also a need to allow for flexibility of approach in terms of baseline LEADER activity in the Newport area and maturity in Monmouthshire. Some rural communities in Newport will be “new” to the approach and it will take time for communities to familiarise themselves. Monmouthshire can also help Newport in terms of its historical experiences and lessons learnt leading to a smarter and value for money led approach in terms of delivery.

There is also a need to consider that numerous spatial relationships will create natural convergence through natural and cultural assets e.g. Wales Coastal Path as well as transient activity such as community transport. Whilst not the primary determinant of need, eligibility issues will also need to be addressed through animation, capacity building and trialling of ideas with and actions being implemented as a result.

3.1.2.3 Vision and Objectives

As part of the longer term strategy for this new territory, a vision is needed to ensure coherence and focus for the LAG and its constituent communities. The word cloud in Figure Three shows the most frequent words used for where people see the rural territory by 2020. In adding to these words, “connectivity” and “connected” have

3.1.3 Earlier Influences

As detailed earlier, although Monmouthshire has significant experience in delivering RDP projects since the inception of adventa in 2001, this is the first outing for Newport. As a result Newport has looked to Monmouthshire for advice and support in terms of the influences from previous programmes and the potential to take the learning from these experiences to inform future activity.

Having been operational for over a decade there have been several examples of previous projects that adventa has delivered which have helped Newport realise their ideas for RDP activities. For example practical examples of previous programme successes include;



- **made in monmouthshire** - A very successful local procurement initiative involving Arts and Crafts businesses and food producers. Activity includes logo development, events promotions, interpretive flyers detailing product provenance, website <http://madeinmonmouthshire.com/> tourism trails, etc. The initiative now operates as a stand-alone cooperative and has been considered a best practice example by others including 'A Taste of Powys'.
- adventa's Food Forums – a network of food producers meeting quarterly. This initiative was considered a good example and was replicated across the South East Wales region.



- **sense of Monmouthshire** - A training programme for tourism operators aimed at increasing local knowledge and encouraging local procurement with a view to adding value to visitor's experiences. This has now grown into a 'Tourism Ambassador' training programme with a network of local volunteers who are operating county wide.

- **THE ADVENTA FOOD ACADEMY** - a successful children's event piloted at the Abergavenny Food Festival and now mainstreamed by the Food Festival committee along with an annual Food Conference which is now being operated by a local consultancy.



- **Walkers are Welcome** is a nationwide initiative launched in 2007 to encourage towns and villages to be 'welcoming to walkers'. As a direct result of the Walking with Offa Cooperation Project the network has expanded rapidly and three towns have joined this innovative community-led scheme to benefit from Walkers are Welcome accreditation. In addition, at least 24 other towns have taken part in the exchange visits and networking events from the borderland area. With many receiving direct training in first aid, walk leader, interpretation, marketing, PR, how to lead walks for visually impaired, how to run a walking festival to name but a few. Plus in Monmouthshire four towns have become

Walkers are Welcome accredited and the National Conference is due to be held here this year.

All of these projects and activities have had a direct bearing on the development of this new LDS and have helped form and identify the hierarchy of objectives that feature above.

3.1.4 Influence of earlier approaches on the development of this strategy

More recently Monmouthshire has taken some lessons from the current RDP programme and the LAG has been considering the outcomes of a recent interim review of Business Plan two activities.

Key Findings from this report have indicated that:

- The application process has been perceived as fair and transparent which therefore provides a sound basis for informing the project selection, appraisal and approval process of this strategy;
- Project managers/animators have assisted RDP beneficiaries extensively. It is believed that this has actively built capacity, increased knowledge and led to new project ideas and know-how in project implementation. The retention of key project officers is vital to the success of this strategy as it will ensure that the team can 'hit the ground running' and as such start delivery quickly whilst using existing skills to inform activities in new areas. Further detail to be found in Section 4;
- Systems set up by MCC for project monitoring and reporting were felt to work well and smoothly. Again this is a reason why Newport felt it important to appoint MCC as the Administrative Body so there would be no delay in having to reinvent new systems this again will add speed to the delivery process;
- Most project managers felt that there had been a positive impact on the quality of life in Monmouthshire as a result of the RDP activities namely: - improved social engagement and participation in community life; improved well-being through healthier living (e.g. outdoor activity); improved environmental quality impacting positively through increased volunteering; and an increase in job opportunities through the use of local suppliers. These activities therefore feature in the project activities that are being suggested so momentum can be built further.

However the report also indicated some challenges that will need to be addressed by the new Vale of Usk LAG through this strategy:

- Due to the economic climate some business capital grant projects found beneficiaries unwilling to invest. As there are no grants in the new scheme this will obviously not be a problem going forward however;
- A number of delivery agents felt the co-creation process difficult and time consuming particularly the significant hand holding of beneficiaries in writing and designing projects making delivery unprofitable. As animation will be undertaken by the RDP programme team in this delivery period the trust

already built by existing staff members will be vital in starting projects early and delivering them more efficiently and effectively;

- In the case of business development grants where grant conditions stipulated the creation of jobs for example, challenges were felt. It was felt that this worked against the LEADER objective to be innovative whilst also not reflecting the fact that jobs take time to evolve and create. With less emphasis on job creation and more emphasis of the potential for job creation along with facilitation and engagement it is hoped that businesses will get support which is more tailored to their needs; and
- The support required by delivery agents from MCC administration staff was much more intensive and involved than anticipated. It is expected that as animation staff will be employed in-house, less time will be spent supporting delivery agents in this funding period.

3.2 Co-operation and Networking

3.2.1 Incorporation of Co-operation

During its thirteen year history adventa has managed a number of LEADER cooperation projects the most recent being [Walking with Offa](#) a strategic cross border project. This project brings together strategic rural development and tourism bodies along the Welsh-English border to promote walking, sustainable tourism and transport along either side of the Offa's Dyke National Trail.

Although the final Evaluation report is yet to be produced initial findings from the interim Monitoring and Evaluation report indicate that two years on from the project's formal launch, the project has generated some important results. At a strategic level, the increased strength of the partnership is a notable achievement for a project of this scope, both in terms of geographic and stakeholder coverage. During the period 2011-2013, the partnership environment is perceived to have led to some genuine relationship building with individual partners having a sense of what everyone is achieving and how it is contributing to specific activities. A strong sense of project ownership and shared knowledge has also been widely acknowledged.

At an individual project level there are some key success stories including the business engagement activity and the public transport study. In relation to the former, feedback from beneficiaries has been very positive, and there is an expectation that benefits will continue to accrue. The latter has helped to get people to start thinking about integration of transport at a strategic level across the whole area.

3.2.2 Future and wider Cooperation

Given the success of Walking with Offa, now proclaimed as a best practice example for cross border cooperation, it is the intention of the Vale of Usk LAG to build on this success and take this project into Phase II of delivery. Initial discussions have concluded that Phase II will operate with the same partners but the focus for activity will move towards conservation, heritage and business development. Preliminary consultation has highlighted the need to build on the sustainable tourism outputs

achieved under Phase One with a stronger emphasis being placed on heritage and wildlife themes along with volunteer engagement and health.

Suggested activities include:

- Heritage and wildlife conservation and promotion, focusing on the border themes of:
 - The **power and prestige of the Church** linking Tintern Abbey, Abbey Grace Dieu, Llanthony Priory and Abbey Crucis and other churches and sacred sites within the border;
 - **Engineering Marvel** linking Tintern Abbey, Llanthony Priory, Pontcysyllte Aqueduct, Montgomery and Llangollen canals and the railways. Could include comparisons between the Dyke's engineers and those of other impressive man-made structures;
 - **Conflict, control and commerce**; The Dyke, Chepstow Castle, White Castle, Montgomery Castle, Clun Castle, Ludlow Castle, Shrewsbury Castle, Powis Castle, Chirk Castle and Castell Dinas Bran. The industrial areas of the Lower Wye, the canals and industries of Shropshire and the Dee Valley and the quarries and mills of the Clwydian Hills; and
 - **Outstanding wildlife** of the borders.
- Volunteer support and training for Right Of Way maintenance and habitat management
- Business development opportunities around walking, wildlife and heritage assets
- Event organisation and promotion
- Further development of Walkers Are Welcome towns
- Walks leader and Sense of Place training for volunteers and businesses
- Integrated, cross border public transport information
- Promotion of the area under the 'Irresistible Offa' strap line, including links to the Wales Coastal Path

There is also the potential to take Phase II to the next level and widen the partnership to develop a Trans-National cooperation project with two Member States. This will be investigated by the LAG during the initial phases of the 2014 -2020 programme.

In addition another approach has been made to the LAG from the BBNP and Powys County Council to develop a Cooperation project across the National Park via an Inter-Territorial Cooperation project. It is likely that this project will focus on tourism,

transport, local food, local destination management, the development of local 'hub' communities and local regeneration however an action plan is yet to be determined.

It is the intention of the LAG to commit to at least one cooperation project that includes BBNP as a partner whether it be a National Park focussed Cooperation project or Phase II of the Walking with Offa project.

The Vale of Usk LAG takes cooperation seriously and under adventa, benefitted greatly from exchange experiences and best practice. The LAG's commitment to cooperation is further exemplified in the membership that Cath Fallon, Head of Economy and Enterprise (Monmouthshire County Council) holds on the Wales Rural Network. During the 2007 – 2010 delivery period Cath played a lead role in the development of the Rural Broadband Toolkit for LAGs which has recently been released. The LAG looks forward to full participation in the Rural Network activities during the next delivery period and will include Newport representatives to enable them to expand their experience.

3.3 Innovation

The LAG approach to innovation in the territory will be centred on a number of processes and techniques. As a result new and innovative ways of working, along with products and services may well emerge from the process.

First of all the need to develop a coherent and cohesive territory within rural Monmouthshire and Newport is an early objective in terms of communication, marketing and promotion and projecting a strong rural identity. The need to use innovative technology and systems that facilitate joint working will provide a smart and cost effective way of animating and delivering this strategy. This will involve:

- Website development and use of social media for engaging with the wider rural community, in addition to sector specific businesses and stakeholder groups;
- Development of virtual thematic networks and co-delivery mechanisms; and

However the use of more traditional methods will be used where needed in order to raise awareness of the digital opportunities that are available.

The LAG also recognises that a key benefit of developing a larger rural territory of rural Monmouthshire and Newport is that there are some proven approaches that Monmouthshire, through adventa, have tried and tested that can be applied to Newport circumstances. Knowledge transfer and understanding inter-rural relationships will add significantly to the impact of rural development working and return on investment.

In developing the strategy, objectives and thematic actions a number of new and innovative ways of working, products and services have been identified that may emerge from the process. These are outlined in Table Nine overleaf:

Table Nine: Innovation Opportunities

Theme	Example of Innovation
1. Adding value to local identity and natural and cultural resources	<ul style="list-style-type: none"> – Development of multimedia digital products that are content management based through community training and development; – To provide a common ground for players and actors in the rural tourism sector to engage, share and integrate ideas and solutions, by up-skilling with innovation tools and techniques to convert ideas into action and outcomes; – To increase skills in digital, sector/activity specific area to assist local enterprise growth; – To align products and services in a holistic way that allows for shared functions for example activities in community facing hubs that also have a dual purpose in terms of benefiting the visitor economy.
2. Facilitating pre-commercial development, business partnerships and short supply chains	<ul style="list-style-type: none"> – To provide advice to rural enterprises that facilitates the development of complementary business clusters, shared resources through digital technology and linkages to on-line marketplace type media that supports short supply chain development.
3. Exploring new ways of providing non-statutory local services	<ul style="list-style-type: none"> – To share knowledge and best practice between established and “new” rural development communities through toolkits, best practice exchanges, innovation days; – Assess and map physical and human assets and look at ways of mobilising and maximising their use; – To explore local aggregation of rural suppliers and how these can be distributed/collected in terms of on-line technology, linking to other Welsh Government initiatives such as Town Centre Partnerships funding.
4. Renewable energy at Community level; and	<ul style="list-style-type: none"> – To convert community energy plans into more detailed feasibility studies and trial innovative renewable energy schemes at a community level; – To explore low carbon fuel in terms of rural community facilities and vehicles.
5. Exploitation of digital technology	<ul style="list-style-type: none"> – To apply digital technology to remote and isolated communities that brings together a suite of products and local services that can be tapped into and can be scaled up in terms of wider territory co-operation and collective working.

Finally the approach that is planned is based on ensuring a multiplier impact, specifically in Monmouthshire, relating to historical investment in rural areas, with rural communities seen as places to trial new ideas and approaches as well as extending projects and services across the territory so that programme identity and impact is fully met.

This will involve collaboration across the territory and a bringing together of partners, agencies, organisations and community groups. Where appropriate, for example in the use of digital technology, links with learning and research institutions will be facilitated through organisations such as Coleg Gwent and the University of South Wales.

3.4 Action Plan

Please refer to *Appendix Three: Intervention Logic Table*

3.5 Promotional Activity

Following on from the recent LDS community consultation where initial awareness has been raised of this new RDP programme across the LAG territory a reservoir of interest has been established. Once the new programme funding has been approved there will be a need to reinvigorate this interest with a view to encouraging interested parties to engage with the new programme activities and funding opportunities.

This re-engagement is likely to take the form of an initial programme launch which will be widely publicised across the territory via local press releases and social media. In addition a direct mail campaign will take place to encourage and develop one to one relationships, by introducing target beneficiaries to the team. In the past programme launches have proved to be very successful in gaining initial interest and making connections.

To maintain interest following the initial launch, previous experience of operating RDP programmes has indicated that a strong website presence is critical not only in terms of promoting the programme but in disseminating information regarding the potential projects that can be funded via the programme as illustrated by the current [Monmouthshire rdp website \(www.monmouthshirerdp.org.uk\)](http://www.monmouthshirerdp.org.uk). A new website will therefore form the background of the promotional activities and will be a key cornerstone in the promotional and awareness campaign as well as being a useful information repository for target beneficiaries.

As part of the community consultation exercise consultees/stakeholders were asked firstly, if they would like to be kept informed of developments and secondly how they would like to be kept informed. A straight 50/50 response confirmed that half would like to be kept informed via website updates and the other half via invitations to rural networks and community meetings.

Taking into account previous and forthcoming project activities the following promotional activities are proposed as detailed in Table Ten below. For purposes of clarity the target market has been segmented into target audiences all of whom have been defined either as local stakeholders and influencers or target beneficiaries. The different forms of promotional activity have then been split between traditional and digital activity (with further definitions included) along with networking events. The target audiences have then been married up with the promotional activity that is considered best suited to their liking and therefore more likely generate interest and impact. A communications and marketing strategy will be developed once the RDP team are in place.

Table Ten: Promotional Plan

Target Audience	Traditional Activity	Digital activity			Networking Events
		Press releases	Website	Twitter/ Facebook	
Local stakeholders and influencers	√	√		√	√
Target beneficiaries					
• Young people	√	√	√		√
• Older people	√	√	√	√	√
• Farming Families	√	√	√	√	√
• Community groups & organisations		√	√	√	√

Dissemination of Best Practice

However promotional activity is only one element of the promotional campaign. Lessons learned from cooperation activities have indicated that the best way to disseminate best practice is either through the production of case studies which can be in the form of press releases or video case studies held on the programme website or by best practice visits. It is therefore proposed that a similar programme of activities be undertaken in this programme which will be factored into the resource requirements for respective projects.

EU Information and Publicity Guidelines

To ensure that full acknowledgement of RDP funding and that beneficiaries are clearly aware of the funding received from the EU, the management and animation team will work with them directly to ensure that Welsh Government's Information and Publicity Guidelines for the 2014-2020 RDP Programme are followed. These guidelines will ensure that the programme management team are fully compliant with the publicity requirements at each and every opportunity e.g. use of logos on stationery, websites, leaflets, etc.

Fly the EU Flag 9th May

Although a clear programme of activities has yet to be developed for 'Fly the EU Flag' week it is likely that a number of themed activities will take place during that week over the life time of the strategy. This is likely to take the form of showcasing how RDP funding can build links and benefit people, businesses, communities and the environment.

RDP Communications

During delivery of the last RDP programme the management team demonstrated a keenness to work with the RDP Communications team and the Wales Rural Network on planned launches/press releases in relation to LEADER activities. As this is a relationship that worked well and to mutual benefit, the programme team intend to build on this throughout the delivery of activities associated with this strategy.

4. MANAGEMENT OF OPERATION

4.4 Management and Administration

4.1.1 Collaboration

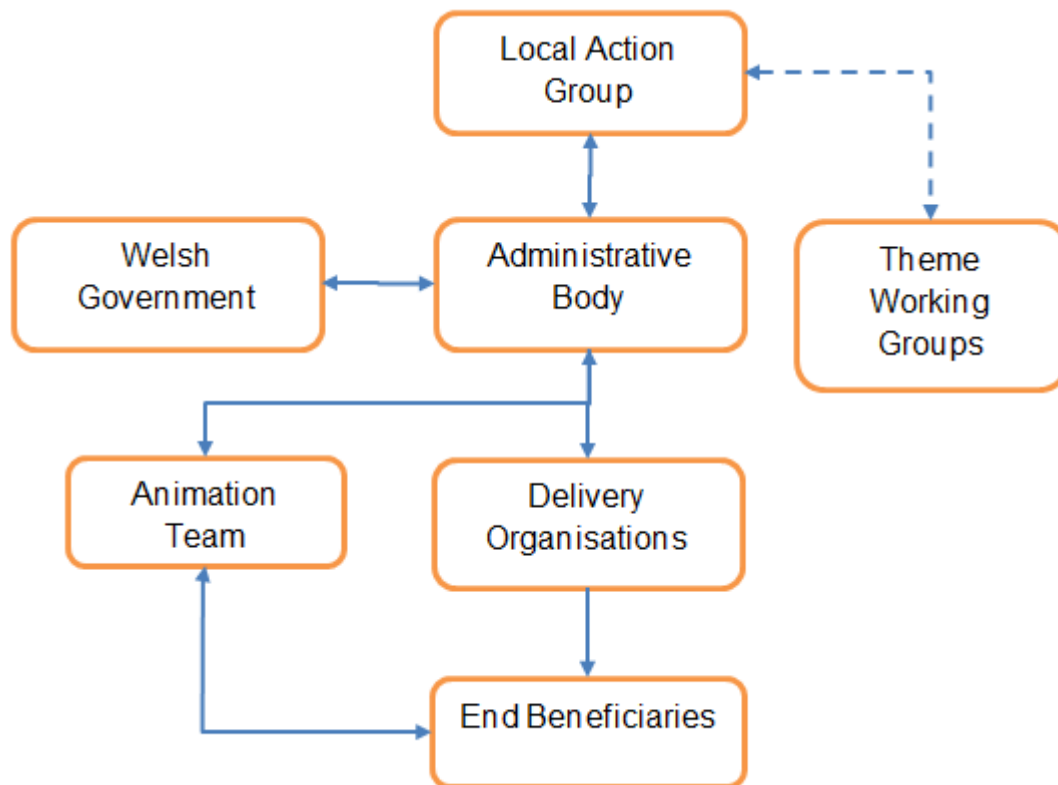
The Vale of Usk LAG was initially established following an approach from Newport City Council who wished to participate in the Rural Development Plan Programme but had no previous experience. It was felt that the a joint approach with the two counties would not only enable Newport City Council to benefit from Monmouthshire County Council's significant experience in delivering whole county LEADER and RDP activities but would also benefit both counties by sharing management and administrative structures for the two areas thus reducing administration and management costs. There are also numerous cross border projects in existence for example the joint Destination Marketing tourism campaign The Wye Valley and Vale of Usk, the Gwent Levels project and the Wales Coastal Path promotional activities where the two counties already work together. This new joint LEADER venture will therefore present an opportunity for increased coherence and increased benefits from economies of scale.

4.1.2 Management and monitoring arrangements of the Strategy

Given their previous experience in managing LEADER and RDP programmes, the Vale of Usk LAG and Newport City Council have appointed MCC to act as the Administrative Body in administrative and financial matters relating to the delivery of the Rural Development Programme EU funding entitlement for the period 2014 – 2020. A separate Collaboration Agreement exists determining the joint arrangements to discharge these functions.

Although the LAG is responsible for the overall delivery of the LDS the responsibility for the management of project activities will fall to the Administrative Body as detailed in the flow diagram, figure four below:

Figure 4 – Programme Management



4.1.3 RDP Staffing Arrangements

In order to manage the programme effectively the Administrative Body will be responsible for:

- the recruitment and employment of the RDP staff engaged in the delivery of the Services;
- the training of staff to an appropriate level commensurate with the duties of the post;
- payment of remuneration; and
- payment of other staff costs including accommodation and support services.

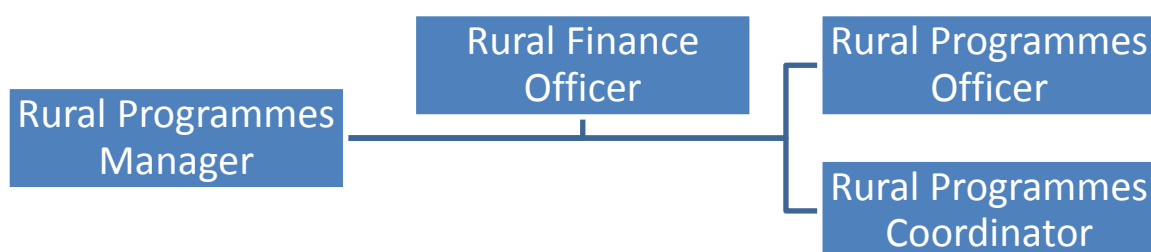
The Administrative Body shall have power to exercise all the rights of an employer in respect of the RDP staff and shall exercise all the usual establishment functions and overall control and supervision of such staff on behalf of the partners under the direction of the LAG.

The Administrative Body shall provide such accommodation, equipment and other moveable property required for the provision of the services by the RDP staff, together with such power, heat, telephone facilities and other services as are required. All staff costs incurred to be met from the running and animation costs equating to 25% of the LAG's financial allocation of RDP funding.

The Administrative Body may also commission 3rd party or delivery organisations to deliver projects on their behalf where specific expertise is required.

In terms of the Administrative Body staffing structure figure five below details a suggested organisational chart for which draft job descriptions have been developed. The draft job descriptions can be found in *Appendix Four*.

Figure 5 – Staffing Structure



4.1.4 RDP Staff Training Plan

Although the need for a skills and training plan is recognised it is difficult to plan this out in the strategy as the team is not yet in place. However once the team has been appointed the following steps will be followed:

- Training needs analysis will be undertaken to identify the skills gaps or training needs in the team and prioritise them;
- Once identified the next step is to ask the team members what relevant skills they want to improve through training;
- Any training needed will need to be relevant and focused and guided by SMART (specific, measurable, agreed, realistic and time-limited) objectives;
- Learning preferences will also be taken into account as it is likely that each team member will prefer to learn differently. Different training options will be considered and training preferences acknowledged;

- A personal development plan will be formulated for each team member. This will help prioritise training needs to identify the best way to address them;
- Various options are likely to be considered e.g.:
 - ‘Off the shelf’ training for generic skills requirements e.g. marketing, capacity building, etc.
 - ‘In house training’ or ‘on the job’ training to enable team members to learn at pace and to apply new knowledge immediately.
 - ‘Job Shadowing’ to enable new employees to cover a lot of ground in a short space of time.
 - Mentoring to encourage team members to engage with others outside the team or MCC and consider different opportunities and solutions to problems.
 - Conferences, seminars, workshops and course so the RDP team members can engage with employees from other areas and benefit from cross border learning to discover how other RDP programmes are operating;
 - One line courses to enable team members to progress at their own pace and complete the course at work or home;
- A budget has been set aside within the running and animation costs to cover any external training required; and
- RDP team members will be asked to review their training experiences to ascertain if their training is relevant and appropriate and to discuss how their new skills can be implemented. This will be ascertained via regular one to ones or using MCC’s ‘Check in Check Out’ appraisal process.

Taking into account all of the above it is the intention of MCC to use staff previously employed on the last RDP programme to deliver the 2014 2020 Programme, where the skills match is appropriate. These staff have significant experience of programme and project management having all been employed by MCC for in excess of two years in a similar capacity.

5. VALUE FOR MONEY

5.4 Financial Delivery Profiles

Please refer to attached Financial Delivery Profiles in *Appendix Five* which details the projected spend of the programme.

6. INDICATORS AND OUTCOMES

6.1 Monitoring and Results

In *Appendix Five* a full list of performance indicators have been created of the results that are likely to be derived from the list of activities detailed in the Intervention Logic Table (*Appendix Three*) and the associated spend profile also detailed in *Appendix Five*.

Certain assumptions have been made in compiling these Indicators in terms of definitions. It has been assumed that 'Operations' is a project, rather than a **type of project activity** such as consultations, advice given, assistance given, awareness raising or dissemination etc. It has also been assumed that a community can relate to a geographical community, such as a village settlement or indeed a specialist geographical area such as an AONB, or indeed a cluster group. Finally, it has also been assumed that businesses can also include businesses within the social sector.

Higher level indicator figures have been given to those themes identified as priorities following wide community and business consultation as detailed in Section 3.1. Therefore it is expected that the strategy will focus primarily upon 'Adding Value to local identity and natural and cultural resources' then 'Exploitation of digital technology' and so these are reflected in the higher performance indicator figures. It has also been assumed that activity on these themes will commence earlier in the programme.

It should be noted that performance indicator levels are very low in 2015. The preceding adventa LAG had over ten years' experience of delivering LEADER projects therefore members understand that it takes at least a year and sometimes longer for businesses and communities to build up a sufficiently strong relationship with the LAG before activity at any level commences, and then performance can be recorded. The indicators are therefore purposefully weighted towards the middle and end of the programme.

It should also be noted that the performance figures for 'Number of Jobs Created' throughout the programme, occurs at the end in 2020/2021. Again, this is purposeful and is based on a thorough working knowledge of delivering LEADER programmes of this nature. LEADER activity is 'bottom-up' and its very nature means that considerable facilitation and development needs to take place before jobs come to fruition.

In terms of Co-operation the adventa LAG currently delivers the 'Walking with Offa' project and the indicators given are based upon the knowledge gained through the delivery of this project. Again the weighting of the indicators is very much towards the middle and end of the programme period, as the LAG has learnt that when initially establishing a project, working across LAG areas, can take a significant period of time before benefits are felt 'on the ground' through the activity. In addition,

the 'number of LAG's involved in Co-operation' figure has been placed at a lower level due to the number of territories now combining LAG's and operating on a larger geographical scale.

6.2 Evaluation Plan

In line with the Welsh Government's 2014-2020 Monitoring and Evaluation Guidelines, proposals for evaluating the progress of the strategy will focus on three key activities:

- Consolidation of baseline data;
- Regular Monitoring of performance data and indicators (formative evaluation); and
- Evaluation (Interim and Summative)

6.2.1 Consolidation of Baseline Data

As mentioned throughout this strategy the fact that the predecessor adventa LAG has been operational for over ten years means that there is a mountain of baseline data already in existence for Monmouthshire. Most recent is the Interim RDP 2007 – 2013 Business Plan evaluation which has formed the basis of LAG discussions for this new strategy. That said the situation in Newport is very different. Newport has not previously operated a LEADER programme therefore the first point in the LAG evaluation process will be to build on the key facts detailed in Section 1.1.2 and the community consultation (Section 7 below), identify gaps in information and then undertake a data capture exercise to address this.

6.2.2 Regular Monitoring of Performance Data

In assessing project and programme performance regular collection of information will be undertaken over the programme period using standardised collection methods. This will inform day to day management decisions of the team and allow staff and the LAG to identify where projects are failing to meet targets and provide insight into how the problem can be addressed. The information will also be sent to WG for inclusion in the Annual Implementation report and will also form the basis of the evaluation exercise.

The indicators detailed in *Appendix Four* are based on a number of assumptions that have been detailed in Section 6.1 above. Many assumptions have been based on past experience and judgement and all follow SMART principles. Currently only common RDP indicators have been included however the Administrative Body will work with the LAG and WG in future to identify and develop targeted and streamlined additional indicators that can be realistically and reliably collected to capture project specific outcomes.

Monitoring Systems

Systematic information and monitoring processes have already been established by the Administrative Body in the previous programme and are therefore robust. However when available, the Administrative Body shall use the electronic system developed by WG as per EC regulatory requirements, RDP staff will be trained accordingly. In addition, the Administrative Body will keep a record of the beneficiaries consent so that they can be contacted for future surveys and evaluation exercises.

6.2.3 Evaluation

The LAG recognise that the purpose of an evaluation is to make an overall assessment of the Vale of Usk programme however given previous experience on an Axis One project, the LAG would advocate a nationwide approach for evaluation. This has been previously discussed and agreed in principle by Local Authorities at all Wales LEADER events and would take the form of the appointment of one consultancy or consultancy partnership to undertake a Wales wide evaluation so that a consistent approach can be undertaken and results compared exactly. This will enable WG to produce a Wales wide evaluation that can support decision makers in making policy and strategy decision but will also allow WG to gain a fuller understanding of what's being delivered at a local level.

The LAG would therefore support the appointment of an all Wales Steering Group to oversee the evaluation on behalf of all LAGs as evidenced by the recent Task and Finish LEADER group that has been in place during the development of this RDP programme.

For it to be effective it is essential that all LAGs are engaged to identify requirements and ensure consistency. It is envisaged that resources can be pooled so that benefits of scale can be enjoyed by all and value for money obtained. It is envisaged that once the Steering Group has been established, a brief will be developed and agreed so that an independent consultancy or consultancy partnership can be employed and associated documents such as an evaluation plan, terms of reference, contracts etc. be produced.

It is envisaged that the following likely methods of evaluation will be employed:

- Analysis of baseline data
- Analysis of monitoring data
- Stakeholder interviews
- Focus groups
- Surveys and questionnaires

Once the evaluation documents have been produced it is anticipated that the reports will not only influence project implementation decisions on a local LAG territory level but also at an all Wales National level. It is envisaged that dissemination of results at a local level will be via website updates, networking events, seminars, etc. This

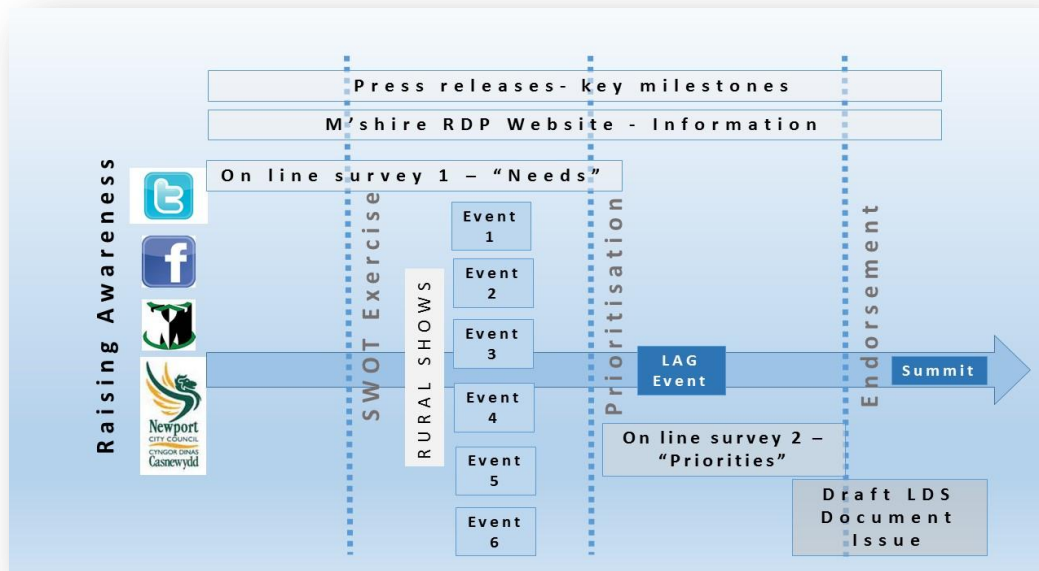
may also be replicated on a national scale by WG to ensure learning opportunities are maximised.

7. SUITABILITY OF INVESTMENT

7.1 Community Involvement

Figure Six below shows the approach and methodology the LAG adopted to ensure the various interests have been consulted in preparation of the strategy. The data has been taken from a Communications Plan, a copy of which can be made available on request.

Figure Six - Communication Approach and Methodology



The process is based on four key steps:

1. Raising Awareness
2. SWOT Exercise
3. Prioritisation
4. Endorsement

Our specific target groups have been:

- Rural residents within Monmouthshire and Newport;

- Rural stakeholder groups and organisations;
- Formalised networks across the territory;
- Responsible officers within Monmouthshire County Council and Newport City Council that sit outside the Leader process, and other agencies and organisations.

7.1.1 Raising Awareness

To ensure stages 2 to 3 of the process were well attended and represented, there were a number of preparatory tasks that included i) liaison with respective communications teams at Monmouthshire and Newport Councils ii) Social media use and protocols iii) preparation of promotional flier and iv) Identification of existing networks and contacts across the rural area.

7.1.2 Social media and protocols

A number of Facebook and twitter accounts were used to inform people of ways to engage including community workshop dates, issuing the survey link and other updates. Protocols and agreement to content, frequency and handling of responses needs were agreed. Twitter account names used included: @adventamon, @monmouthshirecc, @newportcouncil, @chrisjonesregen.

7.1.3 Promotional Flier

To ensure everyone had the same information on how to engage with the LDS process, there was a need to develop a simple promotional flier electronically and printed. The fliers were distributed by email and in hard copy to groups, organisations, networks, elected members and the wider community.

7.1.4 SWOT Exercise – Engagement

The SWOT Exercise was the main focus of engagement in relation to the LDS development stage, with the main opportunities based around:

- Completion of on-line survey – needs based;
- The 2 no. rural shows in Monmouth and Usk;
- The 6 no. community drop in sessions across the Vale of Usk as detailed on the promotional flier.

Figure 7 - Promotional Flier



7.1.5 On-line Survey – Need

The on-line survey met a number of objectives:

- Raised awareness of the opportunity to get engaged in the Vale of Usk LDS process;
- Helped build a cross section of view from residents, businesses and community organisations;
- Obtained contact details for future development and delivery;
- Allowed people that cannot make face to face engagement opportunities to still engage.

The initial on-line survey was focussed on need and sought views from respondents on the strengths and weaknesses of the area and some rating questions on existing support and infrastructure. The on-line survey was promoted through social media, local press, email networks and through other publicity.

The initial survey ran parallel to the face to face engagement events, with it being available by tablets or through the survey postcard route. The survey closed on the 15th September 2014.

7.1.6 Rural Shows/Community Drop In Sessions

The Vale of Usk LAG attended two rural shows - i) Monmouthshire Show on the 28th August and ii) Usk Show on the 13th September. The format for the shows and the community drop in sessions involved

1. Introductory panels explaining the purpose and process;
2. Animation techniques to encourage people to talk about issues and opportunities, involving:
 - a. Large map of the Vale of Usk area with issues and opportunities flags provided which members of the public filled in and pinned to the map;
 - b. Simple spider charts for residents, business and community groups to weight and prioritise rural issues and themes;
 - c. Large SWOT analysis;
 - d. Provision of on-line survey through tablets and where Wi-Fi was not available, paper versions provided;
 - e. Ideas post box.

7.2 Response and Evidence of Dialogue

Figure 8 - Evidence of Community Involvement and Dialogue



The community involvement process generated the following outputs:

- 8 no community drop in sessions/rural shows;
- 2 no press releases; and
- Over 50 specific social media uses with numerous retweets and mentions

In relation to engagement the following results were achieved:

- 317 people engaged with face to face through shows and community drop in sessions;
- 169 completed on-line survey over the period of one month; 25/75 split Newport/Monmouthshire; and
- 12 direct email correspondence on project ideas and general interest in the emerging programme

The following groups and organisations have been involved in the process, amongst others as detailed in Table Eleven below:

Table Eleven: Consultees

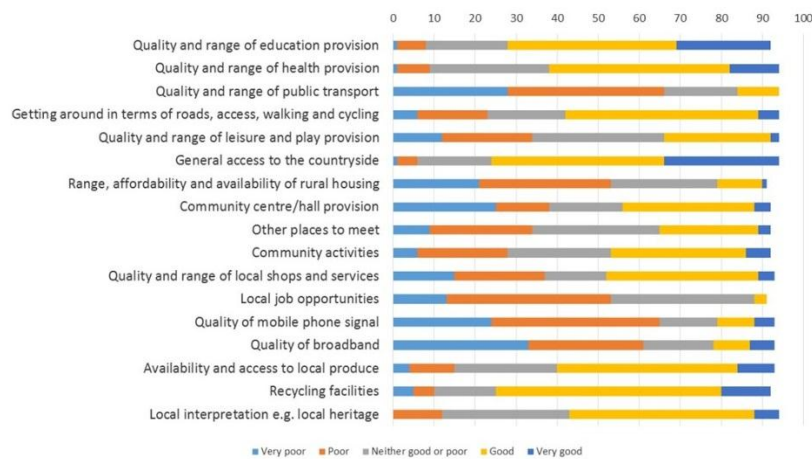
<ul style="list-style-type: none"> • Bee Friendly Monmouthshire • Bridges Community Centre • Graig Community Council • Llandogo Community Led Plan Steering Group • Langstone Community Council • Magor & Undy Community Council 	<ul style="list-style-type: none"> • Penallt Community Led Plan Steering Group • Raglan Community Led Plan Steering Group • Raglan Conservation Group • Raglan Scouts • Raglan Village Hall & Recreation Association
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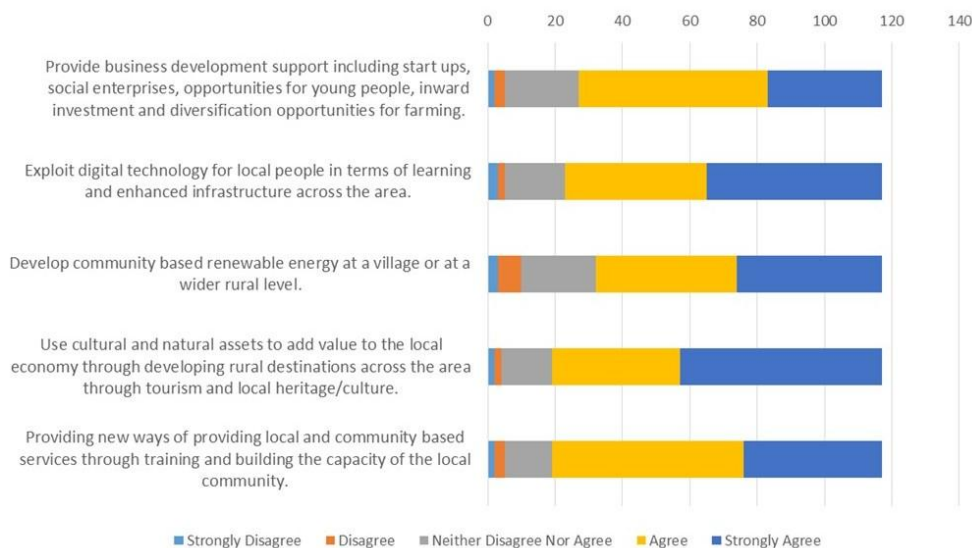
<ul style="list-style-type: none"> • Marshfield Community Council • Mathern Village Hall Mathern Athletic Hall • Mitchel Troy Village Hall • Monmouth Neighbourhood Police • Monmouth Off Street Project • Monmouth Town Council • Monmouthshire Meadows Group • National Trust • Natural Resources Wales 	<ul style="list-style-type: none"> • RSPB Wales • The Narth Community Led Plan Steering Group • The Narth Village Hall • Trellech United Community Council • Usk Show Society • Vintage Vision • Severn Wye Energy Trust • Wye Valley AONB
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7.3 Prioritisation and LAG Meeting

On completion of the needs based phase of the LDS process, a synthesis of the community based SWOT weighting against LDS themes and project ideas was undertaken. This was presented to the LAG meeting on the 17th September where community/stakeholder organisations discussed the findings, emerging direction and action areas. Some of the charts and graphs shown in Figures 9 and 10 shows how we asked respondents to rate existing rural services, facilities, experiences and infrastructure with people also asked to visualise where they wish the territory to be in 2020 as well as looking at weighting of LDS themes.

Figures 9 & 10 - Evidence of Community Comment, Data, Analysis and Thematic Direction





7.3.1 On-line Survey – Prioritisation

The LAG is committed to undertaking a second on-line survey to those people that completed the initial “needs” survey and to those that provided details at the rural shows and drop in sessions. This survey will ask people to sense-check the emerging priorities and activities for the LDS. Due to the tight timetable for LDS submission it is envisaged that this survey will be issued on the 6th October providing a short response period to rate and provide feedback on the priorities. The survey would be accompanied by a short executive summary of the LDS. The second on-line survey would assist us in terms of allowing feedback, maintaining longer term ownership as well as retaining interest in project delivery.

7.2 SWOT Analysis

The following SWOT has been created as part of the community and stakeholder involvement process. Responses have been aggregated from a combination of on-line survey, face to face engagement sessions and from LAG based workshops. Specific responses have been weighted in terms of frequency of response by showing a degree of frequency of 1 to 3, with 1 being mentioned at a normal level of frequency to 3 being emphasised or mentioned at a higher level of frequency by respondents. The full SWOT is detailed in Table Twelve below:

Table Twelve: SWOT

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"> • Strong spatial location (3) • Communities are rural but still well connected (3) • Very active and strong sense of 	<ul style="list-style-type: none"> • Location and connectivity across territory in terms of place, enterprise and residents/visitors (3) • Develop pilot hubs as a community focus, destination, integrated

<p>community (3)</p> <ul style="list-style-type: none"> • Rural environment and landscape (3) <ul style="list-style-type: none"> ○ Beauty, unspoilt, high quality are key assets ○ Diverse – hills to river to coast ○ Living rural areas that are creative and produce ○ Specific designations and environmental assets such as SSIs, AONBs meadows, etc. • Natural hubs or focal points cross the territory for community and visitors (3) • Environment and lifestyle is a strong attraction for businesses and investment (3) • Tourism experience is of the right quality and range due to investment to date (3) • Unique identity – location (2) • Strong social enterprise environment (2) • Physical heritage/cultural assets (churches, castles, museums) (2) • Good examples of community hubs and facilities (2) • Enhanced walking and cycling provision but need for maintenance (2) • Strong social capital (2) • Recognition of need to change in terms of local service delivery (2) • Local produce becoming more visible and known (2) • Strong brands in food and cycling (2) • High number of micro 	<p>transport, parking, collection, distribution, learning, advice, etc. (3)</p> <ul style="list-style-type: none"> • More superfast infrastructure (3) • Demand for digital led hubs and on-line communities that sign you to physical places (3) • Improve digital offer for visitors (3) • Connect ICT with green energy activities (3) • Better integrated tourism promotion across area (3) • Need to improve rural infrastructure – signage, furniture, structures, etc. (3) • Interest from groups and communities in digital infrastructure (3) • Opportunities for developing/extending community transport (3) • Use of underused land for pollination and local enterprise ideas (3) • Sustainability of rural services, halls and buildings – local service delivery is key to viability (3) • Greater use of social media and communications within communities (3) • Develop local enterprise hubs – extension of village hall (3) • Key strategic trails need to be supported through rural support e.g. Wales Coastal Path (3) • Untapped leisure and tourism clusters e.g. St Pierre area, lakes, Wales Coastal Path, etc. (3) • Support green vehicles and community transport (3) • More promotion of good practice,
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<p>enterprises and businesses being run from home (2)</p> <ul style="list-style-type: none"> • Diversity of business across territory (2) • Some digital experience e.g. Wikipedia, WIFI towns, community broadband (2) • Commitment from communities to renewables (2) 	<p>showcase and development studies on renewable projects (3)</p> <ul style="list-style-type: none"> • Improve digital infrastructure and access for small businesses (3) • Extend farm/agri diversification and sustainability (3) • More mapping, community visioning support (3) • Bring back tradition e.g. orchards on levels (2) • Small renewable demonstration projects on village halls and community buildings (2) • More co-ordinated approach to supporting community energy schemes (2) • Additional rural housing to sustain communities, especially young people, that is in character and density (2) • Grow communities focussed on activity e.g. cycling community – local services, skills, guiding, etc. (2) • Woodland economy/management/community owned projects – small scale energy creation e.g. community bio-mass (2) • Opportunity for informal rural business support and networks (2) • Raise awareness of local creative, artisan, independent businesses and their products (2) • Making connections in terms of trails and links across the territory e.g. from Newport into Wentwood and into Usk Valley (2) • Integrated transport hubs e.g. realise Magor Railway Halt (2) • Develop new experience trails and products e.g. fashion and rural
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	industries (1)
WEAKNESSES	THREATS
<ul style="list-style-type: none"> • Rural areas feel marginalised/neglected with urban centres having the focus (3) • Poor broadband – speed coverage – restricting micro enterprises and home working; restricting other e-learning, on-line activity (3) • Mobile phone signal poor and limiting local growth and communication (3) • Fragmented and inconsistent community and public transport, resulting in isolation and lack of work opportunities and community cohesion (3) • Business support is too generic; we need more specialist advice (3) • Digital isolation for specific communities that is impacting on access, poverty and skills gap (3) • Lack of rail links/halts (3) • Challenge of rurality for service delivery (3) • Resilience – e.g. reliance on volunteers (2) • Poor infrastructure preventing business development (2) • Poor incentives for FIT and lack of loan finance for renewables (2) • Lack of awareness of community renewable opportunities (2) • Lack of green/”transition groups in rural areas” • Sustaining local initiatives e.g. Made in Monmouthshire – 	<ul style="list-style-type: none"> • Aging population – impact on health and care (3) • Diminishing local services such as health and care, libraries (3) • Changes to school catchments is fragmenting communities (3) • New housing is outstripping local infrastructure and services and damaging rural communities (3) • Loss of habitats – Monmouthshire Meadows (3) • Use it or lose it – e.g. public transport (3) • Loss of staff and resources (2) • Poorly located renewable energy schemes (2) • Global economics (2)

<p>maintaining co-ordination is a challenge (2)</p> <ul style="list-style-type: none"> • Absence of tourism promotion and infrastructure (2) • Tourism town focussed not across the territory (2) • Lack of business clusters (2) • Family tourism not seen to be that coherent (2) • People still don't like change (2) • Cycling networks fragmented in the levels (1) • Some town centres are under-performing which is having an impact on rural catchments (1) • Welsh language needs to be more visible in terms of physical identity and information, interpretation (1) • Rights of way access areas points have access points that are cut off that reduces attractiveness of area (1) 	
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8. CROSS CUTTING THEMES

8.1 Cross-Cutting Themes

All activity detailed within the strategy and the accompanying Intervention Logic Table (*Appendix Three*) is designed to give due regard to the RDP's cross-cutting themes.

The cross-cutting themes are defined as:

- Equal Opportunities
- Gender Mainstreaming
- Sustainable Development and
- Tackling Poverty and Social Exclusion

The LAG's commitment to all four of these themes is evidenced by their decision to include all five RDP themes within this strategy whilst also working to the RDP Focus Area: 'Promoting social inclusion poverty reduction and economic development in rural areas.'

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The reason for choosing this path is that it will enable the LAG to ensure that it operates in a transparent and fully inclusive manner providing maximum and equal opportunity for all.

In terms of the themes the following consideration will be given:

Equal Opportunities and Gender Balancing

All activities delivered through this programme will provide equal opportunities for all and recognise the needs of everyone. Steps will be taken to identify and remove barriers to participation by disadvantaged groups. Positive action will be taken to support and assist all groups to overcome barriers to their participation, including:

- Lack of role models and community support
- Lack of support for those with childcare and other caring needs
- Language deficiencies, particularly for those for whom English or Welsh is not a mother tongue
- Travel costs
- Lack of information about opportunities
- Access issues

The Administrative Body also adopts an equal opportunities policy framework, which is all embracing. This is fully reflected in the flexible working practices that will be adopted by the RDP staff. The LAG will also adopt positive action measures to engage with isolated individuals, for example, supporting disabled people, those with care responsibilities, and those experiencing rural isolation. Rural isolation is an issue in the LAG territory despite good transport links this can be particularly experienced by single parents, young people, disabled people and the elderly.

Gender balance is also something that the LAG takes seriously, in all project based work, on working groups and sub-groups as well as any appointments will also be a consideration. However the LAG accepts that equal opportunities are not restricted to the issue of gender. In terms of project delivery services targeted at supporting business development for women has already been recognised in the form of networking opportunities.

Environmental Sustainability

The LAG adopts the Brundtland Commission's definition of sustainable development: 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs'. The LAG's landscape is one of its key strengths and indeed opportunities. The LAG therefore views the RDP 2014 – 2020 as a further opportunity to capitalise sensitively on this most natural of assets. Activities will need to demonstrate how they support sustainable development and will have to consider their likely impact upon the environment.

Projects will be encouraged to link with the relevant Public Sector Sustainable Development Policies to help meet the challenge to provide more citizen based services such as for example, 'making the territory cleaner and greener'. This will

include activities such as supporting volunteer development to manage conservation areas, promoting green infrastructure to enhance the local environment, marketing and promoting local products, advice and support for community energy schemes, etc.

Tackling Poverty and Social Exclusion

As 'Promoting social inclusion poverty reduction and economic development in rural areas' is a key focus area for this strategy, advice and support for communities and individuals will be a key strand of project activity. This will take many forms but it is anticipated that examples will include opportunities to link with local business start-up schemes supporting individuals with specific needs; providing support and training to all sections of the territories communities on digital technology to combat digital exclusion and social isolation; investigation of time banking, resource sharing opportunities and support surgeries via the proposed 'community hub model' and generally enabling access to isolated individuals and groups that could benefit from enhanced support.

The Welsh Language

Following the community consultation and the impending National Eisteddfod in Abergavenny in 2016 the LAG are aware of the need to promote and facilitate the use of Welsh in this RDP programme.

The LAG is supportive of the Welsh Language Commissioner's Strategic Plan 2013 – 2015 and its aims to increase the use of the Welsh language to ensure that the Welsh Language should be treated no less favourably than the English language and that people in Wales should be able to live their lives through the medium of Welsh if they choose to do so.

The use of Welsh in Project activities will therefore be encouraged with a view to broadening and strengthening the Welsh language and improving the experience of Welsh speakers. Examples include joint linguistic activities in digital development; promoting the Welsh language in tourism literature and tourism ambassador programmes to further the 'sense of place' experience; and encouraging the private sector to embrace the Welsh language in their day to day activities.

8.2 Supporting the Uplands

As the LAG territory is bordered by Upland Areas it is envisaged that the following activities will take place:

- RDP staff will be encouraged to work with communities in the Uplands areas to bring forward projects that will assist target beneficiaries e.g. farming families, particularly in areas such as ICT exploitation given the move towards the online Basic Payment Scheme;
- Partnership and collaboration with other RDP schemes such as Agriscop, Farming Connect and organisation such as farming unions and Natural Resources Wales will also be encouraged to avoid duplication;

- Links will also be made with other bordering LAG territories for example Powys to identify opportunities for collaboration.

As discussed in the preface to the strategy there is the potential for the current LAG territory to grow if a wider partnership is to be formed with Torfaen. If this is the case then the Uplands Areas priorities will be considered as part of the prioritisation process.

9. LONG TERM SUSTAINABILITY

9.1 Mainstreaming Plan

As LEADER is an initiative which encourages innovation there is a need for the LAG to consider how the results of actions supported under LEADER can be disseminated. In addition the LAG also needs to consider how successful LEADER actions can be mainstreamed by other bodies to enable them to take them to the next stage of delivery.

Table Thirteen below details the five LEADER themes, the actions proposed under these themes (as detailed in the Intervention Logic Table in Appendix Three) and the potential bodies who have the potential to mainstream the activities.

Table Thirteen – Mainstreaming Plan

Theme One: Adding Value to local identity and natural and cultural resources	
Type of Action to be Supported	Action to be Mainstreamed to Whom
1. To develop integrated media for rural tourism providers and links with destination management areas through training, mentoring and co-ordinating promotional material at a strategic and local level 2. To work with existing/emerging partnership projects that are developing natural and cultural asset led projects in terms of activity based tourism, heritage and cultural based tourism and look at ways of complementing local training, volunteering, guiding, environmental management 3. To develop local projects through groups such as social enterprises and through clustering activity	<ul style="list-style-type: none"> • Local Tourism Associations • Visit Wales • Local Authorities • WG e.g. ICT Exploitation Programme • Communities 2.0 • Protected Landscapes e.g. Wye Valley AONB, BBNP • Outdoor Education Operators • Private Sector cooperatives • Mentrau Iaith, Eisteddfod Cymru

<p>tourism business so that a diverse range and quality of activity tourism is provided for a targeted segment of visitor</p> <ol style="list-style-type: none"> 4. To support feasibility into new rural tourism products, facilities and attractions where support is given through feasibility, best practice exchange, etc. 5. To develop and manage natural assets that aids local economic prosperity and safeguards local biodiversity through volunteering support, training, marketing and promotion and networking with other groups across the territory 	
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Theme Two: Facilitating pre-commercial development, business partnerships and short supply chains	
Type of Action to be Supported	Action to be Mainstreamed to Whom
<ol style="list-style-type: none"> 1. To develop rural business networks that provide specific sector support and forums for exchanging ideas and joint action 2. To develop a mentoring scheme for women in enterprise 3. To extend knowledge from Made in Monmouthshire and other food related initiatives into the wider territory that integrates experiences and develops unique offers in terms of food heritage and food linked to activity tourism 4. To develop social enterprises that meet gaps in rural basic services, local visitor offer and other gaps in the local market 	<ul style="list-style-type: none"> • WG e.g. Business Wales, Agri Food • Visit Wales • Private sector cooperatives • Wales Cooperative • Mentrau Iaith,
<ol style="list-style-type: none"> 5. To provide advice and support on digital technology in terms of on-line development, sales, linking to complementary businesses and developing local clusters 6. To explore the development of shared support facilities within 	<ul style="list-style-type: none"> • WG e.g. Digital Wales (ICT Exploitation Programme), Housing and Regeneration • Communities 2.0 • Mentrau Iaith

<p>local community hubs and enablement of WIFI and other measures to ensure reliable connectivity in rural places</p> <p>7. To develop an integrated on-line market place that connects hubs, places, producers, local businesses with urban centres and complements other WG initiatives in terms of TCP support</p>	
<p>8. To undertake research into local barriers to young people gaining employment in terms of mobility</p>	<ul style="list-style-type: none"> • Local Authorities • WG Business Wales • Registered Social Landlords • Mentrau Iaith

Theme Three: Exploring new ways of providing non-statutory local services	
Type of Action to be Supported	Action to be Mainstreamed to Whom
<ol style="list-style-type: none"> 1. To implement proposals from community led planning in Monmouthshire in terms of business case/feasibility planning development 2. To develop a shared toolkit scheme for rural communities in Newport, in addition to Monmouthshire in terms of rural community audits, mapping, action planning, etc. 3. To strongly align local services through community hubs and understand usage of local assets and how to maximise these in terms of value, patronage and loyalty 4. To share knowledge on developed initiatives in Monmouthshire such as community transport, local food, digital apps with new rural communities through network events and pilot projects 5. To showcase local products, services, knowledge and solutions through community hubs through physical engagement and through 	<ul style="list-style-type: none"> • Local Authorities e.g. MCC Whole Place initiative • WG e.g. Tackling Poverty, Division, Digital Wales (ICT Exploitation) • Communities 2.0 • Community Transport initiatives e.g. MCC Grass Routes • Private sector cooperatives e.g. Made in Monmouthshire • Mentrau Iaith

<p>virtual on-line sharing</p> <ol style="list-style-type: none"> 6. To explore community hubs as a places to distribute and collect products that meet specific local gaps in services and ensure accessibility for all 7. To develop digitally led outreach projects that up skill rural communities in access, content management, social media integration, dynamic information, etc. 	
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Theme Four: Renewable energy at Community level	
Type of Action to be Supported	Action to be Mainstreamed to Whom
<ol style="list-style-type: none"> 1. To implement proposals from the respective Monmouthshire's Action Plans for Sustainability (MAPs) undertaken by Severn Wye energy 2. To develop demonstration projects associated with renewable energy with community hubs, transport, local facilities 3. To raise awareness of renewable energy initiatives and solutions amongst rural communities through local promotion 4. To establish networks with farmers and landowners to investigate likely supply and link to community led demand in terms of underused resources 5. To promote low energy approach to visitors to the area in terms of consumption and awareness of alternative energy generation being provided 6. Consideration of RHI 7 year capital grants available to communities and householders 	<ul style="list-style-type: none"> • WG e.g. Farming Connect, Natural Resources Wales • Severn Wye Energy, Gwent Energy CIC, etc. • Carbon Trust, Ynni'r Fro, Renew Wales

Theme Five: Exploitation of digital technology	
Type of Action to be Supported	Action to be Mainstreamed to Whom
<ol style="list-style-type: none"> 1. To provide training and support for rural communities in digital technology 2. To support farmers and land based producers with ICT support and diversification opportunities 3. To provide sector specific support in terms of short supply chain development, marketing, B2B and clustering local enterprises through digital mediums 4. To provide e-learning opportunities in digital technology through rural IT clubs linked to coffee mornings/ afternoon teas, etc. 5. To develop community based tourism interpretation initiatives that up skills communities in terms of content development and integration with visitor facing web resources 6. To trial new digital products through short leasing and market test ideas in terms of digital uptake, community learning, local economic development, amongst others 7. To explore the feasibility of linking rural producers and businesses with town/urban based web portals in terms of buy local with links to loyalty and secondary benefits 	<ul style="list-style-type: none"> • WG e.g. Tackling Poverty, Division, Digital Wales (ICT Exploitation), Farming Connect, Visit Wales • National Farming Union, Farmers Union of Wales • Communities 2.0 • Mentrau Iaith • Private sector cooperatives e.g. Made in Monmouthshire • Protected Landscapes e.g. Wye Valley AONB, BBNP • Local Authorities

SECTION 10 – DECLARATION AND SIGNATURE

I am acting with the authority of the Local Action Group and certify to the best of my knowledge and belief the information provided in this Local Development Strategy application and supporting documentation are true and correct and the application for financial assistance is for the minimum required to enable the project to proceed.

I undertake to notify the Welsh Government in advance of carrying out any changes to the nature of this project.

I also confirm that I am not aware of any reason why the project may not proceed and that the commitments and activities can be achieved within the timescales indicated.

Local Action Group (LAG) Representative

Signed:	
Name:	
Chair/Deputy Chair LAG:	
Date:	

Administrative Body Representative

Signed:	
Name:	
Position in Administrative Body:	
Date:	

A signed hard copy of the Local Development Strategy must be received at the address below no later than 30 September 2014

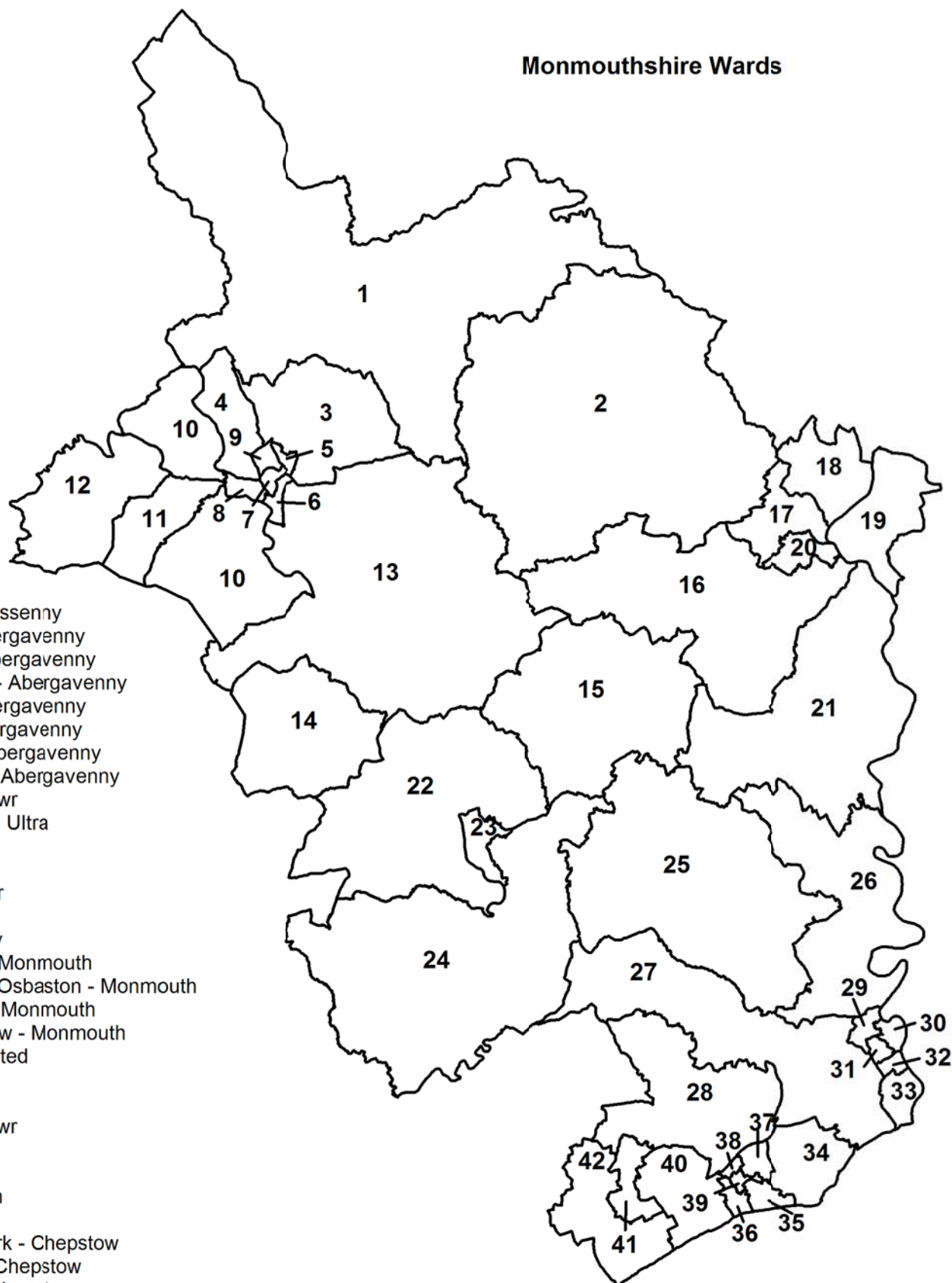
Scheme Management Unit, Welsh Government, Rhodfa Padarn, Llanbadarn Fawr, Aberystwyth, Ceredigion. SY23 3UR

Please submit an electronic copy to: LEADER2014-2020@wales.gsi.gov.uk

Monmouthshire Wards

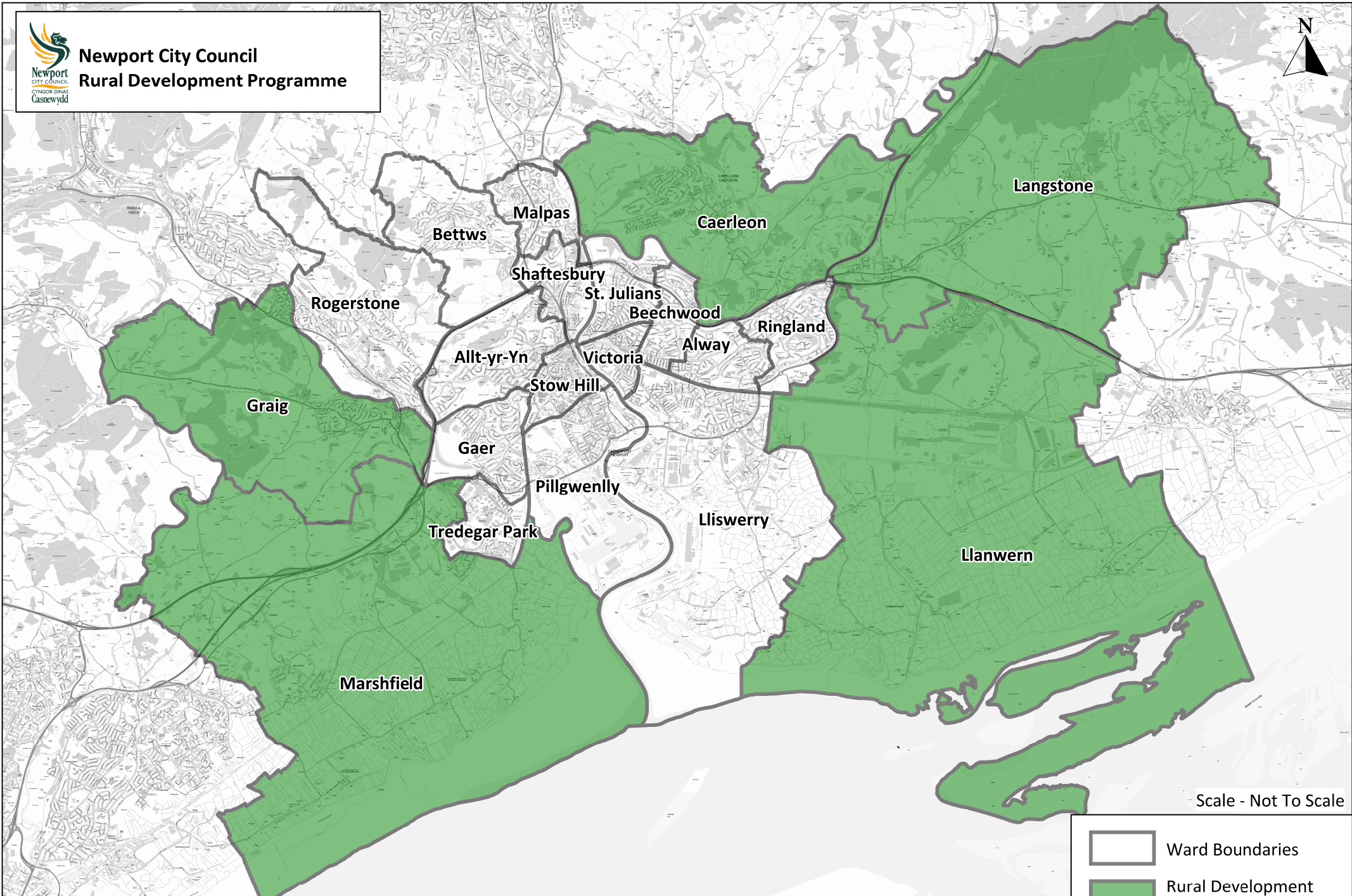
KEY

1. Cruorney
2. Llantilio Crossenny
3. Mardy - Abergavenny
4. Cantref - Abergavenny
5. Croesonon - Abergavenny
6. Castle - Abergavenny
7. Priors - Abergavenny
8. Grofield - Abergavenny
9. Lansdown - Abergavenny
10. Llanfoist Fawr
11. Llanwenarth Ultra
12. Llanelly Hill
13. Llanover
14. Goetre Fawr
15. Raglan
16. Mitchel Troy
17. Drybridge - Monmouth
18. Dixton with Osbaston - Monmouth
19. Wyesham - Monmouth
20. Overmonnow - Monmouth
21. Trellech United
22. Llanbadoc
23. Usk
24. Llangybi Fawr
25. Devauden
26. St Arvans
27. Shirenewton
28. Caerwent
29. St Kingsmark - Chepstow
30. St Mary's - Chepstow
31. Larkfield - Chepstow
32. St Christopher's - Chepstow
33. Thornwell - Chepstow
34. Portskewett
35. Severn - Caldicot
36. West End - Caldicot
37. Caldicot Castle - Caldicot
38. Dewstow - Caldicot
39. Green Lane - Caldicot
40. Rogiet
41. The Elms - Magor with Undy
42. Mill - Magor with Undy







Newport City Council
Rural Development Programme



Scale - Not To Scale

-  Ward Boundaries
-  Rural Development Programme

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Appendix Three

INTERVENTION LOGIC TABLE (linked to Section 3.1 of the LDS)

Name of LAG: Vale of Usk
Date Completed/Updated: September 2014

Development Needs / Opportunities	Specific Objective	Strategic Fit	Type of actions to be supported – SMART actions, state where co-operation action is envisaged	Outputs (from LDS Guidance Monitoring Framework section plus additional indicators/targets set by LAG)	Output Target	Contribution to cross-cutting themes	Who will be involved in the delivery	Timeline (start-finish)
Theme 1: Adding Value to local identity and natural and cultural resources								
<ul style="list-style-type: none"> • Need for integration of rural tourism product in terms of information, interpretation, on-line resources; • Spatial opportunities in terms of key strategic trails such as Wales Coastal Path; • Opportunities to build and integrate activity based tourism such as walking, cycling, etc; • Specific needs in terms of developing new attractions and experiences, e.g. farm experiences, tree-houses, cycle guiding, etc; • Need to upskill rural tourism providers in terms of sense of place training and becoming local ambassadors • Need to safeguard and manage natural assets that forms part of visitor offer and relate these to village services in terms of integration and local enterprise e.g. meadows, areas of biodiversity 	<ul style="list-style-type: none"> • To maximise the area's visitor potential through integrating experiences, products and networks focussing on out of season opportunities; 	<ul style="list-style-type: none"> – Partnership for Growth – The Welsh Government Strategy for Tourism – 2013-2020 – Abergavenny Visitor Experience Development Plan - Adventa – Monmouthshire Destination Management Plan – Monmouthshire County Council – Newport Destination Management Action Plan – Newport City Council – Caerleon Destination Management Plan – Newport City Council – Standing Up for Newport - Newport City Council Corporate Plan 2012-2017 – Living Levels Project – Pollinator Action Plan – Welsh Government – Pollinator Implementation Plan – Welsh Government 	<ol style="list-style-type: none"> 1. To develop integrated media for rural tourism providers and links with destination management areas through training, mentoring and co-ordinating promotional material at a strategic and local level 2. To work with existing/emerging partnership projects that are developing natural and cultural asset led projects in terms of activity based tourism, heritage and cultural based tourism and look at ways of complementing local training, volunteering, guiding, environmental management 3. To develop local projects through groups such as social enterprises and through clustering activity tourism business so that a diverse range and quality of activity tourism is provided for a targeted segment of visitor 4. To support feasibility into new rural tourism products, facilities and attractions where support is given through feasibility, best practice exchange, etc 5. To develop and manage natural assets that aids local economic prosperity and safeguards local biodiversity through volunteering support, training, marketing and promotion and networking with other groups across the territory 	<ul style="list-style-type: none"> • Number of operations • Number of businesses assisted • Number of communities assisted • Number of jobs created 	<p>90 24 9 4</p>	<ul style="list-style-type: none"> • Encourage EO & GM through intergenerational local involvement • Build capacity in local tourism organisations addressing particularly women • Production of bilingual information • Develop products that are sensitive and enhance the natural environment • Encourage involvement from isolated individual 	RDP Animation Team and Sector Specific	January 2015 – December 2020

						<ul style="list-style-type: none"> s • Offer skills development opportunities to enhance employment opportunities • Establish open platform web resources to encourage local communication, offer training if required 		
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Theme 2: Facilitating pre-commercial development, business partnerships and short supply chains									
Development Needs / Opportunities	Specific Objective	Strategic Fit	Type of actions to be supported – SMART actions, state where co-operation action is envisaged	Outputs (from LDS Guidance Monitoring Framework section plus additional indicators/targets set by LAG)	Output Target	Contribution to cross-cutting themes	Who will be involved in the delivery	Timeline (start-finish)	
<ul style="list-style-type: none"> Lack of informal rural business support Need for more digital support in terms of advice, design and planning Opportunities to explore new clusters and B2B working Business support for women in enterprise through mentoring and coaching Issues related to mobility in young people and how local transport can overcome these barriers Support for producers and land based in relation to ICT support, diversification and signposting to process and marketing advice Opportunity to link proposed broadband upgrades with opportunities for wifi hubs and rural enterprise centres linked to community hubs Opportunities to develop local on-line sales of products and services that are virtual and physical in relation to hubs e.g. local click and collect 	<ul style="list-style-type: none"> To identify pre-commercial rural enterprises to engage through a rural mentoring network, business to business supply network, targeted towards sector specific beneficiaries; 	<ul style="list-style-type: none"> Food and Drink Action Plan – Welsh Government Local Sourcing Action Plan – Welsh Government ICT Strategy for Wales – Welsh Government Monmouthshire Business Growth and Enterprise Strategy Single Integrated Plan 2013-2017 – Monmouthshire County Council Single Integrated Plan – Newport City Council Newport Economic Development Plan 2011-2015 – Newport City Council Digital Inclusion Stronger Communities – Wales Co-operative Centre 	<ol style="list-style-type: none"> To develop rural business networks that provide specific sector support and forums for exchanging ideas and joint action To provide advice and support on digital technology in terms of on-line development, sales, linking to complementary businesses and developing local clusters To develop a mentoring scheme for women in enterprise To undertake research into local barriers to young people gaining employment in terms of mobility To extend knowledge from Made in Monmouthshire and other food related initiatives into the wider territory that integrates experiences and develops unique offers in terms of food heritage and food linked to activity tourism To develop social enterprises that meet gaps in rural basic services, local visitor offer and other gaps in the local market To explore the development of shared support facilities within local community hubs and enablement of WIFI and other measures to ensure reliable connectivity in rural places To develop an integrated on-line market place that connects hubs, places, producers, local businesses with urban centres and complements other WG initiatives in terms of TCP support 	<ul style="list-style-type: none"> Number of operations Number of farm holdings assisted Number of businesses assisted Number of communities assisted Number of jobs created 	<p>74</p> <p>5</p> <p>85</p> <p>5</p> <p>2</p>	<ul style="list-style-type: none"> Supporting underrepresented groups with services e.g. business start ups Opportunities to trail entrepreneurship and new products with young people, young farmers, etc. Opportunities to add value to local products Consider affordable transport options, care options, etc. when offering courses to isolated and vulnerable groups Offer intergenerational mentorship opportunities 	RDP Animation Team and Sector Specific	January 2015 – December 2020	

Theme 3: Exploring new ways of providing non-statutory local services									
Development Needs / Opportunities	Specific Objective	Strategic Fit	Type of actions to be supported – SMART actions, state where co-operation action is envisaged	Outputs (from LDS Guidance Monitoring Framework section plus additional indicators/targets set by LAG)	Output Target	Contribution to cross-cutting themes	Who will be involved in the delivery	Timeline (start-finish)	
<ul style="list-style-type: none"> Sustainability of community facilities is a constant challenge Rural isolation in new rural areas such as Newport as well as known rural communities Recruitment and retention of active volunteers Still demand for community transport linked to employment, health, local services Lack of digital infrastructure and knowledge within rural communities Opportunities to integrate transport with local services and visitor offer Opportunities to apply community led planning in terms of project specific activity Rural villages and places can provide a focus for demonstration and best practice such as renewable Need to address rural poverty issues such as advice surgeries, social drops in, digital exclusion, access to fresh produce, etc 	<ul style="list-style-type: none"> To work with rural communities to enable and facilitate a self-help rural coaching network, to identify and address future needs thereby providing an opportunity to explore new ways of providing non-statutory local services; 	<ul style="list-style-type: none"> Bryn-Y-Cwm Whole Place Plan – Monmouthshire County Council Seven for Severnside Whole Place Plan - Monmouthshire County Council ICT Strategy for Wales – Welsh Government Monmouthshire Business Growth and Enterprise Strategy Single Integrated Plan 2013-2017 – Monmouthshire County Council Single Integrated Plan – Newport City Council Standing Up for Newport - Newport City Council Corporate Plan 2012-2017 Digital Inclusion Stronger Communities – Wales Co-operative Centre 	<ol style="list-style-type: none"> To implement proposals from community led planning in Monmouthshire in terms of business case/feasibility planning development To develop a shared toolkit scheme for rural communities in Newport, in addition to Monmouthshire in terms of rural community audits, mapping, action planning, etc To strongly align local services through community hubs and understand usage of local assets and how to maximise these in terms of value, patronage and loyalty To share knowledge on developed initiatives in Monmouthshire such as community transport, local food, digital apps with new rural communities through network events and pilot projects To showcase local products, services, knowledge and solutions through community hubs through physical engagement and through virtual on-line sharing To explore community hubs as a places to distribute and collect products that meet specific local gaps in services and ensure accessibility for all To develop digitally led outreach projects that upskill rural communities in access, content management, social media integration, dynamic information, etc 	<ul style="list-style-type: none"> Number of operations Number of businesses assisted Number of communities assisted Number of jobs created 	<p>25 4</p> <p>11</p> <p>1</p>	<ul style="list-style-type: none"> One stop advice support at community venues to address social exclusion and tackle poverty Support for community transport schemes Volunteering opportunities for local environment enhancements, time banking, outreach services, etc. 	RDP Animation Team and Sector Specific	January 2015 – December 2020	

Theme 4: Renewable energy at Community level									
Development Needs / Opportunities	Specific Objective	Strategic Fit	Type of actions to be supported – SMART actions, state where co-operation action is envisaged	Outputs (from LDS Guidance Monitoring Framework section plus additional indicators/targets set by LAG)	Output Target	Contribution to cross-cutting themes	Who will be involved in the delivery	Timeline (start-finish)	
<ul style="list-style-type: none"> • Need for more awareness raising and education on renewable energy benefits • Opportunities to build demand for biofuel and biomass • Opportunities to build small scale community heating systems • Need to increase the number of community hub ASHP, • Opportunities for hydro, PV and wind at a community level • Links from woodland management to biomass and local village hub facilities • Lack of visibility of community level programmes • Opportunities for co-operative buying • Lack of local energy groups such as Transition Groups in rural communities • Ideas around green vehicles and community transport • Opportunities for demonstration and best practice 	<p><i>To identify community hubs that can demonstrate the use of renewable energy and capitalising on natural assets e.g. community woodland, biomass.</i></p>	<ul style="list-style-type: none"> – One Wales, One Planet – Welsh Government – Energy Wales: A Low Carbon Transition – Welsh Government – Sustainable Development Policy – Monmouthshire County Council – Climate Change and Sustainable Energy Strategy – RHI domestic and business initiatives – New Landlords legal requirements on EPC – Severn Wye Energy Agency initiatives – Coed Cymru woodland plans – Monmouthshire's Action Plans for Sustainability <ul style="list-style-type: none"> o Llandogo o Mardy o Portskewett o Raglan o Skenfrith o Wyesham – Standing Up for Newport - Newport City Council Corporate Plan 2012-2017 – Newport Economic Development Strategy 2011-2015 – Newport City Council 	<ol style="list-style-type: none"> 1. To implement proposals from the respective Monmouthshire's Action Plans for Sustainability (MAPs) undertaken by Severn Wye energy 2. To develop demonstration projects associated with renewable energy with community hubs, transport, local facilities 3. To raise awareness of renewable energy initiatives and solutions amongst rural communities through local promotion 4. To establish networks with farmers and landowners to investigate likely supply and link to community led demand in terms of underused resources 5. To promote low energy approach to visitors to the area in terms of consumption and awareness of alternative energy generation being provided 6. Consideration of RHI 7 year capital grants available to communities and householders 	<ul style="list-style-type: none"> • Number of operations • Number of businesses assisted • Number of communities assisted • Number of jobs created 	<p>40</p> <p>10</p> <p>5</p> <p>1</p>	<ul style="list-style-type: none"> • Dissemination of information which is accessible for all • Engagement of young people, farming community, etc. • Opportunities to link with business programmes e.g. start-ups • Advice on tackling fuel poverty e.g. community renewable schemes 	RDP Animation Team and Sector Specific	January 2015 – December 2020	

Theme 5: Exploitation of digital technology									
Development Needs / Opportunities	Specific Objective	Strategic Fit	Type of actions to be supported – SMART actions, state where co-operation action is envisaged	Outputs (from LDS Guidance Monitoring Framework section plus additional indicators/targets set by LAG)	Output Target	Contribution to cross-cutting themes	Who will be involved in the delivery	Timeline (start-finish)	
<ul style="list-style-type: none"> Need for better broadband and mobile phone coverage Poor connectivity is limiting social and economic well-being in rural communities in terms of access to daily services, health, learning, communication, etc Rural communities have limited access to digital facilities in terms of group based learning, remote access, digital printing, video conferencing, etc Opportunities for rural communities to support the isolated and vulnerable Rural enterprises see the opportunity for shared digital hubs in terms of networking, shared solutions and retaining knowledge and expenditure Increasing needs of digitally aware visitors to destination management area Co-relationship between wider rural and market towns and urban centres with the need to integrate in terms of buy local and short supply chain integration Need for ICT support for farmers in terms of farm management and returns to WG and EC Opportunities for farming cooperatives to 	<ul style="list-style-type: none"> To develop a connected territory that links rural hubs and places through digital technology, up-skilling communities for community and social benefit, whilst addressing exclusion and isolation; 	<ul style="list-style-type: none"> Bryn-Y-Cwm Whole Place Plan – Monmouthshire County Council Seven for Severnside Whole Place Plan - Monmouthshire County Council ICT Strategy for Wales – Welsh Government Monmouthshire Business Growth and Enterprise Strategy Single Integrated Plan 2013-2017 – Monmouthshire County Council Single Integrated Plan – Newport City Council Digital Inclusion Stronger Communities – Wales Co-operative Centre Superfastcymru Wales broadband scheme Town Centre Partnership Fund – Welsh Government Newport Destination Management Action Plan – Newport City Council 	<ol style="list-style-type: none"> To provide training and support for rural communities in digital technology To support farmers and land based producers with ICT support and diversification opportunities To provide sector specific support in terms of short supply chain development, marketing, B2B and clustering local enterprises through digital mediums To provide e-learning opportunities in digital technology through rural IT clubs linked to coffee mornings/ afternoon teas, etc To develop community based tourism interpretation initiatives that upskills communities in terms of content development and integration with visitor facing web resources To trial new digital products through short leasing and market test ideas in terms of digital uptake, community learning, local economic development, amongst others To explore the feasibility of linking rural producers and businesses with town/urban based web portals in terms of buy local with links to loyalty and secondary benefits 	<ul style="list-style-type: none"> Number of operations Number of businesses assisted Number of communities assisted Number of jobs created 	<p>86 100</p> <p>16</p> <p>2</p>	<ul style="list-style-type: none"> Opportunities to address digital exclusion and social isolation issues via ICT training support Opportunity to enable community ICT provision Use of recycled and low energy ICT equipment to reduce environmental impact 	RDP Animation Team and Sector Specific	January 2015 – December 2020	

<p>supply to on-line local markets</p> <ul style="list-style-type: none">• Opportunity for interpretation to be on-line and for communities to create content in terms of sense of place, local heritage and culture, storytelling and use of technology such as augmented reality									
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Appendix Four: RDP Staff Draft Job Descriptions



Monmouthshire Business and Enterprise

JOB DESCRIPTION

JOB TITLE:	Rural Programmes Manager
GRADE:	BAND I: SCP 37- 41 £31,160 - £34,894
LOCATION:	@Innovation House, Magor
REPORTS TO:	Head of Economy and Enterprise/Business and Enterprise Manager
JOB PURPOSE:	To manage the delivery of the Rural Development Programme within the LAG territory

ACCOUNTABLE

AIM

To manage all elements in delivering the Wales Rural Development Programme 2014-2020 on behalf of the Local Action Group. This includes any future community related rural development support schemes. The post will be on a full time basis (37 hours per week).

OBJECTIVES

1. To be responsible for the Administrative Body role for the Local Action Group (LAG) in respect of the delivery of all activities under the Wales Rural Development Programme 2014-2020 (RDP).
2. To ensure effective collaboration between Authorities and stakeholders within the LAG territory.
3. To represent the LAG in negotiations with The Welsh Government and other organisations in respect of operating procedures under the RDP.
4. To monitor other funding streams to ensure that the LAG territory benefits from other potential funding to support RDP activity and publish such information to potential partners advising them of specific funding relevant to their project development.
5. To prepare consultation responses in respect of RDP related European programmes for submission to Welsh Government, Wales Local Government Association, and European Commission.

6. To recruit, select, manage and support Project team to undertake delivery activities within the RDP ensuring compliance accordance with European, WG and MCC procurement rules.
7. To authorise financial claims and other relevant financial and performance documentation to ensure the smooth delivery of the programme.
8. To ensure that all accounting procedures are adhered to in the operation of the RDP programme.
9. To prepare and monitor budgets required for the operation of the RDP within the LAG territory.
10. To prepare and present reports and other documentation on the operation of the programme.
11. To promote best practice through awareness raising and highlighting exemplar projects.
12. To ensure the promotion and implementation of the principles of equal opportunities in relation to employment and service delivery issues.

Person Specification

Department: Monmouthshire Business and Enterprise

Post Title: Rural Programmes Manager

Post ID:

Grade: BAND I: SCP 37- 41 £31,160 - £34,894

Must be able to evidence and demonstrate the following:

1. To be educated to Degree or equivalent level in a related field or have significant relevant experience;
2. At least 3 years experience of dealing with Rural Development Programmes or similar European programmes;
3. Practical evidence and previous experience of how projects and tasks need to be managed within a dynamic environment;
4. Significant experience and understanding of financial management and financial regulations;
5. Effective and efficient written and verbal communication skills with experience of writing various correspondence, reports and other documentation. In addition, will possess effective and efficient presentation skills;
6. The ability to use and apply IT applications in their daily work, e.g. Microsoft Word, Excel, Access and have a sound knowledge of communication applications through internal and external email;
7. Experience of effectively managing a team, setting priorities and monitoring outcomes;
8. Effective and efficient inter-personal skills and working effectively within a team;
9. Experience of being able to use their initiative and be involved in a wide range of work;
10. Must be willing to work with local communities, businesses and stakeholders and have the necessary skills to guide, interpret and assist in the delivery of their ideas and projects;
11. An effective understanding of how local government works and how other agencies and organisations contribute to the delivery of economic development;

12. To be able to work to tight deadlines, challenge ways of working and strive for improvement in the delivery of economic improvements; and
13. Must be willing to abide by the principles and practice of quality of opportunity as laid down in the Authority's Equal Opportunities Policy.

Monmouthshire Business and Enterprise

JOB DESCRIPTION

JOB TITLE:	Rural Programmes Finance Officer
GRADE:	BAND G: SCP 29-33 £24,892 - £28,127
LOCATION:	@Innovation House, Magor
REPORTS TO:	Rural Programmes Manager
JOB PURPOSE:	To undertake the financial role for the delivery of the Rural Development Programme 2014-2020 within the Local Action Group (LAG) areas covering Newport & Monmouthshire.
ACCOUNTABLE	The post-holder will be accountable to the Rural Programmes Manager

AIM

To manage the day to day delivery of the finances in relation to the LAG under the Rural Development Programme for Wales 2014-2020 in an efficient and effective manner. The post holder will be expected to be full time employed (37 hours per week) in the management of the financial elements of the LAG's Rural Development Programme.

OBJECTIVES

1. To manage and maintain financial agreements with delivery organisations on behalf of the LAG
2. To manage the internal purchase order and goods receipt system and provide project staff with timely and accurate updates on their project profiles
3. To provide the Rural Programmes Manager with access to regular financial updates and profiles of project progress alongside project delivery staff
4. To be responsible for the financial processes of projects by evaluating, monitoring and recommending any necessary changes for the expenditure of approved projects.
5. To be innovative and creative with the financial systems whilst adhering to general guidelines.
6. To prepare reports and other documentation on the analysis and performance of the individual projects and the whole programme
7. To prepare all claims and financial monitoring reports for submission to Welsh Government within pre-set deadlines on behalf of the LAG
8. To maintain all financial records relating to the projects and programmes particularly in relation to both internal and external audits
9. To assist with the financial demands of the tendering and procurement requirements and processes

- 10.** To be the main point of contact with the Welsh Government on financial matters relating to the programme
- 11.** To organise relevant financial presentations and reports for the LAG
- 12.** To provide advice on financial matters in particular where the content and outcomes are not well established by promoting best practice through detailed assessment and evaluation. Accuracy of advice given concerning financial reporting and monitoring must consider the effects on other individuals or organisations
- 13.** To ensure the promotion and implementation of the principles of equal opportunities in relation to employment and service delivery issues

Person Specification

Department: Monmouthshire Business and Enterprise

Post Title: Rural Programmes Finance Officer

Post ID:

Grade: BAND G: SCP 29-33 £24,892 - £28,127

Must be able to evidence and demonstrate the following:

1. To be educated to Degree or equivalent level in financial accounting or a related field or have significant relevant experience
2. Effective and efficient inter-personal skills and working effectively within a team.
3. Effective and efficient written and verbal communication skills with experience of writing various correspondence, reports and other documentation. In addition, will possess effective and efficient presentation skills.
4. To have experience and understanding of financial management and financial regulations relating to domestic and EU funding.
5. The ability to use and apply to a high level ICT applications in their daily work, in particular MsExcel. To have a sound knowledge of other Microsoft products such as MsWord, and other communication applications through internal and external email.
6. Experience of being able to use their initiative and be involved in a wide range of work.
7. Practical evidence and previous experience of how projects and tasks need to be managed within a dynamic environment.
8. Must be willing to work with project delivery staff, delivery agents and local communities in the LAG territories and have the necessary skills to guide, interpret and assist in the finance aspects of their projects.
9. An effective understanding of how local government works and how other agencies and organisations contribute to the delivery of economic development.
10. To be able to work to tight deadlines, likes to challenge ways of working and strives to aim for improvement in the delivery of economic improvements to the LAG territories.
11. Must be willing to abide by the principles and practice of equality of opportunity as laid down in the Authority's Equal Opportunities Policy.

Monmouthshire Economy and Enterprise

JOB DESCRIPTION

JOB TITLE:	Rural Programmes Officer
GRADE:	BAND G: SCP 29-33 £24,892 - £28,127
LOCATION:	@Innovation House, Magor
REPORTS TO:	Rural Programmes Manager
JOB PURPOSE:	To assist the LAG animation project (20%) and the Implementation project (80%) as part of the Rural Development Programme 2014 to 2020
ACCOUNTABLE	The post-holder will be accountable to the Rural Programmes Manager

AIM

To manage the day to day organisation of, and provide support to the Local Action Group, assisting in the promotion of the LAG programme. Assist in the delivery of RDP projects as dictated by the LAG, maintaining the monitoring data for the project delivery, whilst providing financial management data to the Rural Programmes Finance Officer (37 Hours per week to be split across animation (20%) and implementation (80%))

OBJECTIVES

LAG Animation

1. To organise, attend and service Local Action Group (LAG) Meetings
2. To draft clear and concise minutes and prepare reports as and when required
3. To establish effective working relationships with Welsh Government and other partners and stakeholders
4. Promote the LAG, collate case studies, update website, recruit new members and manage membership in line with RDP sectoral requirements

Project Delivery

1. To assess the viability of new projects, working with businesses, communities and stakeholders to develop ideas and present those ideas to the LAG
2. To foster and grow relationships with local communities, businesses and stakeholders in order to effectively deliver and manage the project in a 'bottom up' approach
3. Create and maintain contact databases to assist in the promotion and management of the Programme

4. To work jointly with project delivery team members and the Rural Programmes Manager to ensure cohesion across the Programmes' range of activities
5. To work closely with other members of the team in a flexible way across job boundaries and to support the development of team working
6. To undertake appropriate promotional activities to businesses and communities as part of a plan developed with the Rural Programmes Manager and other team members
7. To assist in the development and implementation of a communications strategy and the promotion of the programme as a whole. Assisting with marketing initiatives and publicity material as appropriate, including attendance at exhibitions
8. To manage and maintain project evaluation and monitoring data as defined by the Rural Programmes Manager
9. To maintain budgets and report on a regular basis to the Rural Programmes Manager and Rural Programmes Finance Officer on project finance to enable the accurate management of project finances and budgets
10. To ensure the promotion and implementation of the principles of equal opportunities in relation to employment and service delivery issues

Person Specification

Department: Monmouthshire Economy and Enterprise

Post Title: Rural Programmes Officer

Post ID:

Grade: BAND G: SCP 29-33 £24,892 - £28,127

Must be able to evidence and demonstrate the following:

1. Degree or equivalent and experience of project delivery preferably in a rural environment
2. Experience of developing and delivering innovative projects/events
3. Practical evidence and previous experience of how projects and tasks need to be managed within a dynamic environment.
4. Must be willing to work with project delivery team, delivery agents and local communities and businesses in the LAG territories and have the necessary skills to guide, interpret and assist in all aspects of their projects
5. Experience/knowledge of various marketing communication methods including social media
6. Experience of working as a facilitator of groups to deliver projects/events
7. Effective and efficient interpersonal and communication skills
8. Ability to be flexible and respond to changing circumstances
9. A commitment to putting equal opportunities policies into practice
10. Knowledge of and experience in practice of rural and community economic development issues
11. Experience of and commitment to multi-agency work
12. Experience of regular ICT working using word processing, email and the updating of websites.
13. Knowledge of spreadsheets and databases would be an advantage
14. Experience of monitoring and evaluation
15. To be able to work to tight deadlines, challenge ways of working and strive to aim for improvement in the delivery of economic improvements to the LAG territories.
16. Must be willing to abide by the principles and practice of equality of opportunity as laid down in the Authority's Equal Opportunities Policy.

17. Possess a current full driving license. The post-holder must have continuous access to a car

Monmouthshire Economy and Enterprise

JOB DESCRIPTION

JOB TITLE:	Rural Programmes Co-ordinator
GRADE:	BAND F: SCP 25-29 £21,734-£24,892
LOCATION:	@Innovation House, Magor
REPORTS TO:	Rural Programmes Manager
JOB PURPOSE:	To assist in the delivery of the Rural Development Plan 2014-2020
ACCOUNTABLE	The post-holder will be accountable to the Rural Programmes Manager

AIM

Assist in the delivery of RDP projects as dictated by the LAG, maintaining the monitoring data for the project delivery, whilst providing financial management data to the Rural Programmes Finance Officer (37 Hours per week)

OBJECTIVES

Project Delivery

1. To assess the viability of new projects, working with businesses, communities and stakeholders to develop ideas and present those ideas to the LAG
2. To foster and grow relationships with local communities, businesses and stakeholders in order to effectively deliver and manage the project in a 'bottom up' approach
3. Create and maintain contact databases to assist in the promotion and management of the Programme
4. To work jointly with project delivery team members and the Rural Programmes Manager to ensure cohesion across the Programmes' range of activities
5. To work closely with other members of the team in a flexible way across job boundaries and to support the development of team working
6. To undertake appropriate promotional activities to businesses and communities as part of a plan developed with the Rural Programmes Manager and other team members
7. To assist in the development and implementation of a communications strategy and the promotion of the programme as a whole. Assisting with marketing initiatives and publicity material as appropriate, including attendance at exhibitions
8. To manage and maintain project evaluation and monitoring data as defined by the Rural Programmes Manager

9. To maintain budgets and report on a regular basis to the Rural Programmes Manager and Rural Programmes Finance Officer on project finance to enable the accurate management of project finances and budgets
10. To ensure the promotion and implementation of the principles of equal opportunities in relation to employment and service delivery issues

Person Specification

Department: Monmouthshire Economy and Enterprise

Post Title: Rural Programmes Co-ordinator

Post ID:

Grade: BAND F: SCP 25-29 £21,734-£24,892

Must be able to evidence and demonstrate the following:

1. Degree or equivalent and experience of project delivery preferably in a rural environment
2. Experience of developing and delivering innovative projects/events
3. Practical evidence and previous experience of how projects and tasks need to be managed within a dynamic environment.
4. Must be willing to work with project delivery team, delivery agents and local communities and businesses in the LAG territories and have the necessary skills to guide, interpret and assist in all aspects of their projects
5. Experience/knowledge of various marketing communication methods including social media
6. Experience of working as a facilitator of groups to deliver projects/events
7. Effective and efficient interpersonal and communication skills
8. Ability to be flexible and respond to changing circumstances
9. A commitment to putting equal opportunities policies into practice
10. Knowledge of and experience in practice of rural and community economic development issues
11. Experience of and commitment to multi-agency work
12. Experience of regular ICT working using word processing, email and the updating of websites.
13. Knowledge of spreadsheets and databases would be an advantage
14. Experience of monitoring and evaluation
15. To be able to work to tight deadlines, challenge ways of working and strive to aim for improvement in the delivery of economic improvements to the LAG territories.
16. Must be willing to abide by the principles and practice of equality of opportunity as laid down in the Authority's Equal Opportunities Policy.

17. Possess a current full driving license. The post-holder must have continuous access to a car.

LDS Indicative Allocation Financial Summary

LAG Name	Vale of Usk
Date Completed/Updated	26/09/2014

Please complete the table below

Actual %

Example LDS Financial Summary/Calculation

	£	
Total RDP Indicative Allocation	2,700,000.00	
Minus:		
Preparatory Costs (100% RDP funded) <i>Maximum allowable of £50,000</i>	0.00	
	2,700,000.00	
Minus:		
Running Costs (100% RDP funded) <i>Maximum 10% allowable for running costs</i>	270,000	10%
Animation Costs (100% RDP funded) <i>Maximum 25% allowable for animation and running costs combined</i>	405,000	15%
Total RDP remaining for implementation	2,025,000.00	
(Implementation)	2,531,250.00	
Match Funding required (minimum 20%)	506,250.00	20%

	£
Total RDP Indicative Allocation	2,000,000.00
Minus:	
Preparatory Costs (100% RDP funded) <i>Maximum allowable of £50,000</i>	50,000.00
	1,950,000.00
Minus:	
Running Costs (100% RDP funded) <i>Maximum 10% allowable for running costs</i>	195,000
Animation Costs (100% RDP funded) <i>Maximum 25% allowable for animation and running costs combined</i>	292,500
Total RDP remaining for implementation	1,462,500.00
(Implementation) <i>(1,462,500 divide by 4 then multiply by 5)</i>	1,828,125.00
Match Funding required (minimum 20%)	365,625.00

***On all tabs, please complete the white boxes only. This includes the amending of % (in column C above) if required.**

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Economy and Development Select Committee		
Scrutiny Role	Purpose of Scrutiny	Meeting Date
Budget, Performance and Risk Monitoring		
<u>Quarterly Budget Monitoring</u> (To review the financial situation for the directorate and schools, identifying trends, risks and issues on the horizon with overspends/underspends).	<ul style="list-style-type: none"> - Month 8 Capital Budget Monitoring - Month 9 Revenue Budget Monitoring - Month 10 Capital Budget Monitoring - Revenue and Capital Outturn reports - No report - Month 3 Revenue & Capital Budget Monitoring - No report - No report - Month 6 Revenue & Capital Budget Monitoring - Month 9 Revenue & Capital Budget Monitoring - No report 	30 th January 2014 13 th March 2014 9 th May 2014 19 th June 2014 24 th July 2014 23 rd September 2014 16 th October 2014 20 th November 2014 8 th January 2015 5 th March 2015 23 rd April 2015
Initial Budget Briefing on MTFP 2015-2016	Report being presented to Cabinet 4 th September on Medium Term Financial Plan for year ahead.	Autumn 2014
Budgetary Context Meeting	Context setting of next year's budget - Committee to discuss areas identified / proposals being put forward.	Autumn 2014
Budget Setting	Consideration of capital and revenue budget proposals for the 2015/16 budget.	January 2015
Improvement Plan 2013-16	Full year 2013-14 scrutiny of performance against the Improvement Objectives and the statutory 'all Wales performance indicators'.	19 th June 2014
	6 Months 2014-2015 scrutiny of performance against the Improvement Objectives and the statutory 'all Wales performance indicators'.	20 th November 2014
Outcome Agreements	The Council has a 3-year Outcome Agreement with the Welsh Government from 2014 - 2017, which outlines mutually beneficial targets and milestones that the Council will work towards, depending on performance (this is built into the medium term financial plan). The Select Committee is responsible for scrutinising performance of outcomes annually.	19 th June 2014
		20 th November 2014

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Economy and Development Select Committee		
Scrutiny Role	Purpose of Scrutiny	Meeting Date
Quarterly Risk Monitoring	Scrutiny of the Whole Authority Risk Log - log of risks which affect the Council as a whole, risks which if not managed, could jeopardise the council's ability to achieve its outcomes and improvement objectives for communities, as well risk to delivering on statutory plans and/or operational services. The Select Committee has responsibility to monitor and challenge performance in relation to mitigating risks.	Special in December 2014
Pre-decision Scrutiny		
Review of Car Parking	Revised report from Consultants for pre-decision scrutiny. Report to be discussed by Area Committees before returning for further scrutiny. Final consideration of recommendations - Special Meeting.	20 th November 2013 20 th February 2014 14 th July 2014
Enterprise	Scrutiny of the Enterprise Strategy	24 th July 2014 (rearranged to 23 rd September 2014)
Monitoring Performance		
i County	TBC	19 th June 2014
Leisure Services	Annual performance report.	TBC
CMC ² - Community Interest Company leading green and digital growth	Annual performance report.	TBC
Planning and Development	Annual performance report. Post systems-review.	TBC
Section 106 Agreements	Annual performance report.	TBC
Tourism	6 Monthly performance report. <ul style="list-style-type: none"> To monitor the progress of MCC Tourism Alliance Forum Progress monitoring of the delivery of the Destination Plan Pre-decision scrutiny on any significant decisions relating to tourism. A retention policy to limit frequent changes of use (hotel to residential). 	4 th September 2014 (Rearranged due to Nato to 23 rd September 2014)

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Economy and Development Select Committee		
Scrutiny Role	Purpose of Scrutiny	Meeting Date
	<ul style="list-style-type: none"> • A Strategy for Events. • Review major events and their impact. 	
SRS	Scrutiny of the performance of the Shared Resource Service (SRS). <ul style="list-style-type: none"> • An in-depth review is being undertaken of the SRS. Initial findings to be shared with the committee, further areas for scrutiny to be identified. 	24 th July 2014 (rearranged to 23 rd September 2014)
Cardiff Capital Region Board	6 Monthly performance report. <ul style="list-style-type: none"> • Does MCC have a sufficiently strong profile? • The Metro - how are we profiled in this? • How do we relate to nearby cities such as Bristol? • Are we benefitting from being included in the CCRB? • Invite Mayor of Bristol 	4 th September 2014 (Rearranged due to Nato to 23 rd September 2014)
Annual Directors Report on Regeneration	Annual performance report.	16 th October 2014
Policy Development		
Museums	Following consideration of the draft business plan and budget proposals, committee would like a final report summing up the policy position.	TBC
Gilwern Cycle Track	Scrutiny of the Business Plan	TBC
Caldicot Castle	Scrutiny of the Business Plan and long-term options	TBC



Council and Cabinet Business – Forward Plan

Monmouthshire County Council is required to publish a Forward Plan of all key decisions to be taken in the following four months in advance and to update quarterly. The Council has decided to extend the plan to twelve months in advance, and to update it on a monthly basis.

Council and Cabinet agendas will only consider decisions that have been placed on the planner by the beginning of the preceding month, unless the item can be demonstrated to be urgent business

Subject	Purpose	Consultees	Author
25th SEPTEMBER 2014 – COUNCIL			
MCC Audited Accounts 2013/14 (formal approval)	To present the audited Statement of Accounts for 2013/14 for approval by Council		Joy Robson
ISA 260 Report	To provide external audits report on the Statement of Accounts 2013/14		Wales Audit Office
Financial Regulations			Andrew Wathan
Monmouthshire County Council Constitution			Murray Andrews
Chief Officer Enterprise – Annual Report	To set out the actions, target and outcomes for the year 14/15 in a comprehensive annual report and appraisal.		
Revision of Planning Scheme of Delegation and Code of Practice	To adopt a revised Planning Scheme of Delegation and Code of Practice	Cabinet SLT	Paula Clarke
Replacing Monmouth Pool		SLT Cabinet	Simon Kneafsey

Subject	Purpose	Consultees	Author
1ST OCTOBER 2014 – CABINET (CANCELLED)			
8th OCTOBER 2014 – INDIVIDUAL CABINET MEMBER DECISION			
Car Use and Transport Policy		Cabinet SLT	Sian Hayward / Roger Hoggins
Food and Fitness Template policy for schools	To introduce the revised Food and Fitness Template Policy for all maintained schools.	Cabinet SLT	Emma Taylor
Sex and relationships education template policy for schools in Monmouthshire	To introduce the revised Sex and Relationships Education (SRE) Template Policy for all schools and replaces any previous templates or guidance issued by the local authority	Cabinet SLT	Emma Taylor
15th OCTOBER 2014 – SPECIAL CABINET			
Integrated Housing Options Service with TCBC	To approve the establishment of a joint housing options service with Torfaen CBC in order to create a fresh focus on comprehensive housing solutions	Cabinet Leadership Team	Ian Bakewell
Shared Library Service	To update members on the shared library service and request funding for redundancy costs	Cabinet SLT	Sharon Randall-Smith
EAS Governance Structure		Cabinet SLT	Paul Matthews
People Strategy 2.0	To endorse the second phase in our organisational development programme.	Cabinet Members Leadership Team	Kellie Beirne
Informing the future of cultural services	To seek invest to save funding to commence a feasibility study into future ownership and development mechanisms for our cultural services and heritage assets	Cabinet SLT	Ian Saunders
Vale of Usk Local Development Strategy submission	To approve the submission to WG of the Local Development Strategy that looks to draw down RDP funds for 2014-2020	Cabinet SLT	Peter Davies

Subject	Purpose	Consultees	Author
22nd OCTOBER 2014 – SPECIAL COUNCIL			
Local Government Reform	Consultation on white paper on local government reform/voluntary merger prospectus	Cabinet Members Leadership Team Appropriate Officers	Paul Matthews
Appointment to outside bodies	EAS Board and Audit Committee	SLT Cabinet	Tracey Harry
22nd OCTOBER 2014 – INDIVIDUAL CABINET MEMBER DECISIONS			
Agree SPG Programme	Update existing SPGs on Replacement dwellings and extensions in the Countryside; conversion of agricultural buildings; assessment of re-use for business purposes in relation to countryside building conversions, new SPG on green infrastructure	SLT Cabinet	Martin Davies
Revised Social Media Policy and Guidelines	To agree the social media policy and associated guidelines	Cabinet SLT	Sian Hayward ICMD
The disposal of Church Farm, Newchurch	To recommend the disposal of a farm currently held by the council to the sitting tenant there.	Cabinet SLT	Gareth King
Restructure of commissioning and disability services team – mandate implementation	To seek approval for the implementation of the proposals set out in mandates 10 and 23 to restructure the staffing in both service areas to deliver agreed budget savings.	Cabinet SLT	Ceri York
5TH NOVEMBER 2014 – CABINET			
Business Growth and Enterprise Strategy	To seek endorsement of the new strategy which re-affirms the Council's priority around business growth.	Cabinet SLT	Peter Davies
Capital Budget Proposals	To outline the proposed capital budget for 2015/16 and indicative capital budgets for the 3 years 2016/17 to 2018/19	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
MTFP & Budget Proposals for 2015/16	To provide Cabinet with revenue budget proposals for 2015/16 for consultation purposes	Cabinet Members Leadership Team Appropriate Officers	Joy Robson

Subject	Purpose	Consultees	Author
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2014/15, meeting 3 held on the 25 th Sept 2014		Dave Jarrett
CMC ² Strategic Review and Year 4 Business Plan	To endorse the review of CMC ² and future business strategy and approve year ahead business plan	Cabinet SLT	Peter Davies Sian Hayward
Major Events Strategy	To set out a Major Events Strategy through which to co-ordinate all local community and organised events in the county	SLT Cabinet	Ian Saunders
Safeguarding Report	6 month update	Leadership Team Cabinet	Simon Burch
Public Protection restructure update	6 month update	SLT Cabinet	David Jones
Future of Recycling Services		Cabinet Members Leadership Team Appropriate Officers	Rachel Jowitt
Monmouthshire Crowdfunding platform	To seek approval for the development of a crowdfunding platform that together with Authority loan finance will support business growth and job creation	Cabinet SLT Member Seminar Pre-scrutiny	Peter Davies
School Catchment Area Review	To consider the recommendations made by the Member Working Panel and to seek agreement to consult on those proposals.	Cabinet Members Leadership Team Appropriate Officers	Cath Sheen/ Deb Mountfield
Advertising Opportunities on MCC assets/A Boards			Roger Hoggins
Broadband in Monmouthshire	To provide and overview of the likely implications to the County of the roll-out of Superfast Cymru and to seek endorsement of the proposed options for moving forward	Cabinet SLT	Peter Davies
Update on ALN and proposed recommendations for service modification		SLT Cabinet	Sharon Randall Smith/Stephanie Hawkins

Subject	Purpose	Consultees	Author
Enterprise Structure and re-alignment reports	To seek approval for changes to the establishment arising from the Chief Officer Enterprise restructure report in March 2014	Cabinet SLT	Deb Hill-Howells Peter Davies Ian Saunders
12TH NOVEMBER 2014 – INDIVIDUAL CABINET MEMBER DECISION			
Re-purposing Tourism Destination Strategy	To update and reinvigorate the Tourism Destination Plan	Cabinet Members Leadership Team	Ian Saunders
Youth Offer Update		Cabinet SLT	Tracey Thomas
Proposed prohibition of driving, Woodstock Way, Caldicot	To consider the proposed order subsequent to representations received following advertisement in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1994	Cabinet SLT	Paul Keeble
Proposed 20mph Speed Limits, Thornwell Area, Chepstow	To consider the proposed order subsequent to representations received following advertisement in accordance with the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1994.	Cabinet Members Leadership Team Appropriate Officers	Paul Keeble
13TH NOVEMBER 2014 – COUNCIL			
Anti-poverty report	To set out the Councils strategic approach to addressing poverty and disadvantage in the county	Cabinet SLT	Kellie Beirne / Will McLean
CIL and Affordable housing		Cabinet SLT	Martin Davies
3RD DECEMBER 2014 – CABINET			
Month 6 Revenue & Capital Budget Monitoring report	To provide Members with information on the forecast outturn position of the Authority at the end of month 6 for the 2014/15 financial year	Cabinet Members Leadership Team Appropriate Officers	Joy Robson/Mark Howcroft
Review of Fees and	To review all fees and charges made for services	Cabinet Members	Joy Robson

Subject	Purpose	Consultees	Author
Charges	across the Council and identify proposals for increasing them in 2015/16	Leadership Team Appropriate Officers	
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2014/15, meeting 4 held on the 13 th November 2014		Dave Jarrett
Council Tax Base 2015/16 and associated matters	To agree the Council Tax Base figure for submission to the Welsh Government, together with the collection rate to be applied for 2015/16 and to make other necessary related statutory decisions	Cabinet Members Leadership Team Appropriate Officers	Sue Deacy/Ruth Donovan
Future Generations Bill – what it means for Monmouthshire	To set out implications of Bill for the County	Cabinet SLT	Kellie Beirne / Will McLean
Review of Public Protection	To review the arrangements for public protection implemented in March 2014 to ensure the service is fit for purpose.	Cabinet Members Leadership Team Appropriate Officers	Dave Jones/Graham Perry
Private Sector Loan Scheme	To agree to participate in and support the administration of the Welsh Government Private Loan Scheme.	Cabinet Members Leadership Team	Steve Griffiths
Self Evaluation Draft		Cabinet SLT	Deborah Mountfield
Affordable Housing		Cabinet SLT	Martin Davies
Asset Management Strategy	To approve the Council's holistic Strategic Asset management plan covering all of its buildings, assets and property	Cabinet SLT	Deb Hill Howells
Options for future library provision and capital investment in Abergavenny		Cabinet Members SLT HR, Unions, Finance Appropriate Officers	Roger Hoggins

Subject	Purpose	Consultees	Author
17TH DECEMBER 2014 – INDIVIDUAL DECISION			
Local Government (Wales) Act 1994 The Local Authorities (Precepts) Wales Regulations 1995	To seek approval of the proposals for consultation purposes regarding payments to precepting Authorities during 2015/16 financial year as required by statute	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
18TH DECEMBER 2014 – COUNCIL			
Self Evaluation Draft		Cabinet SLT	Deb Mountfield
Renewable Energy and Primary Retail Frontages		SLT Cabinet	Martin Davies
Affordable Housing		SLT Cabinet	Martin Davies
7TH JANUARY 2015 – CABINET			
Council Tax Reduction Scheme Adoption	The purpose of this report is to present arrangements for the implementation of the Council Tax Reduction Scheme and to approve it for 2015/16	Cabinet Members Leadership Team Appropriate Officers	Joy Robson/Wendy Woods/Ruth Donovan
Revenue & Capital Budget proposals for public consultation (if required)	To present revenue and capital budget proposals following receipt of final settlement	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
Community Infrastructure Levy	To provide an overview of the work undertaken to establish CiL within the County	SLT Cabinet	George Ashworth
Whole Place review and next steps	To provide detailed review update as per WAO report recommendation	SLT Cabinet	Deb Hill-Howells
Community Hub		SLT Cabinet	Deb Hill-Howells
Community Education – options for the future	To set out future development options for community education	SLT Cabinet	Deb Hill-Howells
14TH JANUARY 2015 – INDIVIDUAL DECISION			
Local Government (Wales) Act 1994 The Local Authorities (Precepts) Wales	To seek Members approval of the results of the consultation process regarding payments to precepting Authorities for 2015/16 as required by	Cabinet Members Leadership Team Appropriate Officers	Joy Robson

Subject	Purpose	Consultees	Author
Regulations 1995	statute		
22ND JANUARY 2015 – COUNCIL			
Engagement framework evaluation report			Will McLean
4TH FEBRUARY 2015 – CABINET			
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2014/15, meeting 5 held on the 18th December 2014		Dave Jarrett
Developing a Business Improvement District in Abergavenny	To seek endorsement of a new BID in Abergavenny town centre	SLT Cabinet	Deb Hill Howells
Review of allocation policy		Cabinet Members Leadership Team Appropriate Officers	Ian Bakewell
18TH FEBRUARY 2015 – SPECIAL CABINET			
Final Budget 2015/16 for recommendation to Council	To update Cabinet with the consultation responses to the budget proposals and provide a final set of proposals for recommendations to Council	Cabinet Members Leadership Team Appropriate Officers	Joy Robson
26TH FEBRUARY 2015 – COUNCIL			
Final composite council tax resolution	To set Budget and Council Tax for 2014/15		Joy Robson
Treasury Management Strategy 2014/15	To accept the Annual Treasury Management Strategy		Joy Robson
4TH MARCH 2015 - CABINET			
Month 9 Revenue & Capital Budget Monitoring report	To provide Members with information on the forecast outturn position of the Authority at the end of Month 9 for the 2014/15 financial year		Joy Robson/Mark Howcroft

Subject	Purpose	Consultees	Author
15TH APRIL 2015 – CABINET			
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2014/15, meeting 6 held on the 26 th March 2015		Dave Jarrett