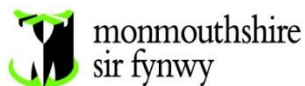


Public Document Pack



Neuadd y Sir
Y Rhadyr
Brynbuga
NP15 1GA

County Hall
Rhadyr
Usk
NP15 1GA

Tuesday, 26 January 2016

Dear Councillor

CABINET

You are requested to attend a **Cabinet** meeting to be held at **Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA** on **Wednesday, 3rd February, 2016, at 2.00 pm.**

AGENDA

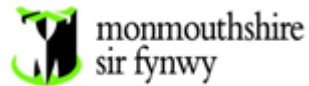
1. Apologies for Absence
2. Declarations of Interest
3. To consider the following reports (Copies attached):
 - i. **Revenue & Capital Monitoring 2016/16 Month 9 Outturn Forecast Statement** 1 - 102
 - Purpose: 1. The purpose of this report is to provide Members with information on the forecast revenue outturn position of the Authority at the end of reporting period 3 which represents month 9 financial information for the 2015/16 financial year.
2. This report will also be considered by Select Committees as part of their responsibility to, assess whether effective budget monitoring is taking place, monitor the extent to which budgets are spent in accordance with agreed budget and policy framework, challenge the reasonableness of projected over or underspends, and monitor the achievement of predicted efficiency gains or progress in relation to savings proposals.
 - Author: Mark Howcroft / David Jarrett
 - Contact Details: markhowcroft@monmouthshire.gov.uk
 - ii. **Proposed changes to the funding formula for schools** 103 - 126
 - Purpose: To provide members with an update on the proposed changes to the school funding formula and To provide members with details of any consultation responses received in relation to these proposals.
 - Author: Nikki Wellington
 - Contact Details: nicolawellington@monmouthshire.gov.uk

- | | | |
|------|--|--------------|
| iii. | Monmouthshire Local Development Plan Affordable Housing Supplementary Planning Guidance | 127 -
266 |
| | <u>Purpose:</u> To advise Cabinet of the results of the recent consultation on Draft Supplementary Planning Guidance (SPG) on Affordable Housing to support the policies of the Monmouthshire Local Development Plan (LDP) and to seek Cabinet's endorsement of the SPG, with a view to it being formally adopted as SPG in connection with the Monmouthshire LDP and to recommend to Council accordingly. | |
| | <u>Author:</u> Martin Davies, Planning Policy Manager | |
| | <u>Contact Details:</u> martindavies@monmouthshire.gov.uk | |
| iv. | Monmouthshire Local Development Plan Community Infrastructure Levy | 267 -
442 |
| | <u>Purpose:</u> To advise Cabinet of the results of the recent consultation on a Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule (PDCS) and to seek endorsement of a Draft Charging Schedule (DCS), with a view to issuing for consultation purposes and to recommend to Council accordingly. | |
| | <u>Author:</u> Martin Davies, Planning Policy Manager | |
| | <u>Contact Details:</u> martindavies@monmouthshire.gov.uk | |
| v. | Gypsy and Traveller Accommodation Assessment | 443 -
496 |
| | <u>Purpose:</u> To consider the attached draft Gypsy and Traveller Accommodation Assessment report which details the potential accommodation needs for Gypsy and Travellers in Monmouthshire. | |
| | <u>Author:</u> Stephen Griffiths | |
| | <u>Contact Details:</u> stephengriffiths@monmouthshire.gov.uk | |
| vi. | Croesonen S106 Funding | 497 -
508 |
| | <u>Purpose:</u> To decide on the allocation of grants to specific projects from the Section 106 funding available from the Croesonen Section 106 Agreements. | |
| | <u>Author:</u> Mike Moran | |
| | <u>Contact Details:</u> mikemoran@monmouthshire.gov.uk | |
| vii. | Capital Budget 2016/17: Section 106 Funding | 509 -
528 |
| | <u>Purpose:</u> To recommend the setting up of a Capital Budget in 2016/17 for the Gilwern and Little Mill Off Site Open Space/Recreation Funding; and To decide on the allocation of grants to specific projects from the Section 106 funding available in 2016/17. | |
| | <u>Author:</u> Mike Moran | |
| | <u>Contact Details:</u> mikemoran@monmouthshire.gov.uk | |

Yours sincerely,
Paul Matthews
Chief Executive

CABINET PORTFOLIOS

County Councillor	Area of Responsibility	Partnership and External Working	Ward
P.A. Fox (Leader)	Organisational Development Whole Council Performance, Whole Council Strategy Development, Corporate Services, Democracy, Trading Standards, Public Protection, Licensing	WLGA Council WLGA Coordinating Board Local Service Board	Portskewett
R.J.W. Greenland (Deputy Leader)	Innovation, Enterprise & Leisure Innovation Agenda, Economic Development, Tourism, Social Enterprise, Leisure, Libraries & Culture, Information Technology, Information Systems.	WLGA Council Capital Region Tourism	Devauden
P.A.D. Hobson (Deputy Leader)	Community Development Community Planning/Total Place, Equalities, Area Working, Citizen Engagement, Public Relations, Sustainability, Parks & Open Spaces, Community Safety, Environment & Countryside.	Community Safety Partnership Equalities and Diversity Group	Larkfield
E.J. Hackett Pain	Schools and Learning School Improvement, Pre-School Learning, Additional Learning Needs, Children's Disabilities, Families First, Youth Service, Adult Education.	Joint Education Group (EAS) WJEC	Wyesham
G. Burrows	Social Care, Safeguarding & Health Adult Social Services including Integrated services, Learning disabilities, Mental Health. Children's Services including Safeguarding, Looked after Children, Youth Offending. Health and Wellbeing.	Gwent Frailty Board Older Persons Strategy Partnership Group	Mitchel Troy
P. Murphy	Resources Accountancy, Internal Audit, Estates & Property Services, Procurement, Human Resources & Training, Health & Safety, Development Control, Building Control.	Prosiect Gwrydd Wales Purchasing Consortium	Caerwent
S.B. Jones	County Operations Highways, Transport, Traffic & Network Management, Waste & Recycling, Engineering, Landscapes, Flood Risk.	SEWTA Prosiect Gwrydd	Goytre Fawr



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
- Maintaining locally accessible services

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.

Cymunedau Cynaliadwy a Chryf

Canlyniadau y gweithiwn i'w cyflawni

Neb yn cael ei adael ar ôl

- Gall pobl hŷn fyw bywyd da
- Pobl â mynediad i dai addas a fforddiadwy
- Pobl â mynediad a symudedd da

Pobl yn hyderus, galluog ac yn cymryd rhan

- Camddefnyddio alcohol a chyffuriau ddim yn effeithio ar fywydau pobl
- Teuluoedd yn cael eu cefnogi
- Pobl yn teimlo'n ddiogel

Ein sir yn ffynnu

- Busnes a menter
- Pobl â mynediad i ddysgu ymarferol a hyblyg
- Pobl yn diogelu ac yn cyfoethogi'r amgylchedd

Ein blaenoriaethau

- Ysgolion
- Diogelu pobl agored i niwed
- Cefnogi busnes a chreu swyddi
- Cynnal gwasanaethau sy'n hygyrch yn lleol

Ein gwerthoedd

- **Bod yn agored:** anelwn fod yn agored ac onest i ddatblygu perthnasoedd ymddiriedus
- **Tegwch:** anelwn ddarparu dewis teg, cyfleoedd a phrofiadau a dod yn sefydliad a adeiladwyd ar barch un at y llall.
- **Hyblygrwydd:** anelwn fod yn hyblyg yn ein syniadau a'n gweithredoedd i ddod yn sefydliad effeithlon ac effeithiol.
- **Gwaith tîm:** anelwn gydweithio i rannu ein llwyddiannau a'n methiannau drwy adeiladu ar ein cryfderau a chefnogi ein gilydd i gyflawni ein nodau.

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REPORT

SUBJECT	REVENUE & CAPITAL MONITORING 2015/16 MONTH 9 OUTTURN FORECAST STATEMENT
DIRECTORATE	Chief Executive's Unit
MEETING	Cabinet
DATE	3rd February 2016
DIVISIONS/ WARD AFFECTED	All Authority

PURPOSE

The purpose of this report is to provide Members with information on the forecast revenue outturn position of the Authority at the end of reporting period 3 which represents month 9 financial information for the 2015/16 financial year.

1.2 This report will also be considered by Select Committees as part of their responsibility to,

- assess whether effective budget monitoring is taking place,
- monitor the extent to which budgets are spent in accordance with agreed budget and policy framework,
- challenge the reasonableness of projected over or underspends, and
- monitor the achievement of predicted efficiency gains or progress in relation to savings proposals.

2. RECOMMENDATIONS PROPOSED TO CABINET

- 2.1 That Members consider the position concerning the third period of revenue monitoring in 2015/16 (£505,000 overspend), and seek assurance that Chief Officers will continue to work on delivering the £1.6 million Recovery Plan reported to December 2015 Cabinet.
- 2.2 That Senior officers follow the requirement of the Protection of Employment Policy which requires that all redundancy and pension costs must be reported to and agreed by Cabinet before final approval.
- 2.3 Members consider the position concerning period 3 (Month 9) Capital Monitoring 2015/16 of an estimated £23.8million spend against a net budget of £23.9million, after proposed slippage of £37.7 million, notes the improvement in a need for slippage reported by managers (after excluding 21c schools),

and the reservation that this necessitates managers incurring £12.5million expense during the last quarter, when collective they only spent £11.3 million in preceding periods this year.

2.4 Requests the addition of two wholly funded section 106 funded capital schemes to the capital programme, which managers report will be fully utilised by the end of March 2016:

- A capital budget of £40,000 to allow for the construction of a Puffin crossing in the vicinity of the development at Saw Mill house funded from S106 contributions from the development at Saw Mill house, Little Mill.
- A capital budget of £6,800 to continue the implementation of the Monmouth Links Connect 2 walking and cycling network funded from Section 106 contributions received from the development at the Almshouses, St James' square Monmouth.

3. MONITORING ANALYSIS

3.1 Revenue Position

3.1.1 Revenue budget monitoring information for each directorate's directly managed budgets is provided together with information on corporate areas.

3.1.2 Responsible Financial Officer's Summary of Overall Position Period 3

Table 1: Council Fund 2015/16 Outturn Forecast Summary Statement at Period 3 (Month 9)	Annual Forecast @ Month 9	Revised Annual Budget @ Month 9	Forecast Over/(Under) Spend @ Month 9	Forecast Over/(Under) Spend @ Month 6	Forecast Variance Month 6 to Month 9	Forecast Over/(Under) Spend @ Month 2	Forecast Variance Month 2 to Month 6
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social Care & Health	39,475	38,247	1,228	1,101	127	519	582
Children & Young People	51,594	51,351	243	197	46	274	(77)
Enterprise	10,162	10,140	22	601	(579)	338	263
Operations	16,298	16,308	(10)	339	(349)	634	(295)
Chief Executives Unit	6,810	7,002	(192)	(31)	(161)	(120)	89
Corporate Costs & Levies	18,115	18,215	(100)	(61)	(39)	63	(124)
Net Cost of Services	142,454	141,264	1,190	2,146	(955)	1,708	438
Attributable Costs – Fixed Asset Disposal	150	233	(82)	(51)	(31)	0	(51)
Interest & Investment Income	(100)	(51)	(49)	(33)	(16)	(30)	(3)
Interest Payable & Similar Charges	3,275	3,662	(387)	(382)	(5)	(202)	(180)
Charges Required Under Regulation	5,536	5,776	(241)	30	(271)	74	(44)
Contributions to Reserves	90	95	(5)	0	(5)	0	0
Contributions from Reserves	(1,772)	(2,773)	1,001	108	893	(90)	198

Capital Expenditure financed from reserves	210	210	0	0	0	0	0
Amounts to be met from Government Grants and Local Taxation	149,843	148,416	1,427	1,818	(391)	1,460	358
General Government Grants	(67,642)	(67,642)	0	0	0	0	0
Non-Domestic Rates	(26,737)	(26,737)	0	0	0	0	0
Council Tax	(60,844)	(60,094)	(750)	(600)	(150)	(500)	(100)
Council Tax Benefits Support	5,925	6,097	(172)	(152)	(20)	(93)	(59)
Net Council Fund (Surplus) / Deficit	545	40	505	1,066	(561)	867	199
Budgeted contribution from Council Fund	-40	(40)	0	0	0	0	0
	505	0	505	1,066	(561)	867	199

3.1.3 The bottom line situation, a £505k potential overspend needs some further analysis to understand the underlying position. This overspend includes £620k overspend in relation to non school redundancy costs (which are still subject to member approval). Setting these one off costs aside would reduce the overspend to an underspend of £115k.

3.1.4 However the position reported above also includes £868k of underspends relating to reserve funded projects which are now going to be deferred to 2016/17. Taking this into account results in an **overspend of £753k overall and a £1.439 million overspend in net cost of services.**

3.1.5 The analysis in the table below takes the “simple” outturn prediction for services and adjusts for the unbudgeted redundancy costs that Directorates are forecasting, and the extent of reserve usage planned that instead Directorates request is deferred to a later year:

Directorate Cost	Outturn Reported based on month 9 data	Redundancy costs not budgeted for not falling to schools	Adjusted Outturn	Reserve funded expenditure requested deferred	Adjusted budget	“Real” variance against budget
Social Care & health	39,475	(11)	39,464	(97)	38,150	1,314
Children and young people	51,594		51,594		51,351	243
Enterprise	10,162	(557)	9,605	(752)	9,388	217
Operations	16,298	(52)	16,246		16,308	(62)
Chief Executives	6,810		6,810	(19)	6,983	(173)
Corporate Costs & levies	18,115		18,115		18,215	(100)
Net Cost of Services	142,454	(620)	141,834	(868)	140,395	1,439

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3.1.6 The main overspending areas are:

- Social Care and Health (£1.3m), although the main pressure continues to exhibit in Childrens Services (£1.5m) and is compensated in part by the beneficial situation in Adult, Commissioning and Community Care
- CYP Directorate exhibits a slightly worsening position (£246k overspend) relating to the Primary Schools, CYP Management and the Youth Service
- Enterprise overspend of £217k relating to recovery plan savings not met and further pressures in some service areas
- Operations, Chief Executive’s and Corporate are all now exhibiting an underspend forecast which in part offsets the overspends above.

3.1.7 The expectation of the Recovery Plan approved by Cabinet in December was to reduce the net cost of service overspend at month 6 from £2.146 million to £800k with the remaining overspend being met from Treasury and Council tax surplus. The above analysis shows that there is still some way to go to deliver on the plan.

3.1.8 Given the financial challenges that will continue to face the Authority for the foreseeable future, Chief Officers continue to be tasked with ensuring that services live within the budgets and savings targets set for the current financial year and deliver on the recovery plan agreed by Cabinet. The outturn report will contain information on what has been done to manage the over spends identified and the positive action that has been undertaken to ensure that the outturn comes in on budget.

3.1.9 Slippage on Reserve funded projects

The following table indicates the extent of budgeted reserve funding anticipated utilised by Directorates and that element of approved expenditure they request to be deferred.. These include,

Directorate	Project	Reserve Source	Reserve funding utilised in 2015-16	Reserve funding deferred to 2016-17
Enterprise	Superfast Broadband facilitation	IT transformation	53,200	20,000
	Centre of Innovation funding	Invest to Redesign	0	130,000
	Reserve funding to facilitate 14-15 mandates	Invest to Redesign	0	49,000
	Eisteddfod	Priority Investment	145,000	430,455
	Local development plan	Priority Investment	0	100,000
	HR restructure	Invest to Redesign	0	22,500
	Innovation and marketing assistance to deliver mandates	Invest to Redesign	105,000	0
	Informing the future of Cultural services	Invest to Redesign	24,000	0
	City Deal Contribution	Priority Investment	30,300	
	CMC2 shortfall 14-15	Priority Investment	140,000	
Sub Total Enterprise			497,500	751,955
Social Care & Health	Service Transformation Adult Social Care	Invest to Redesign	103,000	57,125
	Childrens Services Temporary Staff	Priority Investment	113,347	40,000
Sub Total Social Care			216,347	97,125
Children & Young People	Innovation and marketing assistance to deliver mandates	Invest to Redesign	60,000	0
	CYP development fund	Priority Investment	273,422	
	Restorative Approaches	Priority Investment	61,000	
	Raising Education standards	Priority Investment	56,000	
Sub Total Children & Young People			450,422	0
Sub Total Operations	Bus lease repayments	Grass Routes Buses	25,913	0
Chief Executives	Council Tax Recovery	Invest to Redesign	28,817	0

	Innovation and marketing assistance to deliver mandates	Invest to Redesign	26,000	19,000
	Reserve funding to facilitate 14-15 mandates	Invest to Redesign	13,000	0
	NNDR hardship case	Priority Investment	18,750	
Sub Total Chief Executive's			86,567	19,000
Sub Total Corporate	Redundancy Strain Costs	Redundancy & pension	325,434	0
Appropriations	Fixed asset disposal	Capital receipts generation reserve	100,369	132,988
	Vehicle leasing	Invest to Save Advances	8,583	
	Prudentially borrowed vehicle repayments	Invest to Redesign	60,737	0
Sub Total Appropriations			169,689	132,988
Total			1,771,872	1,001,068

3.1.10 Redundancy costs

In support of the summary table redundancy column included in para 3.1.5 above, the following provides greater detail for members of the redundancy costs incurred by Sections during the year.

Directorate	Service	Redundancy Costs 2015-16 to date
Enterprise	Strategic Management	85,279
	Community Hubs	300,973
	Community Education	96,317
	Leisure	18,081
	Markets	24,519
	Whole Place	31,392
	Sub total	556,561
Operations	Transport	9,131
	Building Cleaning	1,091

	Resources	7,271
	Grounds	30,752
	Highways	3,978
	Sub total	52,223
Social Care & Health	Supporting People	1,932
	My Day	8,783
	Sub total	10,715
Children & Young People	Schools	465,742
Total		1,085,241

3.1.11 When managers initially highlight the re-engineering of services, there is often a potential for redundancy payments, but it is not possible to quantify the extent of these costs without prejudicing the outcome of the interview process or the success of redeployment. A second report is required to quantify these costs prior to being incurred for member approval. The Protection of Employment Policy states that:

All redundancy and Pension costs must be reported to and agreed by Cabinet before final approval. All costs associated from redundancy and/or re-deployment will be borne by the service budget.

3.1.11 A summary of main pressures and under spends within the Net Cost of Services Directorates are presented here:

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Social Care & Health (SCH)					
ADULT SERVICES					
Severn View DC & My Day DC	(13)	0	(13)	12	Increased use of temporary staff to cover long term sickness has led to reduction in savings.
Mardy Park Rehabilitation Unit	(12)	0	(12)	0	Section 33 income is running ahead of budget but has reduced
MardyPark	60	0	60	12	Due to low level of income as a result of falling long term clients. A recently approved transformation model will look to readdress this position.
Severn View Residential	93	0	93	32	Combination of mandate savings not being achieved plus lower income charges from less full paying clients.
Direct Care	(71)	0	(71)	8	Reflects increased income from client referrals and Management vacancy
Transition Co-operative	(24)	0	(24)	0	Relates to income from staff seconded to an external agency.
Adult Services Man/Support	(103)	0	(103)	(4)	Current Disabilities team manager vacancy plus ICF grant meeting costs of the Direct Care team manager.
CHILDREN SERVICES					
Fostering Allowances and Payments For Skills	144	0	144	(12)	Reflects financial support to the current number and age mix of children in foster care and skills payments to carers with SGO's
Younger People's Accommodation	(66)	0	(66)	30	This budget is prone to volatility and since month 6 we are supporting two more placements costing £1,600 per week.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Ty'r Enfys	(52)	0	(52)	0	This facility with now remain closed for the entire year.
Counsel Costs	18	0	18	0	This service has received extra budget provision during the period of reporting
Therapeutic Service	(28)	0	(28)	0	Under spend due to vacant Play Therapist post being filled on a part time basis from 07/09/15
External Placements – LAC	1,094	0	1,094	174	Current activity is 70 placements (64 at M6) and we are seeing a full year effect of placements that only entered the system in the latter part of last year.
External Placement - Non-LAC	(96)	0	(96)	1	This cost centre is generally used to fund the over spend within S026.
GWICES (Gwent Wide Integrated Community Equip Services)	(26)	0	(26)	0	Forecast based on GWICES report for November 2015 received from the host Torfaen CBC
Other Children's Services –appendix 6	(4)	0	(4)	(8)	
SCYP - Placement & Support Team	122	0	122	(6)	Over spend due to use of agency staff, contact and assessment costs and home to school transport. More recently this budget has funded building work to create in house contact centres.
Children Services Safeguarding Unit	(27)	0	(27)	(6)	Under spend relates to a vacant part time Independent Reviewing Officer post not expected to be filled until 2016/17.
SCYP - Supporting Children & Young People Team	233	0	233	35	Overspend relates to the employment of 7 agency workers to cover staff sickness and capacity issues and a 77% increase in transport costs since last year.
Disabled Children	91	0	91	3	Large part of overspend relates to the continued use of agency staff to cover sickness and the employment of a Student Placement Social Worker.
FRS – Family Support Team	42	0	42	15	This budget is currently employing the services of 12 social workers to cover for various staff absences.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Bus Cases / Temp Funding - Cabinet 06/05/15	(77)	0	83	(161)	Underspend relates to delayed appointment to social worker posts connected with approved business cases
COMMUNITY CARE					
Aids for Daily Living	(9)	0	(99)	22	Forecast based on GWICES report for August 2015 received from the host Torfaen CBC
Adult Transformation	(57)	0	(57)	0	Delay reserve funding by £57K into 2015/16. Head of Service to make formal reserve slippage request.
Other Social Care	9	n/a	9	(16)	See appendix 6
COMMISSIONING	(15)	0	(15)	(7)	See appendix 6
RESOURCES	2	0	2	3	See appendix 6
Total SCH at Month 9	1,228	0	1,228	127	Total SCH Outturn at Month 9

2011

Children & Young People (CYP)					
ISB	115	0	115	87	Additional costs of protection at schools, adverse school rateable value change and additional professional fees
Management	24	n/a	24	(12)	Professional fees relating to schools moved to ISB
Financial Management Services	30	n/a	30	14	vacancy has been temporarily filled earlier than previously anticipated at M6
Support Services	29	n/a	29	(8)	Legal costs incurred by the Authority
Additional Learning needs	(132)	n/a	(132)	(30)	Recoupment income increased due to price increase w.e.f. from January and vacancy left open. The departmental recovery plan stated that £60,000 extra would be recovered in relation to recoupment charges. This has been received, however there is an overspend on the contingency budget which has offset some of this. We are still anticipating a further

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
					£20,000 saving on our collaborative arrangements. This will not be known until year end.
Primary Breakfast Initiative Grant	55	n/a	55	0	Take up continues to increase and therefore resulting in additional staffing requirements.
Community Education Youth General	2	137	139	2	Funding from Torfaen Training has since reduced in 15-16, so although savings have been found, this leaves the service in a similar position to that reported at Q2. The departmental recovery plan anticipated a further £60,000 in grant income, notification has been received that this has been delayed until 2016-17 financial year.
Other CYP	(17)	n/a	(17)	(7)	See Appendix 7. The departmental recovery plan indicated a saving of £44,000. While a proportion of this will have been made, some vacancies were filled earlier than anticipated. All budget holders are ensuring that no non-essential spend it being made.
Total CYP at Month 9	106	137	243	46	Total CYP Outturn at Month 9

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Enterprise (ENT)					
Sustainability	65	33	98	15	Sections' inability to achieve the expected income targets. Therefore, recovery plan target unlikely to be met
Strategic Property Management	(50)	0	(50)	7	Under spend relates partly to a staff vacancy, and a reduction in budgeted professional fee's. The departmental recovery plan included a £33,000 saving on asset rentals and maintenance, at month 9 only £6,000 has been achieved.
Cemeteries	(76)	n/a	(76)	(33)	Continuing increase in budgeted income along with lower than anticipated expenditure,
County Farms Unit	(15)	n/a	(15)	(24)	Variance from month 6 to month 9 is a reduction is expected maintenance along with higher than anticipated income from recovered outstanding rentals. The departmental recovery plan set at month 6 included a reduction in maintenance spend of £50,000, currently £25,000 has been achieved

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Markets	105	33	138	30	Overspend on employee costs due to delayed implementation of restructure along with unbudgeted overtime. The section is also forecasting an inability to meet the increase income target (Mandate £50k Markets Income) Redundancy cost increased
Community Education	178	0	178	88	£50,262 relates to one off redundancy costs which the section requests reserve funding. The remaining £40,000 due to the reduction in franchise income. M6 to M9 increase due to unbudgeted Hanbury House costs and delayed restructure
Community Hubs	261	125	386	71	due to £328k one off redundancy costs which have already been incurred at month 9 and £58k of redundancy costs which will be incurred by year end,
Fixedfod	(430)	0	(430)	(430)	This years spend is likely to be around £145k but there is still uncertainty around these costs with the remaining £330k needing to be rolled forward into 16-17 as the agreed project runs over two financial years.
Homelessness	(46)	0	(46)	3	Funding of the Financial Inclusion Officer coming from the Implementing the Housing Act Grant £28,000 and a reduction in expenditure against B&B accommodation offset by bad debt write offs since M6
Renovation Grants	18	0	18	18	Overspend relates to unbudgeted overheads on DFG grant income
Lodgings Scheme	(40)	0	(40)	5	Occupancy levels being forecast at a fairly high level therefore increasing the amount of rental income and HB benefit.
Spend to Save	(27)	0	(27)	2	Saving due to unexpected one-off grant funding
Whole Place	(20)	n/a	(20)	22	Staff vacancies - Delayed appointment, reduction since M6 due to redundancy costs
People Services, Innovation & Business	(201)	0	(201)	(201)	Savings due to reduced budgeted calls on reserves
General Overheads	1	112	113	3	The 100k savings that were to be achieved through in-house software development and the sale of products will not occur. This formed part of the departmental recovery plan set at month 6 and it is currently anticipated that none of these savings will be achieved. Other options to look for alternative savings are being actively sought.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Development Plans	(150)	0	(150)	0	LDP savings as scheme unlikely to be implemented in 2015-16
Leisure Services	(20)	30	10	(85)	20k over spend from Children's Services. 30k relates to a learning Co-ordinator post that is not grant funded anymore, 15k 3G pitch income issues with the lighting and electricity supply. The £35,000 saving built into the departmental recovery plan from increased income has not materialised see Appendix 8 for further detailed comments
Museums, Shirehall, Caldicot Castle & Country Parks	99	45	144	(6)	Budget does not reflect the cost to run the service. Historic budget assumptions along with 24k savings from 13-14 carried forward will not be made. Income on target for 15-16 but spend to achieve this income will be over budget. Of the £30,000 built into the recovery plan £8,000 has been achieved through the winter closure of Chepstow TIC, the remaining £22,000 is yet to be found.
Other Enterprise	(8)	0	(8)	(64)	See Appendix 8
Total ENT at Month 9	(356)	378	22	(579)	Total ENT Outturn at Month 9

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Operations (OPS)					

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Transport Policy	(19)	0	(19)	(14)	Increase in income due to favourable winter weather conditions
Highways	(210)	50	(160)	(145)	Highways is forecasting to underspend by £160,000 due to SWTRA income £100k, Operations savings £40k and increase in Fixed Penalty notices on street works £20k. The advertising income target is now unachievable this financial year due to approval delays. Currently the section has achieved £140,000 of the £215,000 targeted savings included in the month 6 Recovery Plan. It is now anticipated that certain income targets set in the plan will not be met, in particular road closure and pre-app planning fees and also advertising.
Public Transport Subsidy LTSG Grant	37	0	37	32	Un-budgeted staff costs, mainly on salaries and overtime and an increase in transport costs.
Public Transport Subsidy Grant	(44)	0	(44)	4	Administering the Bus Services Support Grant is claimable against the grant £50,000, this has been off set by small over spend on vehicle and transport costs of £5,000 in quarter 3.
Home To School Transport	335	0	335	0	The over spend against budget is due to similar issues to that in 2014-15, in particular the assumed ALN transport savings have proven unachievable, budgeted increased income levels were not made whilst at the same time corporate budget decisions regarding reductions in overtime costs were imposed. A mandate has been put forward to highlight the fact that the service cannot operate within its existing budget and has requested further funding via the MTFP in 2016-17.
School Transport – External	(92)	0	(92)	(92)	Vacant post £11,000 and reductions in transportation costs and season tickets £81,000. The £15k listed in the departmental recovery plan at month 6 is expected to be achieved by year end.
Special Educational Needs	(32)	0	(32)	(32)	Vacant post £11,000 and reductions in transportation costs and season tickets £21,000.
Building Cleaning	25		25	0	Overspend due to delayed implementation of the mandate saving - transferring public conveniences to town councils.
Schools Catering	42	n/a	42	7	Increased costs due to the councils need to comply with Healthy Eating In Schools agenda, M6 to M9 relates to additional staffing costs to cover sick absence.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Resources	119	n/a	119	16	Forecasted deficit position is due to a reduction in income as a result of a shortfall in capital fees.
Accommodation	(159)	n/a	(159)	(9)	Underspend due to a continued reduction in premises and supplies and services costs on all accommodation
Grounds Maintenance	(75)	0	(75)	(75)	Increase in external income. A target of £70,000 was included in the departmental recovery plan, the unit is expected to exceed this by £5k.
Refuse & Cleansing Operations	(25)	25	0	(20)	pressures of the budget mandates are still real, however have been mitigated by a reduction in fuel costs (£80k benefit from budget) and a reduction in Superannuation as about 20 staff have opted out of the Council provided pension (£96k). Managers are to engage with staff to ensure that their decision to opt out of the pension is what they want to do, so this may not be a recurring saving. All of the £30k listed in the departmental recovery plan is expected to be found by year end.
RAG Training	46	0	46	0	Has seen demand fall due to both increasing competition from other training providers and Council's facing major budget pressures only undertaking mandatory training.
Other Operations	(33)	0	(33)	(11)	See Appendix 9 – A £10,000 building maintenance saving included in the recovery plan will be achieved by year end.
Total OPS at Month 9	(85)	75	(10)	(349)	Total OPS Outturn at Month 9

Chief Executive's Office (CEO)					
Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved	Targeted 2015-16 Savings not yet realised	Forecast Outturn Position <u>net</u> of savings not achieved	Movement since Period 2	Headline Comment
	£'000	£'000	£'000	Red= Adverse (Green) = Favourable	
Customer Relations	12	0	12	0	Professional fees incurred during a complaint investigation.
Members Costs	17	0	17	17	Mainly inability to make vacancy factor savings
Democratic Services	(43)	0	(43)	(43)	Savings in supplies & services and unfilled staff vacancy
Legal	(25)	0	(25)	(25)	Savings in supplies & services and unfilled staff vacancy
Public Protection	(36)	0	(36)	(30)	Savings in supplies & services and unfilled staff vacancy
Benefits	(67)	n/a	(67)	(37)	Savings in Housing Benefit expenditure and reduced administration costs.
Police Council Tax & NNDR Administration	55	0	55	(10)	Forecast shortfall in income from court fees slightly improved from M6, includes potential redundancy costs for Officer
Cashiers	14	0	14	(2)	Overspend is largely attributable to estimated annual card fees
Revenues Systems Administration	(33)	0	(33)	10	Vacant post, reduced petrol costs and reduced system costs as proportion now charged to Housing Benefits. Decrease due to service costs for CIVICA system
Financial Systems Support and VAT	(5)	0	(5)	2	additional income from Schools following the renegotiation of contract costs
Communications	30	0	30	30	due to an under recovery of costs for the post of Digital Media Designer
Policy and Partnership Management	(43)	0	(43)	(14)	Mainly £32,000 of one off LSB grant attributable to a post which is currently vacant. £10k for other vacant post.
Other CEO	(68)	0	(68)	(59)	See Appendix 10
Total CEO at Month 9	(192)	0	(192)	(161)	Total CEO Outturn at Month 9

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Corporate (COL)					
Audit Commission Fees (Certification Grant Claims)	(36)	n/a	(36)	14	Forecasted saving in relation to the auditing of grant claims
Drainage Levies	10	0	10	10	Drainage Levy original budget insufficient for service cost
Coroner Fees	16	0	16	0	Original budget insufficient for service costs
HMRC Rate Reimbursements	(29)	0	(29)	7	VAT rebates exercise
Early Retirement Pension Costs	161	n/a	161	11	Additional cost of redundancies notified in latter part of 2014/15 & during 2015/16
Insurance Premium Payment(Direct)	(67)	n/a	(67)	(7)	Based on reduction in premium costs as a result of the tender completed in September 2015.
Insurance Settlement Expenditure	(65)	0	(65)	(65)	Insurance settlement claims predicted to be lower due to reduced claims activity
Indirect Revenue Gains Reserve	(97)	0	(97)	17	Rate rebates from MCC Properties
Other Corporate	7	0	7	1	See appendix 11
Total COL at Month 9	(100)	0	(100)	(40)	Total COL Outturn at Month 9

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Appropriations (APP)					
Attributable Costs - Fixed Asset Disposal	(82)	0	(82)	(31)	12 Schemes delayed mainly due to a rethink of disposal strategy to optimise receipts
Interest and Investment Income	(49)	0	(49)	(16)	Increased cash income due to increased cash balances - in turn due to temporary borrowing taken out when rates were advantageous to prevent concentrated borrowing at difficult times.
Interest Payable and Similar Charges	(387)	n/a	(387)	(5)	saving against budget due to long term debt not being taken out and temporary borrowing being at a lower rate than budgeted

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Charges Required Under Regulation	(241)	n/a	(241)	(271)	Consistent with recovery plan intentions, a planned set aside of £6m of capital receipts in 2016/17 will be brought forward a year from 16/17 as there is a balance of receipts available to do this and this will achieve a saving on MRP payments due.
Earmarked Contributions Reserves (Revenue)	996	n/a	996	889	£1,001k of budgeted spend expected to be slipped to 16/17; offset by additional reimbursement
Other Appropriations	0	0	0	0	
Total APP at Month 9	237	0	237	618	App Outturn at Month 9

Financing (FIN)					
Council Tax	(750)	n/a	(750)	(150)	Surplus due to projected better Council Tax Collection rates as a result of increasing Council Tax base.
Benefit Support	(172)	n/a	(172)	(20)	The forecast reflects the current commitments within the system. Caseloads continue to reduce, a trend that is expected to continue through to year end.
Total Financing	(922)	0	(922)	(170)	
Grand Total @ Month 9	(85)	590	505	(561)	

3.1.12 More detailed monitoring information together with a narrative of more significant variance over £25,000 is provided in the Select Appendices 2 to 5.

3.2 SCHOOLS

3.2.1 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the outturn forecast Schools' balances position based on month 9 projections.

Draft Council Fund Outturn 2015/16– Schools Summary outturn position at Month 9 (Period 3)	(A) Opening Reserves (Surplus) / Deficit Position 2015/16 £'000	(B) Budgeted Draw on School Balances 2015-16 £'000	(C) Variance on Budgeted Reserve Draw £'000	(D) Draw Forecasted on School Balances @ Month 9 £'000	Forecasted Reserve Balances at 2015-16 Outturn (A+D) £'000	(D) Draw Forecasted on School Balances @ Month 6 £'000	Variance Month 6 To Month 9 £'000	Draw Forecasted on School Balances @ Month 2 £'000	Variance Month 2 To Month 6 £'000
Clusters									
Abergavenny	(412)	124	(24)	46	(366)	(19)	63	(312)	(119)
Caldicot	(426)	275	(23)	112	(314)	153	(41)	(174)	(99)
Chepstow	98	36	9	80	178	63	17	143	18
Monmouth	(424)	166	27	138	(286)	154	(16)	(231)	(39)
Special	24	(18)	(10)	116	140	105	11	(4)	133
Total	(1,140)	583	(21)	491	(649)	457	(34)	(578)	105

3.2.2 School balances at the beginning of the financial year amount to £1,140,000. The Schools budgeted draw upon balances is forecasted to be £491,000 for 2015/16, therefore leaving £649,000 as forecasted closing reserve balances.

3.2.3 Within these summary figures, of particular note, is the deficit reserve position forecasted for the Chepstow Cluster, Chepstow Comprehensive school have a recovery plan in place, the latest forecast indicates an increase in the deficit for the school. This is due to the contribution to redundancy costs that the school has incurred. The recovery plan is currently being reviewed and given the number of pupils on roll this deficit will still be met over the duration of the plan.

3.2.4 5 schools exhibited a deficit position at the start of 2015/16; Llanvihangel Crocorney (£15,039), Castle Park (£39,730), Chepstow Comprehensive (£388,687) Llandogo (£12,347) and Mounton House Special School (£25,955). Of these five schools the following three have seen an increase in their deficit balance at month 9, Llanvihangel Crocorney (£30,947), this is due to the pupil numbers in the school increasing and therefore an additional teacher needed to be employed, Mounton House Special School (£142,391) due to significant staffing changes and a delay in grant funding through the ESF project and Chepstow Comprehensive (£399,926). Overmonnow are now projected to have a surplus closing school balance after the implementation of a recovery plan since month 6.

3.2.5 An increase in Chepstow's deficit is inconsistent with Governors recovery plan aspirations that the Council had endorsed, which continues to be monitored closely in consideration of whether the Council continues to endorse such proposals. The situation has been adversely affected by "catch up" water charges which had historically been estimated and the payment of 2 compromise agreements for staff affected by the redundancy exercise. Colleagues in CYP are currently modelling changes in post 16 apportionments between the 4 secondary schools, to establish whether this will have an unanticipated positive effect on the balance position. Irrespective of this, Governors remain confident that recovery will still take place in the original year set.

3.2.5 Schools balances are exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances which is of concern and others a more balanced trend.

Financial Year-end	Net level of School Balances
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16 (Forecast)	(649)

3.2.6 There has been a significant reliance on reserve balances to supplement school spending plans in the last 4 years across individual schools with a certain amount of replenishment. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to no more than £50,000 for a primary school and £100,000 for a secondary school. Members may wish to seek a comfort that balances aren't being used to subsidise and sustain core costs such as staffing.

3.2.7 Further information on Schools is provided in Children & Young People Select Appendix 5.

3.3 2015/16 Savings Progress

3.3.1 This section monitors the specific savings initiatives and the progress made in delivering them in full by the end of 2015/16 financial year as part of the MTFP budgeting process.

In summary they are as follows:

2015/16 Mandated Budgeted Savings Progress at Month 9

DIRECTORATE	Specific Savings Initiatives 2015/16 £'s	Savings Identified @ Month 9 £'s	Percentage Progress In Savings Achieved %	Delayed Savings to 2016/17 £'s	Savings Unachievable in 2015/16 £'s
Children & Young People	1,514,000	1,377,000	91%	0	137,000
Social Care & Health	274,000	274,000	100%	0	0
Enterprise	1,392,983	1,015,983	73%	125,000	253,000
Operations	1,513,000	1,438,000	95%	50,000	25,000
Chief Executives Office	85,000	85,000	100%	0	0
Total Budgeted Savings	4,778,983	4,189,983	88%	175,000	415,000

3.3.2 Forecasted mandated savings are currently running at 88%, with £415,000 being deemed unachievable at the end of month 9, and a further £175,000 unlikely to crystallise in 2015-16.

3.3.3 The emphasis of reporting savings has changed from previously where savings were reported when they were manifest, however the judgement is now whether saving is forecast to be achieved.

3.3.4 The savings appendix also has a traffic light system to indicate whether savings are likely to be achieved or have reasons explaining the mandates delayed implementation against the original and revised delivery recovery plans. The following savings mandates are still reported to be high or medium risk.

Operations (OPS)

- Highways advertising income is forecasting a £50,000 delayed saving due to planning issues in regard to the implementation of the scheme.
- Trade Waste are indicating that the sale of extra trade waste re-cycling bags (£25,000) is likely to be unachievable within the remainder of the financial year.

Enterprise (ENT)

- Utility supply issues at the Caldicot 3G sports pitch has resulted in reduced income of £15,000 and £15,000 for caretaker charges at Abergavenny Leisure Centre. Delayed Lighting installed at the 3G pitch resulted in only partial income being reached against alternative delivery plans amounting to £5K.
- Sustainable Energy Initiatives is reporting £33,000 of unachievable income targets
- Museums, Shirehall & Castles and Tourism – £15,000 shortfall due extra staffing requirements at Chepstow TIC and unattainable green screen savings (£10,000) and conservation income (£20,000). There has been no positive impact as a result of the alternative delivery plan as at month 9.
- In House development of ICT systems and associated income generation estimated at £100,000 will not occur with additional savings of £12,000 still be found from software contracts.
- MCC Markets are indicating that the extra income of £33,000 from the Markets and associated activities is unachievable due to budget pressures relating to the Borough theatre. The service is forecasting to achieve 37k against the alternative delivery plan of ceasing all repair and maintenance work to the asset portfolio.
- The delayed implementation of the Community Hubs project has led to a £125,000 savings shortfall.

Children and Young People (CYP)

- The Youth Service are forecasting to achieve £63,000 of the mandated savings (£200,000) and have identified the shortfall as being two grants that have been delayed until 2016/17 that were also part of the alternative delivery plan agreed in December by Cabinet

Social Care & Health (SCH)

- The Mandates for Adult Social Care Service re-design and the transfer of SCH Transition project staff to Bright New Futures are forecast to be fully achieved.

Chief Executive's Office

- All current financial year savings have been identified within the Chief Executive's section of responsibility.

3.4 Capital Position

3.4.1 The summary Capital position as at month 9 is as follows

MCC CAPITAL BUDGET MONITORING 2015-16 AT MONTH 9 by SELECT COMMITTEE						
CAPITAL BUDGET SELECT PORTFOLIO	Annual Forecast	Slippage Brought Forward	Total Approved Budget 2015/16	Provisional Capital Slippage to 2016/17	Revised Capital Budget 2015/16	Forecasted Capital Expenditure Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Children & Young People	15,200	7,267	51,351	(36,041)	15,310	(110)
Adult	337	35	353	(15)	337	0
Economic & Development	758	531	1,186	(458)	728	30
Strong Communities	7,531	2,940	8,723	(1,197)	7,527	4
Capital Schemes Total	23,826	10,773	61,613	(37,713)	23,900	(76)

MCC CAPITAL BUDGET MONITORING 2015-16 AT MONTH 9 BY SCHEME CATEGORY

CAPITAL BUDGET SCHEME	Annual Forecast	Slippage Brought Forward	Total Approved Budget 2015/16	Provisional Capital Slippage to 2016/17	Revised Capital Budget 2015/16	Forecaste d Capital Expendit ure Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Asset Management Schemes	3,751	889	4,079	(338)	3,741	10
Future Schools	13,551	6,699	48,896	(35,235)	13,661	(110)
Other School development Schemes	269	219	1,075	(806)	269	0
Infrastructure & Transport	3,174	670	3,242	(68)	3,174	0
Regeneration Schemes	936	947	1,554	(644)	910	26
Sustainability Schemes	94	81	126	(29)	96	(2)
County Farm Schemes	226	152	352	(123)	230	(4)
Inclusion Schemes	1,354	348	1,354	0	1,354	0
ICT Schemes	277	188	288	(11)	277	0
Other Schemes	193	581	646	(457)	189	4
Capital Schemes Total	23,825	10,773	61,612	(37,711)	23,901	(76)

3.5 Proposed Slippage to 2016-17

- 3.5.1 The only major proposed slippage apparent at month 9 relates to 21c schools initiative, a further £1.585 million in addition to that reported at month 6 and reflects the latest cashflow profile provided by CYP colleagues.
- 3.5.2 So ignoring the slippage which pertains to 21c schools, this means that service managers have requested far lower slippage levels £2,433,000 and £38,000 for services managers and property services respectively in comparison to the outturn levels last year of £4,031,000 and £532,000.

The risk associated with reporting far lower slippage levels is the pressure this puts on managers to convert their commitments during the last quarter into actual expenditure. Indicatively actual expenditure incurred is £11.3m and will require managers to convert £5.1m commitments and incur a further £7.4m in the last quarter, combined £12.5m, which is more than they incurred in the previous 8 months.

The more significant areas have been reminded of this, and that there will be no automatic right to slippage at year end. However all are intent to stand by their predictions. The same discipline will be applied at outturn to consider whether to recommend slippage to Members, i.e.

- whether there has been little or no progress in 12 month,
- the level of expenditure incurred this year has been less than in year budget and slippage b/fwd., to consider any opportunity to realign the budget to more realistic levels or reprofile budget more accurately over multiple years,
- or where there are identified problems/barriers to progress e.g. no agreement over scheme, archaeological considerations, planning considerations not yet satisfied or where the manager hasn't clearly evidenced why this should be slippage in the request made.

- 3.5.3 Potentially the Council has costs to incur in remediating the ex-community education building in Usk. This situation is still being quantified, but officers have suggested utilising the slippage associated with County Farms maintenance should it prove necessary rather than create further pressures on the capital programme. This change, should it be necessary, wouldn't be made without future report to members for consideration.

3.6 Capital Outturn

- 3.6.1 After allowing for the indicative slippage volunteered by services, the capital programme for 2015-16 is forecasting to be £76,000 under spent at Month 9. This is predominantly a saving on the Raglan element of 21c schools programme, and shouldn't be viewed as available for redistribution as members may recall agreeing a call upon this underspend to part afford the ICT schools refresh during 2016-17. Tenders have been received in respect of the two main secondary school builds and evaluation and benchmarking being undertaken before contracts can be agreed.
- 3.6.2 The other net underspend refers to sc106 resources which are presumed to return to sc106 pot for re-allocation should the outturn prove as forecast.
- 3.6.3 This leaves potentially £40,000 worth of net overspends to be afforded, and in being consistent with previous treatment it is recommended these be capital receipt funded at outturn if there are no additional underspends manifest at outturn.

3.6.4 Members have been considering a pressure to increase the disabled facilities budget that has remained pretty static over the years. It was hoped that underspends apparent at month 6 would be able to be directed to DFGs to mitigate the extent of forward commitments that potentially carry forward to 2016-17 (the service forecasts this to be circa £428,000). However service managers indicate no significant capital underspends likely at outturn from this month 9 activity, but this will require them to convert significant levels of uncommitted expenditure by the end of March 16 as mentioned in para 3.5.2 above. That hasn't been the reality in past years, and any increase in slippage reported at outturn not already identified in this report will be reviewed particularly closely.

3.6.5 During monitoring the addition of 2 section 106 schemes was requested by service managers. The expenditure associated with such would be complete by the end of 2015-16, therefore it is proposed to recommend their approval. The two schemes are,

- A capital budget of £40,000 to allow for the construction of a Puffin crossing in the vicinity of the development at Saw Mill house. The Puffin crossing was a requirement of the Section 106 agreement relating to the approval of planning permission at the site. The budget of £40,000 will be funded from S106 contributions from the development at Saw Mill house, Little Mill.
- A capital budget of £6,800 funded from Section 106 contributions received from the development at the Almshouses, St James' square Monmouth. The Section 106 agreement specifies the funding is to be used for 'Continuing implementation of the Monmouth Links Connect 2 walking and cycling network'. The expenditure proposed is consistent with that aim.

Capital Financing and Receipts

3.7.1 Given the anticipated capital spending profile reported in para 3.4.1, the following financing mechanisms are expected to be utilised.

MCC CAPITAL FINANCING BUDGET MONITORING 2015-16 AT MONTH 9 BY FINANCING CATEGORY								
CAPITAL FINANCING SCHEME	Annual Forecast Financing	Slippage Brought Forward	Original Budget	Budget Revisions	Total Approved Financing Budget 2015/16	Provisional Budget Slippage to 2016/17	Revised Financing Budget 2015/16	Forecasted 2015/16 Capital Financing
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Supported Borrowing	2,420	0	2,420	0	2,420	0	2,420	0
General Capital Grant	1,462	0	1,462	0	1,462	0	1,462	0
Grants and Contributions	8,897	3,952	16,816	477	21,246	(12,349)	8,897	0
S106 Contributions	643	690	0	602	1,292	(647)	646	(3)

Unsupported borrowing	320	1,274	15,311	(5,411)	11,174	(10,854)	320	0
Earmarked reserve & Revenue Funding	837	409	489	350	1,248	(411)	837	0
Capital Receipts	9,015	4,414	11,134	7,032	22,581	(13,453)	9,128	(113)
Low cost home ownership receipts	189	33	0	156	189	0	189	0
Unfinanced	40	0	0	0	0		0	40
Capital Financing Total	23,825	10,773	47,633	3,206	61,613	(37,711)	23,901	(76)

3.8 Useable Capital Receipts Available

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3.8.1 In the table below, the effect of the changes to the forecast capital receipts on the useable capital receipts balances available to meet future capital commitments is shown. This is also compared to the balances forecast within the 2015/19 MTFP capital budget proposals.

Movement in Available Useable Capital Receipts Forecast

TOTAL RECEIPTS	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000
Balance b/f 1 st April	17,440	5,536	16,354	4,655
Receipts forecast to be received in year as 2015/19 MTFP	10,235	25,220	2,150	0
Increase / (decrease) in forecast receipts forecast at month 6	(6,877)	(149)	6,050	2,000
Deferred Capital Receipts	4	4	4	4
Less: Set aside Capital Receipts	(6,250)	(7,274)	(1,732)	0

Less: Receipts to be applied - General	(2,092)	(1,373)	(509)	(509)
Less : Receipts to be applied - 21C Schools	(6,923)	(5,908)	(17,662)	(3,962)
TOTAL Actual / Estimated balance c/f 31st March	5,536	16,354	4,655	2,188
TOTAL Estimated balance reported in 2015/19 MTFP Capital Budget proposals	11,660	21,104	11,542	10,388
Increase / (Decrease) compared to MTFP Capital Receipts Forecast	(6,124)	(4,751)	(6,888)	(8,200)

Points to note:

- The reduction in the capital receipts forecast in 15/16 is due to the delay in an LDP receipt & the Coed Glas receipt from 15/16 to 16/17 (£7.9m) offset by early collection of the Abergavenny cattle market receipt **deposit** (£1.6m). The increase in forecast receipts in 17/18 is due to slippage of a second LDP receipt from 16/17 to 17/18 (£6.2m).
- The decrease in the Capital receipts balance of £6.1m compared to the MTFP at 31/3/2016 is due to: the reduction in forecast receipts (£6.9m); an early application of capital receipts in respect of those being actively stockpiled for the 21C schools program (£6.2m) and corresponding decrease in borrowing - approved in the 1617 capital mtfp; and a set aside of capital receipts to reduce MRP payments (£6.2m) approved by Cabinet; offset by forecast slippage of capital receipt funded budgets (mainly 21C schools) to 1617 (£13.5m).
- The balance of receipts forecast to be available at the end of the mtfp window at 31/3/2019 (£2,2m) is reduced against the forecast in the 15/16 MTFP by £8.2m mainly due to the increase in total set aside of capital receipts from £10.5m to £15.2m and an increase in budgets funded by capital receipts, including virements from borrowing within the 21C schools program (£5.0m).

3.8.2 The Council has agreed to the inclusion of 21c schools initiative within the Capital Program and this relies on utilising £29.7 million of capital receipts during this next 4 year MTFP period. Consequently the balance of capital receipts available for other schemes during this MTFP window has considerably reduced.

3.9 Reserve Usage

3.9.1 Revenue and capital monitoring reflects an approved use of reserves. Building upon the inclusion of a reserve summary provided as part of 2014-15 the following table indicates the anticipated position both at the end of 2015-16 but also the predicted position for 2016-17 based on decisions already made.

SUMMARY EARMARKED RESERVES POSITION 2015-16 AT MONTH 9

Earmarked Reserves	2014-15	Revenue Approved Usage		Capital Usage	2015-16	Revenue Approved Usage		Capital Usage	2016-17
	b/fwd	Replenishment of Reserves	Draw on Reserves			Replenishment of Reserves	Draw on Reserves		c/fwd
Invest to Redesign	(1,483,522)	(49,396)	429,138	261,278	(842,502)	(72,508)	555,067	150,000	(209,943)
IT Transformation	(639,840)		53,200	97,341	(489,299)		20,000	250,000	(219,299)
Insurance & Risk Management	(2,250,388)				(2,250,388)				(2,250,388)
Capital Receipt Regeneration	(460,342)		100,369		(359,973)		132,988		(226,985)
Treasury Equalisation	(990,024)				(990,024)				(990,024)
Redundancy & Pensions	(599,936)		325,434		(274,502)		192,126		(82,376)
Capital Investment	(1,620,945)	(15,500)		489,541	(1,146,904)			489,541	(657,363)
Priority Investment	(1,973,294)		837,819		(1,135,475)		639,316		(496,159)
Museums Acquisitions	(59,798)				(59,798)				(59,798)
Elections	(83,183)	(25,000)			(108,183)	(25,000)	100,000		(33,183)
Mass Routes Buses	(160,615)		25,913		(134,702)	(5,000)			(139,702)
Sub Total	(10,321,888)	(89,896)	1,771,872	848,160	(7,791,750)	(102,508)	1,639,497	889,541	(5,365,220)
Restricted Use Reserves									
Chairman's	(36,754)				(36,754)				(36,754)
Youth Offending Team	(382,226)				(382,226)				(382,226)
Building Control Trading	(490)				(490)				(490)
Outdoor Education Centres	(190,280)				(190,280)				(190,280)
I Learn Wales	(48,674)				(48,674)				(48,674)
Total Earmarked Reserves	(10,980,311)	(89,896)	1,771,872	848,160	(8,450,174)	(102,508)	1,639,497	889,541	(6,023,644)

3.9.2 This indicates that by the end of 2016-17 the Council is likely to utilise over 45% of the useable earmarked reserves brought forward from 2014-15, based on approvals to use reserves so far. No assumption has been made concerning the reserve funding of redundancy costs identified in para 3.1.10 above as yet.

3.9.3 Given the forecast use of earmarked reserves, Cabinet approved the following change in practice to ensure adequacy of reserves for the MTFP:

- Increase workforce planning and redeployment to reduce the need for reserves to cover redundancies
- Any request for reserve funding must first explore whether existing budgets, or external funding sources can be used for the proposal accepting this may require a change in priorities if existing budget are used
- Use of reserves to implement budget savings must use the saving first to repay the reserve
- IT investment bids will need to be considered in the core capital programme when the IT investment reserve is extinguished, this may necessitate displacing some of the core capital programme allocations depending on the priorities agreed

3.9.4 A revaluation of the insurance reserve requirement has been commissioned and the work is being undertaken so that the figures will be current and available for 2015/16 closure. This may give scope to re-designate some of this reserve but this is subject to the outcome of the work outlined.

3.9.5 If action is not taken to slow down the use of ear marked reserves through the above mechanisms, consideration would need to be given to budgeting to replenish reserves or including in the base budget, requests that would normally have been funded by reserves, both of which will increase the resource gap in the MTFP.

4 REASONS

4.0 To improve budget monitoring and forecasting information being provided to Senior Officers and Members.

4.0
5.0
5.1

RESOURCE IMPLICATIONS

5.1 The forecast overspend and use of earmarked reserves, requires action to be taken to ensure that the budget is kept on track and earmarked reserves are maintained at an adequate level for the MTFP.

6 WELL BEING OF FUTURE GENERATIONS IMPLICATIONS

6.1 The decisions highlighted in this report have no future generations and sustainability implications.

7 CONSULTEES

Strategic Leadership Team
 All Cabinet Members
 All Select Committee Chairman
 Head of Legal Services
 Head of Finance

8 BACKGROUND PAPERS

8.1 Month 9 monitoring reports, as per the hyperlinks provided in the Appendices

9 AUTHOR

Mark Howcroft – Assistant Head of Finance

Dave Jarrett – Senior Accountant Business Support

10 CONTACT DETAILS

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Appendices (attached below)

Appendix 1 Mandated Savings Progress Report

Appendix 2 Strong Communities Select Committee portfolio position statement

Appendix 3 Economy and Development Select Committee portfolio position statement

Appendix 4 Adult Select Committee portfolio position statement

Appendix 5 Children and Young People Select Committee portfolio position statement

[Appendix 2C to 5C \(click link to reports page on Hub\)](#)

[Appendix 2C M9 Capital Monitoring Strong Communities Select 2015-16](#)

[Appendix 3C M9 Capital Monitoring Economic & Development Select 2015-16](#)

[Appendix 4C M9 Capital Monitoring Adult Social Care & Health Select 2015-16](#)

[Appendix 5C M9 Capital Monitoring Children & Young People Select 2015-16](#)

[Appendix 6 to 14 \(click link to reports page on Hub\)](#)

[Appendix 6 M9 Social Care & Health Revenue Budget Monitoring 2015-16](#)

[Appendix 7 M9 Children & Young People Revenue Budget Monitoring 2015-16](#)

[Appendix 8 M9 Enterprise Revenue Budget Monitoring 2015-16](#)

[Appendix 9 M9 Operations Revenue Budget Monitoring 2015-16](#)

[Appendix 10 M9 Chief Executive Office Revenue Budget Monitoring 2015-16](#)

[Appendix 11 M9 Corporate Revenue Budget Monitoring 2015-16](#)

[Appendix 12 M9 Appropriations Revenue Budget Monitoring 2015-16](#)

[Appendix 13 M9 Financing Revenue Budget Monitoring 2015-16](#)

[Appendix 14 M9 School Movement on Reserves 2015-16](#)


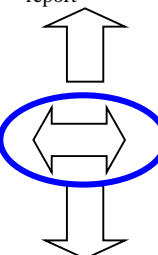
[Appendix SM M9 Savings Mandates 2015-16](#)

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Budget Mandates

Progress and Next Steps at Month 9 –

(including Recovery Plan actions agreed by Cabinet 2nd December 2015)

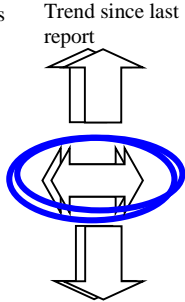
Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
Mandate 1 Leisure. Current status  Trend since last report 	<p>Leisure centre staffing remodelled £115k, admin and clerical review £66k, support services review £20k, reduction caretaking Abergavenny £15k, outdoor education reduction £25k, leisure supplies and service £25k, increased income through fitness and sport offer £155k.</p> <p>Restructure process complete. All departments have individual service plans. All plans tracked and monitored by the individual service area. Full ownership of delivery by individual teams. 15k Caretaker savings will not be achieved as the school failed to invoice until 15-16. Consequently the full years charge in this year.</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec*) - £35K achievable Delayed Lighting installed at the 3G pitch resulted in only partial income being reached against alternative delivery plans amounting to £5K. Increase income against swimming and fitness not achieved. This has resulted in a £5K improvement since month 6.</p>	Continue to review the 3 G pitch project and review its income generation targets.	Income	155,000	135,000	15,000	Ilan Sanders
			Savings	265,983	250,983	15,000	
			Total	420,983	385,983	30,000	
			Total	,420,983	385,983	30,000	
		Alternative Delivery Plan based on variance reported against original mandate at Month 6					

**Mandate 2
Mandate 42
Youth Service**

Current status



Trend since last report



Replace Commercialisation of the core line sources service.
 The Youth Service is exploring new ways of working with the YBC.
 • Expansion of smaller housing scheme & G&B reduction.
 • Management restructure.
 Detailed plans in place for all projects to ensure they remain on track.
 The long term average ECF funding is to be reversed up to a period of 3 years and is definitely a pressure and if maintained over a period of 70k will be a growth of 300 clients.
 Projections indicate the service will generate a secured income of 20k per year.
 Programme to assist with Post 16 support for 1 year
 Community Kitchen in Abergavenny has been awarded 5 star rating by Environmental Health and is now operational. Taking bookings for buffets; children's parties and lunches for community members

Meetings with val res about into park and bespoke for staffing and campaigns require developed with YBC
 Team of 10 and training of 10 in the festival courses to be substituted link with key cases
 for a series of 10 courses for 2016 Sept 2016
 teams to raise awareness of the service
 Continue to work with YBC to develop project solutions
 Project in July 2015
 evaluation valuation work undertaken during Oct to Nov
 in a package available
 for a benefit in the period of Sept to Dec 2015 for March/April
 Set income targets once steady business flow is established.
 Shop to be operational by September 2015
 Additional revenue streams for 2015/16 are lower than forecast due to a combination of delays and changes to funding, FIT and RHI tariff reductions will affect existing installations
 Meeting with staffing team to look at where time can be found in order to free staff up
 cuts have rendered new projects unviable until further review
 Review on going expenditure on repairs and maintenance.

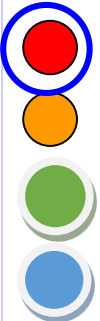
Income	25,000	25,000	0
Savings	30,000	30,000	0
Income	200,000	63,000	137,000
Total	55,000	55,000	0
Savings	0	0	0
Total	200,000	63,000	137,000

Ian Bakewell
 Tracey Thomas

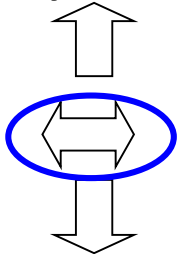
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**Mandate 5 *
Sustainable Energy Initiatives**

Current status



Trend since last report

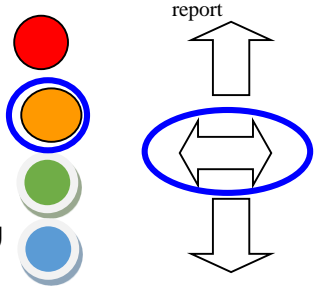


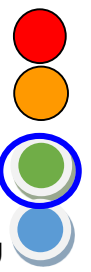
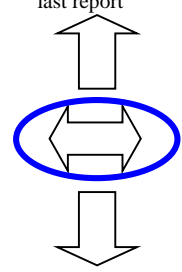
2014/15 & 2015/16 - Abergavenny is near opening
 Investing in biomass boilers, solar farms and reductions in Carbon Commitment.
 Audit and accounts have been set up
 Marketing ready targets not achieved.
 Solar Farm Catcher progress approved 15 July 2015
 Courses ready to advertise
 Staffing New Refurb solar projects have generated additional revenue in line with our projections
 Wellbeing of our staff
 Government policy changes to the Staff who have expertise in this area are finding installations unlikely as well as impact of tariff changes on a Solar Farm the priority.
 - Biomass installed at Cross Ash operational and generating heat.

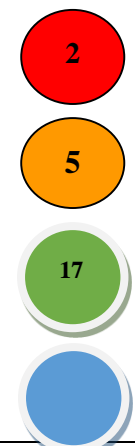
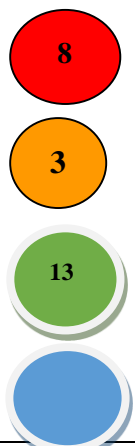
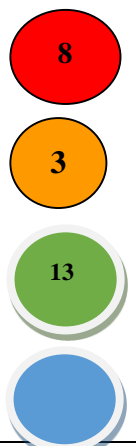
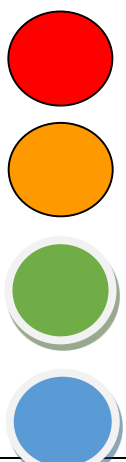
Set income targets once steady business flow is established.
 Shop to be operational by September 2015
 Additional revenue streams for 2015/16 are lower than forecast due to a combination of delays and changes to funding, FIT and RHI tariff reductions will affect existing installations
 Meeting with staffing team to look at where time can be found in order to free staff up
 cuts have rendered new projects unviable until further review
 Review on going expenditure on repairs and maintenance.

Income	0	0	0
Savings	33,000	0	33,000
Total	33,000	0	33,000

Ben Winstanley

	<p>£63,000 the savings have been met, but the Alternative Delivery Plan (agreed by cabinet 6th Dec) - £33K achievable Aim to increase income target on rental portfolio and reduce expenditure on repairs and maintenance. At month 9 these savings have not been realised and therefore the £33,000 budget pressure remains.</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 60k achievable Combination of increase in Grant income and savings on staff vacancies.</p>	<p>Alternative Delivery Plan – based on variance reported against original mandate at month 6.</p> <p>Amendment to delivery plan.</p>	<p>Total</p> <p>Total</p>	<p>33,000</p> <p>200,000</p>	<p>0</p> <p>63,000</p>	<p>33,000</p> <p>137,000</p>	
<p>Mandate 6</p> <p>Museums & Castles</p>	<p>Grant income delayed to new financial year Fully integrate cultural services, tourism services and attractions within tourism, leisure and culture section. Maximise synergies & achieve a sustainable long term business footing.</p>	<p>Museums - 30,000 of savings will not be achieved. Green Screen income of 10,000 and 20,000 conservation income.</p>	<p>Income</p> <p>Savings</p>	<p>81,000</p> <p>109,000</p>	<p>51,000</p> <p>94,000</p>	<p>30,000</p> <p>15,000</p>	<p>Ian Saunders</p>
<p>Current status</p> <p>Trend since last report</p> 	<p>Income generation target for 15/16 10K shortfall.</p> <p>Weddings – Amber</p> <p>Countryside savings – Green</p> <p>Savings from Volunteers – Red</p> <p>Income made by fundraiser – Green.</p> <p>Fundraiser in place.</p> <p>Income from learning – Green.</p> <p>Savings from shared service model at Chepstow TIC – Red,</p> <p>Income from green screen – Red</p> <p>Income from rental of Abergavenny Red Square window - Green</p> <p>TIC at Chepstow has had considerable lone working pressure which is why the budget is overspent.</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec*) - £30k achievable Winter closure of Chepstow TIC and application of museums acquisition reserve for purchases made in year.</p>	<p>The Green Screens have yet to be utilised. The conservation income in the mandate was higher than agreed the total income from conservation was initially agreed as 30,000 not 50,000, the museums are looking at other ways to raise this income but the additional 20,000 will not be achieved this year.</p> <p>Castle - Achieving in year savings of 9k but reporting total overspend of 100k due to historic budget assumptions and savings from 14-15 of 20,000.</p> <p>Tourism - 15,000 savings not achievable. The use of volunteers is not available at the moment.</p> <p>Alternative Delivery Plan</p>	<p>Total</p> <p>Total</p>	<p>190,000</p> <p>190,000</p>	<p>145,000</p> <p>145,000</p>	<p>45,000</p> <p>45,000</p>	

	<p>The alternative delivery plan is forecast to achieve the mandate budget shortfalls at month 9 within the service.</p>						
<p>Mandate 16</p> <p>schools delegated budgets</p> <p>Current status</p>  <p>Trend since last report</p> 	<p>Schools budgets will be protected at cash limit, this means no pay inflation and or non-pay inflation is provided for in funding, This is about finding opportunities to reduce costs in schools.</p> <p>Schools continue to be supported to seek opportunities for savings. Cluster led meetings. Schools being supported with performance management. Training needs have been identified for Head Teachers to address any skill gaps when managing their budgets. All schools continue to engage. Schools who need more significant support have been identified and support delivered action to mitigate any financial challenges. 'Quick wins' have been developed and continue to be published, shared and evaluated throughout all schools. Mandate savings delivered.</p>	<p>Continue to review resource impact for foundation phase.</p> <p>Monitor schools closely to ensure they follow their budget plans and more schools do not fall into a deficit.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nikki Wellington</p>

<p>Current status</p> 	<p>Current status</p> 	<p>Current status</p> 		 <p>Not on target Concerns identified with delivery of target. Continue to closely review & monitor.</p> <p>Monitoring & required to keep on track</p> <p>On target to achieve budget and action Plans.</p> <p>On target and over achieve.</p>
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Mandate 18 *

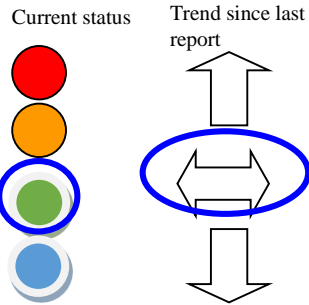
School library service - combine with general library service

2014/15 mandate with 2015/16 savings*
Savings achieved – mandate delivered

No next steps necessary

Income	0	0	0
Savings	20,000	20,000	0
Total	20,000	20,000	0

Sharon Randall - Smith



Mandate 20 Gwent Music

Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient and increase the value by :-
Increase charging to parents per term to bring it in line with other LA's delivering the same service i.e Newport.
Introduce an instrument charge.
Not fill the vacant post.
Music access fund agreed as of 19th June by cabinet.

Access fund launched from September 2015.

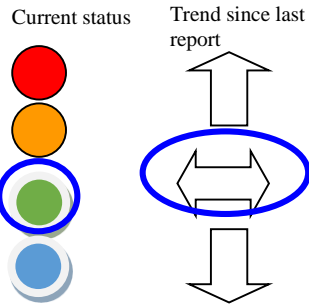
To continue to work with Gwent music to develop the music provision for Monmouthshire schools in light of the reductions.

Gwent music have worked very successfully on income generation and very closely with Monmouthshire to achieve this.
Gwent music continues to work with MCC to ensure the finding is used to support the need.

Income	0	0	0
Savings	50,000	50,000	0
Total	50,000	50,000	0

Nicky Wellington

Mandate 24 *
Transition - Bright
New Futures (
SC&H)



2014/15 mandate*

In 2014 we combined our Transitions Project Team within Bright New Futures Project. (based in Bridges)

This has established a shared service model.

No action necessary in relation to the mandate savings.

We continue to deliver savings with this partnership working.

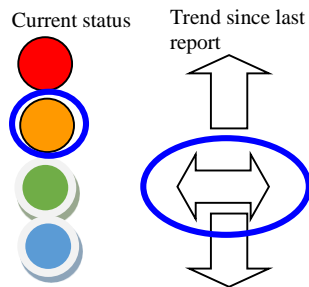
Plan to review near the end of the five year project.
 Review to include :-
 Budgets
 Service
 Resource / secondments.
 Etc...

Income	0	0	0
Savings	14,000	14,000	0
Total	14,000	14,000	0

Julie Boothroyd

Mandate 25
Fleet Rationalisation

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The savings for this mandate were being achieved from the reduction of fleet vehicles across the authority.

This fleet reduction has been achieved therefore the budget mandate is on target to be achieved by year end.
 The restructure element due to protection of employment policy did not achieve 100% however shortfalls will be made from other savings within the service.

There are other operational opportunities currently being considered :-
 ICT 22 – the connected worker has made progress, this is at the trailing stage,
 ICT 13– the pool car booking system – this has not progressed due to no funding for the ICT project.

No next steps for fleet reduction as complete.


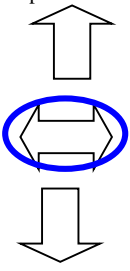

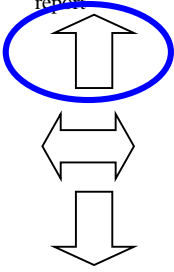
Continue to review the 2 ICT projects and report progress.

The shortfall in restructure savings are met within service area.

Income	0	0	0
Savings	62,000	62,000	0
Total	62,000	62,000	0

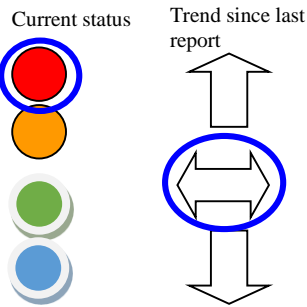
Debbie Jackson

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<p>Mandate 26</p> <p>Property rationalisation</p> <p>Current status </p> <p>Trend since last report </p>	<p>These savings are predicted on the need to reduce our operational portfolio and maximise revenue streams from our investment holdings. Revenue savings are largely accrued through the reduction in utilities costs, rates, repairs and maintenance. The Accommodation Working Group is charged with reviewing all property usage with the aim of minimising the costs and releasing any property that can be made surplus.</p> <p>Rental of buildings – Green Rates Savings on vacant buildings - Green Rental Grant reductions – Dedicated member of staff now responsible for this.</p>	<p>The Accommodation Working Group continues to review all property usage and the delivery of the rationalisation plan. Permissions for any disposal will continue through the usual council process. Work alongside agile working policy owner to explore further opportunities for greater agile working. The overall Service area has achieved its target at month 9 and is tracking to Green for year end on its overall financials.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>20,000</p> <p>80,000</p> <p>100,000</p>	<p>20,000</p> <p>80,000</p> <p>100,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Ben Winstanley</p>
<p>Mandate 28</p> <p>Community Hubs</p> <p>Current status </p> <p>Trend since last report </p>	<p>It's about delivering services in a different way and aligning them with the Whole Place philosophy. This will introduce major changes to how the library and one stop shop services are delivered. We will create a hub in each town where face to face services will be delivered. The contact centre will sustain a reliable and informed first point of contact for people contacting us other than face to face.</p> <p>Increase staffing costs are due to the delayed implementation of the of the Community Hubs restructure. The mandate savings of £250k related to a full year saving and it was only possible to achieve 6 months of reduced costs as the community Hubs opened on the 5th October 2015." Delays were as a result of in internal processes. This outturn includes £125k of mitigating underspends including keeping a post vacant until April 2016 to help offsets the delayed mandate saving.</p>	<p>15/16 No next steps</p> <p>16/17 – (50K) The Abergavenny Hub Project plan requires continuous monitoring, updating and adjusting to reflect the project developments.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>250,000</p> <p>250,000</p>	<p>0</p> <p>125,000</p> <p>125,000</p>	<p>0</p> <p>125,000</p> <p>125,000</p>	<p>Deborah Hill-Howells</p>

Mandate 31

ICT Savings (SRS & custom built software solutions)



The mandate's aim was to :- Drive cost efficiencies and income generation opportunities within the Shared Resource Service (SRS). This will subsequently result in MCC benefiting from reduced budget without any significant impact to service. And generate ongoing savings and user benefit from custom built software solutions being generated, then productised and sold commercially.

SRS have made 138k of their proposed 150k saving - still 20k saving to be found on software contracts however further savings of 20k have been found from vacancies.

The 100k savings that were to be achieved through in-house software development and the sale of products will not occur in 2016/17. Work continues to generate commercial returns from the sale or licencing of FLO, the Authority's social care app, though the app will only be marketable from Q1 in 2016/17 based on the most recent updates.

Alternative Delivery Plan (agreed by cabinet 2nd Dec*) – £110k achievable Continue to do work that is required to support the sale/licencing and commercialisation of FLO.

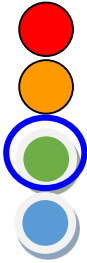
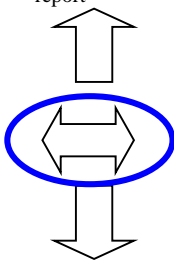

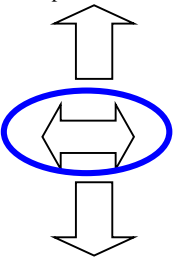
Work continues at month 9. The service is currently reviewing all budget areas and update on savings achievable will be known at Month 11.

Restriction of non-essential spend across the People and Commercial Development division, together with a further review of ICT capital and revenue budgets, aims to identify scope to mitigate the existing £112k pressure.

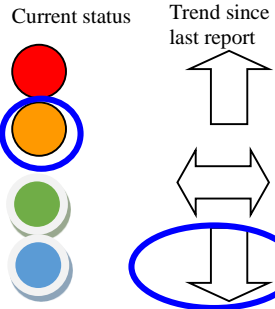
Alternative Delivery Plan – based on variance reported against original mandate at month 6.

Income	0	0	0	Peter Davies
Savings	250,000	138,000	112,000	
Total	250,000	138,000	112,000	
Total	250,000	138,000	112,000	

Mandate Summary		RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
1	Leisure				

<p>Mandate 33&34</p> <p>Adult Social Care</p> <p>Current status  Trend since last report </p>	<p>The service is continuing its journey on practice change and restructuring itself to meet future mandate savings with community links and innovative approaches to domiciliary care, coupled with less reliance on admissions to residential care.</p> <p>The size of the saving is challenging however the service is working together as a whole team in order to continue to review its performance in order to meet the targets. Change in practice will need to continue at pace and be significant, this will continue to take time.</p> <p>All targets currently on track to deliver. Dementia care matters training roll out continues with vigour and there is full commitment that this training will support the changes in practice required.</p>	<p>Continue to review the structures and workforce to establish the resource, knowledge and skills moving forward.</p> <p>Service transformation will continue to evolve and approval sought as the programme develops.</p> <p>Continue to deliver and ongoing evaluation of the DCM training and other training that supports the workforce to change practice.</p> <p>Continue to capture and work with teams to further develop ideas and drive practice change.</p> <p>IT build continues further development (i.e reporting) and there remains positive feedback from users of FLO.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>260,000</p> <p>260,000</p>	<p>0</p> <p>260,000</p> <p>260,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Julie Boothroyd</p>
<p>Mandate 35</p> <p>Transformation of ALN</p> <p>Current status  Trend since last report </p>	<p>We are undertaking a review of Additional Learning Needs. Its forms a 3 stage process.</p> <p>Savings fully met for this year. Stages 1 and 2 are complete.</p> <p>The team have commenced consultation with families as part of the stage 3. (Mandate B20 for 16/17).</p>	<p>All timescales of delivery of the mandate to stay in line with the 'complete review' timetable.</p> <p>All future stages of the ALN review will be monitored via the future mandates.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>120,000</p> <p>120,000</p>	<p>0</p> <p>120,000</p> <p>120,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Sharon Randall-Smith</p>

**Mandate 37b
Trade Waste**



Modernising Trade Waste Services
This has 2 elements:-
The introduction of trade waste recycling and realignment of 2 schedule changes.

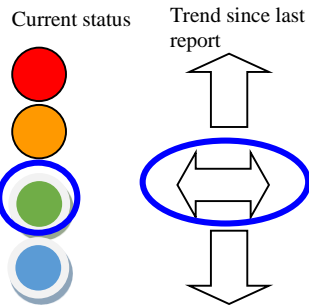
To date £10K has been generated through the sale of trade recycling bags yet it is anticipated that further income will be forthcoming as business replenish stock. At month 9 £15K has been forecasted as total income. .

Continue to review operational impact.

Income	40,000	25,000	15,000
Savings	10,000	0	10,000
Total	50,000	25,000	25,000

Rachel Jowitt

**Mandate 37c
Grey bag & nappy collection.**



This mandate relates to the removal of the free supply of grey refuse bags and the removal of the hygiene/ nappy collection.

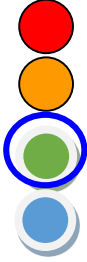
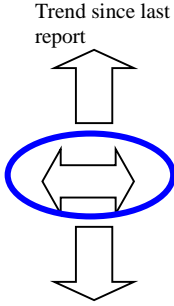

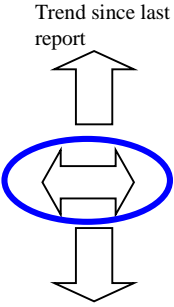
The mandate has been delivered the savings have been achieved.

Continue to review as still early stages. No other next steps relevant.

Income	0	0	0
Savings	180,000	180,000	0
Total	180,000	180,000	0

Rachel Jowitt

6	Museums & Castles				
14	Home to School Transport				
15	Facilities				
16	Schools Delegated budgets				
18	School Library Service				
20	Gwent Music				
24	Transition – Bright New Futures				
25	Fleet Rationalisation				
26	Property Rationalisation				
28	Community Hubs				
31	ICT savings				

<p>Mandate 40a Democracy</p> <p>Current status </p> <p>Trend since last report </p>	<p>This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :- Management restructure – Green. Increased income generation – Green Removal of a vacant post – Green Reduction in mileage budget – Green All action plans delivered in order to achieve the savings.</p>	<p>In relation to budget delivery no next steps</p> <p>Non budget Service improvements.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Tracy Harry</p>
<p>Mandate 41 Highways</p> <p>Current status </p> <p>Trend since last report </p>	<p>This mandate was made up of both savings and income generation :-</p> <p>Employee restructure – Green Material savings – Green Plant saving – Green. Re-negotiating with sub-contractors – Green Additional income from skips & scaffolding – green. Operational fuel, stores & procurement savings - Green. Commercial advertising – Red.</p>	<p>Savings - on target to be delivered. Income - Advertising scheme has been put on hold whilst a planning issue around advertising signs is resolved so it is assumed that the remaining will not be achieved this year.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>55,000</p> <p>395,000</p> <p>450,000</p>	<p>5,000</p> <p>395,000</p> <p>425,000</p>	<p>50,000</p> <p>0</p> <p>50,000</p>	<p>Roger Hoggins</p>

33	Adult Social Care (&34)				
35	Transformation of ALN				
36	Route Optimisation				
37a	Waste Services				
37b	Trade Waste				
37c	Grey Bag & Nappy Collection				
40a	Democracy				
41	Highways				
41a	Abergavenny Markets				
42	Youth Service				

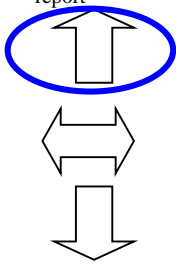
Mandate 41a

Abergavenny Markets

Current status



Trend since last report



The objective was to run additional market stalls on existing market days in Neville street and St Johns Square, Abergavenny. Expansion of flea markets and boot sales and to hold special markets/events in Cross Street Abergavenny.

The service has been unable to generate the additional income. This mainly due to operational, resource and PR challenges. New Structure in place for January 2016.

**Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 50k achievable
Cease all repair and maintenance work to asset portfolio.**

The service is forecasting achieving 37k against the alternative delivery plan.

To build an income generation plan for future years.

Alternative Delivery Plan – based on variance reported on original mandate at month 6.

Income	70,000	0	70,000	Ben Winstanley
Savings	0	0	0	
Total	70,000	0	70,000	
Total	70,000	37,000	33,000	

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Strong Communities Select Committee Portfolio Position Statement Month 9 (2015/16)

Head of Operations Commentary

Obviously as the report moves into the second half of the financial year we become increasingly confident in the forecasting. The forecast at the 3rd quarter indicates the Operations department overall moving to a small underspend of £10,000. The recovery plan included various actions of which major items such as SWTRA and external trading (grounds/landscaping) are improving and the generic benefit of lower fuel prices is now making a material difference to the out turn. Waste modelling is now benefiting from clarity on recycling costs (post tender) and again fuel savings are contributing. The PTU position has also improved as the outcome of tendering in September is reflected in the out turn rather than the estimates used previously. County Highways is on budget and with the exception of gales and flooding over Christmas and new year the winter weather has been quite mild. However we will respond to bad weather and floods so the potential for extra spending remains. Overall officers are increasingly confident that Operations will return a balanced budget in 2016/17

1. Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

Strong Communities Service Area	Budget @ Month 6	Budget Revision Virements	Budget @ Month 9	Forecast Outturn	Variance @ Month 9	Variance @ Month 6	Variance @ Month 2	Forecast Movement Months 6 to 9
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Chief Executive's	6,856	146	7,002	6,810	(192)	(31)	(120)	(160)
Operations	16,384	(76)	16,308	16,298	(10)	339	634	(349)
Corporate	18,251	(36)	18,215	18,115	(100)	(61)	63	(39)
Appropriation	8,260	(1,108)	7,152	7,442	290	(328)	(248)	618
Financing	(148,376)	0	(148,376)	(149,298)	(922)	(752)	(593)	(170)
Total Strong Communities Select	(98,625)	(1,074)	(99,699)	(100,633)	(934)	(833)	(264)	(101)

1.2 The most significant over and under spends are

Strong Communities Service Area	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive)/ Negative £000's	Commentary on forecasted outturn
CEO				
Benefits		67	37	The underspend is a combination of a £37,000 saving against the HB budget plus a £30,000 in year saving for administration costs
Council Tax	48		12	Shortfall in income from court fees and potential redundancy costs
Systems and Exchequer		24	10	Staff vacancies of 50k offset by increase in annual card fees of 15k
Audit		10	10	Savings from vacancies
Democracy and Regulatory Services		84	82	Savings from vacancies and from spending restrictions to assist with the recovery plan
Policy & Partnerships		55	29	19k of the underspend relates to reserve funding for a Communications post as the appointment was delayed and additional one off grants from LSB and Home Office offset by unbudgeted additional staff
OPERATIONS				
Service	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive)/ Negative £000's	Commentary on forecasted outturn

Operations - Highways		160	145	Restrictions placed on essential spend to meet the target set by the departmental recovery plan, additional income from SWTRA for non-scheduled works and increased income from fixed penalty notices on street works
Operations – Fleet Transport		19	14	Additional car parking income through increased usage
Operations – Passenger Transport Unit	187		106	Assumed ALN transport savings have proven unachievable (335k) budgeted increased income levels were not made whilst at the same time corporate budget decisions regarding reductions in overtime costs were imposed. A mandate has been put forward to highlight the fact that the service cannot operate within its existing budget and has requested further funding via the MTFP in 2016-17. Offsetting savings have been achieved through holding vacancies, reduction in transportation costs and season tickets.
Operations – Building Cleaning	27		7	Delayed implementation of mandate saving of transferring public conveniences to Town Councils.
Operations – School Catering	42		7	Increased costs to comply with Healthy Eating in Schools Agenda and a reduction in budgeted meals
Operations – Property Services	101		6	A reduction in fee income generated from capital projects. The change from month 6 relates to increase in fees that are chargeable to the 21 st Century schools programme offset by a reduction in third party expenditure on procurement
Operations – Accommodation costs		159	9	Maintenance costs for Magor and Usk are underspent mainly due to reduced costs as buildings are relatively new.

Operations – Waste and street scene		29	95	46k over spend in Raglan Training Centre, where there has been a fall in demand, Grounds maintenance is forecasting a 75k under spend because income expectations, as listed in the recovery plan have now materialised. Waste is forecasting a balanced budget, but the pressures on Waste are still real as they have been mitigated by a reduction in fuel costs and a reduction in superannuation costs as about 20 staff have opted out of the Council provided pension (96k).
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Corporate Services	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive) / Negative £000's	Commentary on forecasted outturn
CORPORATE				
Audit Commission Fees (Certification Grant Claims)		(36)		Forecasted saving in relation to the auditing of grant claims
HMRC Reimbursements		(29)		MCC Vat rebates exercise
Early Retirement Pension Costs	161			Additional cost of redundancies notified in latter part of 2014/15 & during 2015/16
Indirect revenue Gains		(97)		Rate rebates on MCC properties
Insurance Settlement Expenditure		(65)		Insurance settlement claims predicted to be lower due to reduced claims activity
Insurance Premium Payment(Direct)		(67)		Based on reduction in premium costs as a result of the tender completed in September 2015.

APPROPRIATIONS				
Attributable Costs - Fixed Asset Disposal		(82)		12 Schemes delayed mainly due to a rethink of disposal strategy to optimise receipts
Interest Payable and Similar Charges		(387)		saving against budget due to long term debt not being taken out and temporary borrowing being at a lower rate than budgeted
Charges Required Under Regulation		(241)		A planned set aside of £6m of capital receipts in 2016/17 will be brought forward a year from 16/17 as there is a balance of receipts available to do this and this will achieve a saving on MRP payments due.
Interest and Investment Income		(49)		Increased cash income due to increased cash balances - in turn due to temporary borrowing taken out when rates were advantageous to prevent concentrated borrowing at difficult times.
Net Contribution from Reserves	996			£1,001k of budgeted spend expected to be slipped to 1617; compensated by small reimbursement
FINANCING				
Council Tax		(750)		Surplus due to projected actual CT Collection rate of 99.3% over budgeted 98% and increased CT recovery
Benefit Support		(170)		Forecast extrapolated from CT Benefits system based upon benefits awarded to date. Caseloads continue to reduce, a trend that is expected to continue through to year end

1.2 Please see Appendix 9,10,11,12 and 13 for further analysis of the directorate expenditure at month 9.

2. 2015-16 Savings Progress

2.1 The savings required by the 2015-16 budget mandates have not yet been fully secured.

Operations Budgeted savings were £1,513,000 and at month 9, £1,438,000 have been identified. Of the remaining savings, £50,000 are delayed until the 2016/17 financial year and currently £25,000 are deemed to be unachievable.

Chief Executives budgeted savings were £85,000. These have all been achieved.

Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed Till 2016/17 £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	STRONG COMMUNITIES					
14	Home to School Policy Changes	101,000	101,000	0	0	(29,000)
15	Facilities - Transfer functions to other providers	100,000	100,000	0	0	(90,000)
25	Transport Review and Rationalisation	62,000	62,000	0	0	0
36	Cost Neutral Waste Service	270,000	270,000	0	0	(86,000)
37	Project Gwyrdd	250,000	250,000	0	0	0
37a	Waste Mgt - Efficiency & Realignment	50,000	50,000	0	0	0
37b	Waste Mgt - Modernising Trade Waste Services	50,000	25,000	0	25,000	0
37c	Waste Mgt - Collection changes, Grey bags and nappies	180,000	180,000	0	0	0
41	Highways	450,000	425,000	50,000	0	0
	Total Operations	1,513,000	1,438,000	50,000	25,000	205,000

	CHIEF EXECUTIVES'					
40a	Democracy & Regulation	85,000	85,000	0	0	0
	Total CEO	85,000	85,000	0	0	0

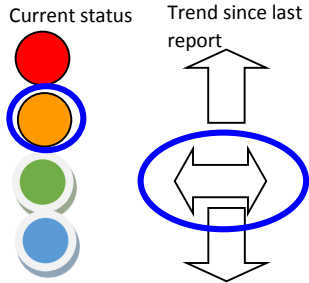
2.1.1 Please see Savings Mandate Appendix SM for further details on savings

Budget Mandates							
Progress and Next Steps at Month 9							
Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
Project Mandate 14 Home to School Transport	<p>Continuation of 2014-15 mandate. Fundamental policy review to nearest school, and more zealous application of free school travel criteria.</p> <p>Post 16 travel grant removed. - Green Removal of the non-statutory element of travel grants to post 16 students by July – Green</p> <p>Increase in post 16 charging – achieved increase in costs in 14/15 and will sustain however the 29k target for 15/16 will not be delivered as already realised.</p> <p>Transport Policy on hold.</p> <p>There is currently no progress on change of policy on statutory distances and pick up points due to members exploring other options.</p>	<p>Consultation on the transport policy is currently on hold and consequently the current budget was insufficient to operate the current 'home to school transport policy'.</p> <p>A pressure mandate has been submitted to address current underfunded budget for 16/17.</p>	Income Savings Total	0 101,000 101,000	0 72,000 72,000	0 29,000 29,000	Roger Hoggins/ Richard Cope

	<p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) - £30k achievable A reduction in the fuel budget to reflect reduced diesel prices.</p> <p>The savings are on target to been realised in line with the alternative delivery plan as at month 9.</p>	<p>Alternative Delivery Plan revised budget – based on variance reported mandate at month 6.</p>	Revised Total* (101k + 1k)	102,000	102,000	0	
<p>Mandate 15 *</p> <p>Facilities - transfer functions to other providers</p> <p>Current status</p> <p>Page 58</p>	<p>2014/15 mandate*</p> <p>Building Cleaning / Community Services Engaging with town and community councils, ‘friends of’ and clubs to take on service related costs. Considerable work has already been undertaken e.g Linda Vista, Bailey Park, public conveniences. 15/16 Activities during 2015/16 have been challenging. We will not achieve full year savings on this for 2015/16. PC Cleaning - Overspend mainly due to delayed implementation of the mandate saving - transferring public conveniences to town councils".</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) - £90k achievable A reduction in grounds and highways, fuel and manpower budget (45k/45k split respectively)</p> <p>The alternative delivery plan is forecast to achieve the mandate budget shortfalls at month 9 within the service.</p>	<p>Mandate B21 has been included in the budget proposals for the financial year 2016/17.</p> <p>Engagement with the community and town councils commenced on October 2015 and further consultation is scheduled.</p> <p>Will remain red with the limited savings until end of the year.</p> <p>Alternative Delivery Plan –based on variance reported against original mandate at month 6.</p>	<p>Income</p> <p>Savings</p> <p>Total</p> <p>Total</p>	<p>100,000</p> <p>0</p> <p>100,000</p> <p>100,000</p>	<p>10,000</p> <p>0</p> <p>10,000</p> <p>100,000</p>	<p>90,000</p> <p>0</p> <p>90,000</p> <p>0</p>	<p>Roger Hoggins</p>

Mandate 25

Fleet Rationalisation



The savings for this mandate were being achieved from the reduction of fleet vehicles across the authority.

This fleet reduction has been achieved therefore the budget mandate is on target to be achieved by year end.
 The restructure element due to protection of employment policy did not achieve 100% however shortfalls will be made from other savings within the service.

There are other operational opportunities currently being considered :-
 ICT 22 – the connected worker has made progress, this is at the trailing stage,
 ICT 13– the pool car booking system – this has not progressed due to no funding for the ICT project.

No next steps for fleet reduction as complete.

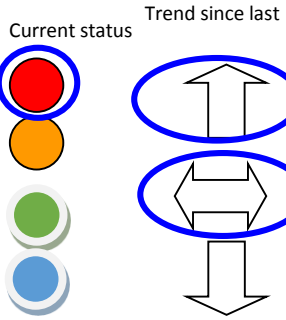
Continue to review the 2 ICT projects and report progress.

The shortfall in restructure savings are met within service area.

Income	0	0	0
Savings	62,000	62,000	0
Total	62,000	62,000	0

Debbie Jackson

Mandate 36 *
Route Optimisation



Mandate from 2014/15

Due to the changing to routes the mandate related to the reduction in fleet and staff.

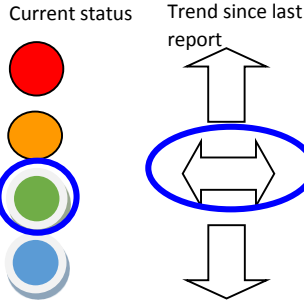
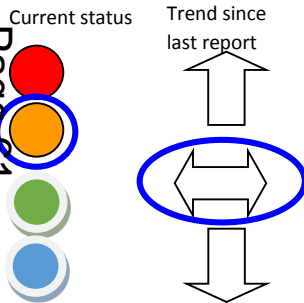
£86k of the £250K will not be achieved on this mandate. Leasing costs were built into the saving yet the vehicles to be removed from the fleet were owned and therefore no revenue savings from leasing could be delivered. In addition the project established that the £250 was too ambitious and we were unable to release the number of vehicles and staff as initially projected.

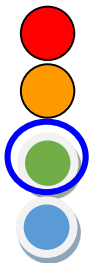
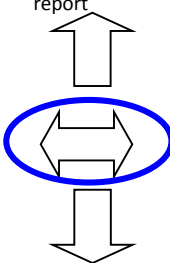
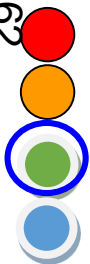
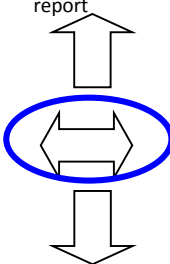
Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 86k achievable
Reduced fuel and labour budget to reflect reduced diesel prices and staff not joining the Local Government Pension Scheme. The alternative plan is on target to achieve revised savings at month 9.

Review the on-going operation and budgets and re-align in line with service needs. The pressure from this mandate has been mitigated by suppressed fuel process and savings in superann (pension) within the department and this is reflected in the month 6 and 9 financial monitoring reports. The route optimisation pressure will not be carried into 2016-17 as the pressure mandate rectifies this position.

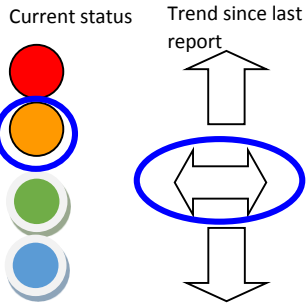
Alternative Delivery Plan –based on variance reported against original mandate at month 6

Income	0	0	0	Rachel Jowitt
Savings	270,000	184,000	86,000	
Total	270,000	184,000	86,000	
Total	270,000	270,000	0	

<p>Mandate 37a Waste Services</p> <p>Current status Trend since last report</p> 	<p>The mandate is about re-aligning the service in order to be as customer focused and efficient as possible. To reduce duplication of services which provide clarity on responsibility and service delivery. To remove duplication and harmonise working practices.</p> <p>Vacancies have been deleted therefore savings have been achieved.</p>	<p>No relevant Next Steps</p>					<p>Rachel Jowitt</p>
<p>Mandate 37b Trade Waste</p> <p>Current status Trend since last report</p> 	<p>Modernising Trade Waste Services This has 2 elements:- The introduction of trade waste recycling and realignment of 2 schedule changes.</p> <p>To date £10K has been generated through the sale of trade recycling bags yet it is anticipated that further income will be forthcoming as business replenish stock. At month 9 £15K has been forecasted as total income. The £25K has been mitigated through fuel and superann contributions.</p>	<p>Continue to review operational impact.</p>					<p>Rachel Jowitt</p>

<p>Mandate 37c Grey bag & nappy collection.</p> <p>Current status  Trend since last report </p>	<p>This mandate relates to the removal of the free supply of grey refuse bags and the removal of the hygiene/ nappy collection.</p> <p>The mandate has been delivered the savings have been achieved.</p>	<p>Continue to review as still early stages. No other next steps relevant.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>180,000</p> <p>180,000</p>	<p>0</p> <p>180,000</p> <p>180,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Rachel Jowitt</p>
<p>Mandate 40a Democracy</p> <p>Current status  Trend since last report </p>	<p>This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :- Management restructure – Green. Increased income generation – Green Removal of a vacant post – Green Reduction in mileage budget – Green All action plans delivered in order to achieve the savings.</p>	<p>In relation to budget delivery no next steps</p> <p>Non budget Service improvements.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Tracy Harry</p>

**Mandate 41
Highways**



This mandate was made up of both savings and income generation :-

- Employee restructure – Green
- Material savings – Green
- Plant saving – Green.
- Re-negotiating with sub-contractors – Green
- Additional income from skips & scaffolding – green.
- Operational fuel, stores & procurement savings - Green.
- Commercial advertising – Red.

Savings - on target to be delivered.
Income - Advertising scheme has been put on hold whilst a planning issue around advertising signs is resolved so it is assumed that the remaining will not be achieved this year.

Income	55,000	5,000	50,000	Roger Hoggins
Savings	395,000	395,000	0	
Total	450,000	425,000	50,000	

Summary - Month 10 Current status	Summary - Month 2	Summary - Month 6	Summary - Month 9	Traffic Light Key
1 (Red)	3 (Red)	2 (Red)	0 (Red)	Not on target Concerns identified with delivery of target. Closely review & monitor.
3 (Yellow)	2 (Yellow)	2 (Yellow)	3 (Yellow)	Monitoring & required to keep on track
5 (Green)	4 (Green)	5 (Green)	6 (Green)	On target to achieve budget and action Plans.
Blue circle	Blue circle	Blue circle	Blue circle	On target and over achieve.

--	--	--	--	--

Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
14 Home to School Transport	Red	Red	Green	Green
15 Facilities	Yellow	Red	Red	Green
25 Fleet Rationalisation	Yellow	Yellow	Yellow	Yellow
36 Route Optimisation	Green	Red	Red	Green
37a Waste Services	Yellow	Green	Green	Green
37b Trade Waste	Green	Yellow	Green	Yellow
37c Grey Bag & Nappy Collection	Green	Green	Green	Green
40a Democracy	Green	Green	Green	Green
41 Highways	Green	Green	Yellow	Yellow

3. Capital Outturn Forecast

The capital budget of £4,485,758 had been increased by slippage from 2014/15 of £2,939,759 to a new total of £7,425,517. The budget is separated under the following headings

Strong Communities	Annual Forecast	Original Budget	Slippage from 2014/15	Budget	Total Approved Budget	Provisional Slippage carried Forward 2016/17	Adjusted Budget	Forecast	Variance
				Virement or Revision	@ Month 9		@ Month 9	Over / (Under) Outturn @ Month 9	Reported @ Month 6
	£000's	£000's	£000's	£000's	£000's	£000's	£'000's	£'000's	£000's
Asset Mgt Schemes	688	365	38	275	678	0	678	10	0
Infrastructure and Transport	3,174	2,112	671	460	3,242	(68)	3,174	0	0
Regeneration Schemes	629	0	717	402	1,119	(486)	632	(4)	0
Sustainability Schemes	94	0	81	45	126	(29)	96	(3)	0
County Farms Schemes	226	201	152	0	352	(123)	230	(4)	0
Inclusion Schemes	1,354	850	348	156	1,354	0	1,354	(0)	0
ICT Schemes	142	0	153	0	153	(11)	142	0	0
Other Schemes	193	65	581	0	646	(457)	189	4	0
Maintenance Schemes – Property	1,030	893	200	(40)	1,053	(23)	1,030	0	0
Total Strong Communities	7,531	4,486	2,940	1,298	8,723	(1,197)	7,527	4	0

Further details of all the schemes are contained in the appendix 2C. A small net variance is indicated on the basis of present activity, caused primarily by the progression of Ifton Common sewerage works despite it being decommitted from the Capital Programme at the end of 2014-15. As is common with minor overspends they will be assessed against underspends apparent at end of year and any net cost borne in the first instance by capital receipts.

Appendix (links to Hub)

[Appendix2C M9 Capital Monitoring Strong Communities Select 2015-16.xlsx](#)

[M9 Chief Executive Office Revenue Budget Monitoring 2015-16 Appendix 10.xls](#)

[M9 Operations Revenue Budget Monitoring 2015-16 Appendix 9.xls](#)

[M9 Savings Mandates Appendix SM 2015-16.xls](#)

**Economy & Development Select Committee
Portfolio Position Statement Month 9 (2015-16)**

APPENDIX 3

DIRECTOR'S COMMENTARY

The current position of an over spend of 22k is increased by reserve cover being delayed into the next financial year such as the LDP and reduced by the use of reserves to cover redundancies. This results in a net overspending of 217k.

This reflects continued pressures on income targets. In areas such as markets, leisure, museums and culture, we are generating more income than ever - but it is insufficient to meet annually uplifted targets. This reflects some of the issues we're experiencing whereby the current service formats, mean we have saturated the markets available to us and without considerable capital investment - it is not feasible to charge premium rates. This position which will not change as things currently stand, this is now part of the reason behind why we are having to explore alternative delivery vehicles which provide different freedoms and flexibilities & access to new investment.

Reflecting on the other huge changes in the section, Community Learning has undergone a large-scale restructure following the franchise changes, Community Hubs are going live and Housing is undergoing further transformation with the introduction of significant legislation and Planning changes are also in the melting pot.

Despite this - many areas are showing signs of strength and potential. The job of work continues to mitigate these pressures through holding vacant posts open, freezing non-essential spend, closing winter season TIC and continuing work to optimise income potential in the few areas where we believe some potential still exists.

1.1 The combined budget and outturn forecast for this portfolio is

E&D Service Area	Budget @ Month 6	Budget Revision Virements	Budget @ Month 9	Forecast Outturn	Variance @ Month 9	Variance @ Month 6	Variance @ Month 2	Forecast Movement Months 6 to 9
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Community led Delivery	1,813	575	2,388	2,485	97	340	138	(243)
Commercial and People Development	3,674	358	4,032	3,914	(117)	127	100	(244)
Enterprise Management	397	0	397	402	5	10	0	(5)
Development Planning	911	0	911	761	(150)	(150)	0	0
Tourism, life and Culture	2,504	(92)	2,412	2,600	187	274	100	(87)
ENT Select	9,299	841	10,140	10,162	22	601	338	(579)

1.2 The most significant over and underspends are:

E&D Service Area	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive) / Negative £000's	Commentary on forecasted outturn
Asset Management	96		(12)	Redundancy costs of 28k, inability to achieve income targets for PV schemes 98k, inability to meet increased income targets for Markets 140k offset by increased Cemeteries income 76k and savings on reduced maintenance, professional fees and vacancies of 94k
Community Education	178		88	Redundancy costs of 96k, additional costs to the delay in implementing the restructure of 82k
Community Hubs	386		71	Redundancy costs of 386k
Eisteddfod		430	(430)	Reserve funding not required until 2016/17 financial year
Housing		113	18	Savings from one off grant funding, a reduction in expenditure against B&B accommodation and through increasing occupancy levels
Whole Place		20	22	Redundancy costs of 31k offset by vacancies
BusinessGrowth & Enterprise		23	(23)	20k reserve funding for Broadband will not be used in 2015/16 and other minor savings
Innovation		154	(154)	130k reserve funding will not be called on in 15/16 and vacancy savings
People Services		24	(24)	23k reserve funding will not be called on in 15/16
ICT Technology	84		(43)	49k reserve funding will not be called on in 15/16 offset by Inability to achieve 100k savings that were to be achieved through in-house software development and the sale of products and other minor overspend on software contracts.
Enterprise Management	4		(5)	Inability to find vacancy factor and full year impact of 15/16 pay award
Development Plans		150	0	Additional income 50k, reduced call on reserves £100k
Museums and Cultural services	33		4	Green screen savings will not occur and the additional budget mandate for savings of 20k from conservation income will not occur.

1.2 Further analysis of Economic and Development Select Expenditure can be found in Appendix 8

Leisure Services	10		(85)	Budget included pressure arising from closure of Monmouth Pool of 150k which will not be required in 15/16 offset by 20k budget vired to children's service but could not be found, caretaking costs of 15k, 3G pitch issues of 45k income on 3G pitch of 30k, loss of free swimming grant of 30k and additional staff costs of 30k
Tourism	144		(6)	100k historic underfunding of Caldicot castle, overspend due to staff costs of 34k. Efforts are being made to reduce this further by use of volunteers. Budget included additional income from the Town Council of 15k but only 5k secured
TOTAL	935	914	(579)	Net Total 21

2015-16 Savings Progress

The savings required by the 2015-16 have not yet been secured.

Enterprise budgeted savings were £1,392,983 and at month 9, £1,015,983 have been identified. Of the remaining savings £125,000 are delayed and currently £253,000 are deemed to be unachievable.

Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed Till 2016/17 £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	ECONOMY & DEVELOPEMNT					
1	Dev of Leisure & Outdoor services	420,983	390,983	0	30,000	(5,000)



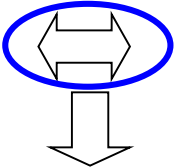





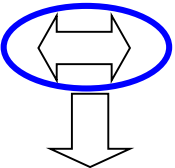

2	Collaboration of Housing services	55,000	55,000	0	0	0
5	Sustainable Energy Initiatives	33,000	0	0	33,000	0
6	Museums, Shirehall, Castles & Tourism	190,000	145,000	0	45,000	0
26	Property Review	100,000	100,000	0	0	0
28	Community Hubs & Contact Centre	250,000	125,000	125,000	0	0
31	ICT Savings	250,000	138,000	0	112,000	(2,000)
40	Planning income	24,000	24,000	0	0	0
41a	Market Income	70,000	37,000	0	33,000	(37,000)
	TOTAL ENTERPRISE	1,392,983	1,015,983	125,000	253,000	(42,000)

1.3 Further detailed analysis of Savings mandates are contained with Appendix SM

Budget Mandates

Progress and Next Steps at Month 9

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
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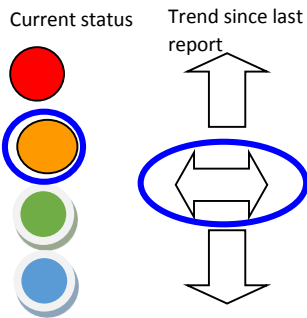
  	<p>Detailed plans in place for all projects to ensure they remain on track. The long term average trend continues to be reversed up to month 9 and the trend is definitely positive and if maintained would result in us hitting our target of 800 clients. Projections indicate the service will generate the income necessary to meet the budget.</p>	<p>forums; legislation. Continue to work with Social Care teams to raise awareness of care line's benefits and functionality. Continue to work with TCBC to develop joint Solutions Service. Interim review and evaluation valuation work undertaken during Q3 to inform development and clarify benefits. Joint review of pilot scheduled for March/April</p>					
<p>Mandate 5 *</p> <p>Sustainable Energy Initiatives</p> <p>Current status    </p> <p>Trend since last report   </p>	<p>2014/15 & 2015/16 – savings*</p> <p>Investing in biomass boilers, solar farms and reduction in Carbon Commitment.</p> <p>Expected income targets not achieved.</p> <p>Solar Farm Cabinet report approved 15 July 2015</p> <ul style="list-style-type: none"> - New Rooftop solar projects have generated additional revenue in line with our projections. - Government policy changes to the tariff render further rooftop installations unlikely. - Impact of Tariff changes upon Solar Farm project is being reviewed. - Biomass installed at Cross Ash operational and generating heat. <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) - £33K achievable</p>	<p>Additional revenue streams for 2015/16 are lower than forecast due to a combination of delays and changes to funding. FIT and RHI tariff reductions will affect existing installations yet to be completed and / or registered, while impending cuts have rendered new projects unviable until further review.</p> <p>Review on going expenditure on repairs and maintenance.</p>	<p>Income</p> <p>Savings</p> <p>Total</p> <p>Total</p>	<p>0</p> <p>33,000</p> <p>33,000</p> <p>33,000</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>0</p> <p>33,000</p> <p>33,000</p> <p>33,000</p>	<p>Ben Winstanley</p>

Aim to increase income target on rental portfolio and reduce expenditure on repairs and maintenance. At month 9 these savings have not been realised and therefore the £33,000 budget pressure remains.

Alternative Delivery Plan – based on variance reported against original mandate at month 6.

Mandate 6

Museums & Castles



Fully integrate cultural services, tourism services and attractions within tourism, leisure and culture section. Maximise synergies & achieve a sustainable long term business footing.

Income generation target for 15/16 10K shortfall.
 Weddings – Amber
 Countryside savings – Green
 Savings from Volunteers – Red
 Income made by fundraiser – Green.
 Fundraiser in place.
 Income from learning – Green.

Museums - 30,000 of savings will not be achieved. Green Screen income of 10,000 and 20,000 conservation income. The Green Screens have yet to be utilised. The conservation income in the mandate was higher than agreed the total income from conservation was initially agreed as 30,000 not 50,000, the museums are looking at other ways to raise this income but the additional 20,000 will not be achieved

Income	81,000	51,000	30,000
Savings	109,000	94,000	15,000
Total	190,000	145,000	45,000

Ian Saunders

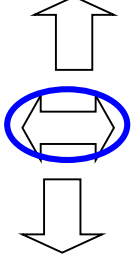
	<p>Savings from shared service model at Chepstow TIC – Red, Income from green screen – Red Income from rental of Abergavenny Red Square window - Green TIC at Chepstow has had considerable lone working pressure which is why the budget is overspent.</p>	<p>this year. Castle - Achieving in year savings of 9k but reporting total overspend of 100k due to historic budget assumptions and savings from 14-15 of 20,000. Tourism - 15,000 savings not achievable. The use of volunteers is not available at the moment. The current staffing budget only runs until the end of October but as a decision has not been made on the future of the TIC has been closed in December and January. 5,000 has been secured from the Town Council.</p>					
	<p>Alternative Delivery Plan (agreed by cabinet 2nd Dec*) - £30k achievable Winter closure of Chepstow TIC and application of museums acquisition reserve for purchases made in year. The current staffing budget runs until the end of October 2015, the TIC has been closed for December and planned for January. Income amounting to £5k has been secured from the Town Council. Following legal advice the acquisition reserve can only be used to fund the purchase of artefacts and not to off-set operational expenditure.</p>	<p>Alternative Delivery Plan</p>	<p>Total</p>	<p>190,000</p>	<p>145,000</p>	<p>45,000</p>	

Property Rationalisation

Current status



Trend since last report



At month 9 these savings have not been realised and therefore the £30,000 budget pressure remains.

Mandate 26

These savings are predicted on the need to reduce our operational portfolio and maximise revenue streams from our investment holdings. Revenue savings are largely accrued through the reduction in utilities costs, rates, repairs and maintenance. The Accommodation Working Group is charged with reviewing all property usage with the aim of minimising the costs and releasing any property that can be made surplus.

Rental of buildings – Green
 Rates Savings on vacant buildings - Green
 Rental Grant reductions – Dedicated member of staff now responsible for this.

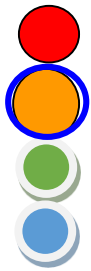
The Accommodation Working Group continues to review all property usage and the delivery of the rationalisation plan. Permissions for any disposal will continue through the usual council process. Work alongside agile working policy owner to explore further opportunities for greater agile working. The overall Service area has achieved its target at month 9 and is tracking to Green for year end on its overall financials.

Income	20,000	20,000	0		Ben Winstanley
Savings	80,000	80,000	0		
Total	100,000	100,000	0		

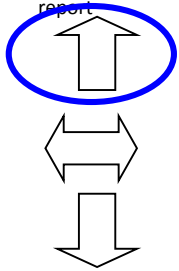
Mandate 28

Community Hubs

Current status



Trend since last report



It's about delivering services in a different way and aligning them with the Whole Place philosophy. This will introduce major changes to how the library and one stop shop services are delivered. We will create a hub in each town where face to face services will be delivered. The contact centre will sustain a reliable and informed first point of contact for people contacting us other than face to face.

Increase staffing costs are due to the delayed implementation of the of the Community Hubs restructure. The mandate savings of £250k related to a full year saving and it was only possible to achieve 6 months of reduced costs as the community Hubs opened on the 5th October 2015." Delays were as a result of in internal processes.

This outturn includes £125k of mitigating underspends including keeping a post vacant until April 2016 to help offsets the delayed mandate saving.

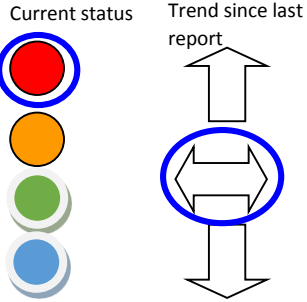
15/16
No next steps

16/17 – (50K)
The Abergavenny Hub Project plan requires continuous monitoring, updating and adjusting to reflect the project developments.

Income	0	0	0	
Savings	250,000	125,000	125,000	Deborah Hill-Howells
Total	250,000	125,000	125,000	

Mandate 31

ICT Savings (SRS & custom built software solutions)



The mandate's aim was to :- Drive cost efficiencies and income generation opportunities within the Shared Resource Service (SRS). This will subsequently result in MCC benefiting from reduced budget without any significant impact to service. And generate ongoing savings and user benefit from custom built software solutions being generated, then productised and sold commercially.

SRS have made 138k of their proposed 150k saving - still 20k saving to be found on software contracts however further savings of 20k have been found from vacancies.

The 100k savings that were to be achieved through in-house software development and the sale of products will not occur in 2016/17. Work continues to generate commercial returns from the sale or licencing of FLO, the Authority's social care app, though the app will only be marketable from Q1 in 2016/17 based on the most recent updates.

Alternative Delivery Plan (agreed by cabinet 2nd Dec*) – £110k achievable Continue to do work that is required to support the sale/licencing and commercialisation of FLO.

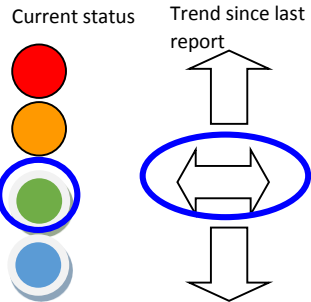
Work continues at month 9. The service is currently reviewing all budget areas and update on savings achievable will be known at Month 11.

Restriction of non-essential spend across the People and Commercial Development division, together with a further review of ICT capital and revenue budgets, aims to identify scope to mitigate the existing £112k pressure.

Alternative Delivery Plan – based on variance reported against original mandate at month 6.

Income	0	0	0	Peter Davies
Savings	250,000	138,000	112,000	
Total	250,000	138,000	112,000	
Total	250,000	138,000	112,000	

**Mandate 40a
Democracy**



This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :-
 Management restructure – Green.
 Increased income generation – Green
 Removal of a vacant post – Green
 Reduction in mileage budget – Green
 All action plans delivered in order to achieve the savings.

In relation to budget delivery no next steps

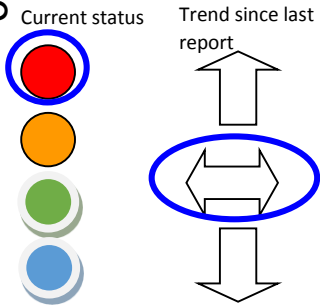
Non budget Service improvements.

Income	24,000	24,000	0
Savings	85,000	85,000	0
Total	109,000	109,000	0

Tracy Harry

Mandate 41a

Abergavenny Markets



The objective was to run additional market stalls on existing market days in Neville street and St Johns Square, Abergavenny. Expansion of flea markets and boot sales and to hold special markets/events in Cross Street Abergavenny.

The service has been unable to generate the additional income. This mainly due to operational, resource and PR challenges. New Structure in place for January 2016.

**Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 50k achievable
 Cease all repair and maintenance work to asset portfolio.**

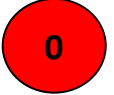



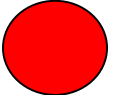















The service is forecasting achieving 37k against the alternative delivery plan.





































To build an income generation plan for future years.

Alternative Delivery Plan – based on variance reported on original mandate at month

Income	70,000	0	70,000
Savings	0	0	0
Total	70,000	0	70,000
Total	70,000	37,000	33,000

Ben Winstanley

Summary - Month 10 Current status	Summary – Month 2	Summary – Month 6	Summary – Month 9	Key
				 Not on target Concerns identified with delivery of target. Closely review & monitor.
				 Monitoring & required to keep on track
				 On target to achieve budget and action Plans.
				 On target and over achieve.

Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
1 Leisure				
2 Housing				
5 Sustainable Energy Initiatives				
6 Museums & Castles				
26 Property Rationalisation				
28 Community Hubs				
31 ICT savings				
40a Democracy				
41a Abergavenny Markets				

2. Capital Outturn Forecast

There was no original budget for capital schemes within this portfolio however capital slippage from 2014/15 of £530,735 has been allowed into 2015/16. The budget is separated under the following headings

Economy & Development	Annual Forecast	Original Budget	Slippage from 2014/15	Budget	Total Approved Budget	Provisional Slippage carried Forward 2016/17	Adjusted Budget	Forecast	Variance
				Virement or Revision	@ Month 9		@ Month 9	Over / (Under) Outturn @ Month 9	Reported @ Month 6
				£000's	£000's	£000's	£'000's	£'000's	£000's
	£000's	£000's	£000's	£000's	£000's	£000's	£'000's	£'000's	£000's
Asset Mgt Schemes	450		300	450	750	(300)	450	0	0
Regeneration Schemes	308		231	205	436	(158)	278	30	30
Grand Total E&D	758		531	655	1,186	(458)	728	30	30

Further details of all the schemes are contained in the appendices. Overrun in costs are noted to the replacement cattle market and extra solicitor costs anticipated in regard of Abergavenny regeneration scheme. As is common with minor overspends they will be assessed against underspends apparent at end of year and any net cost borne in the first instance by capital receipts.

Appendices (click link to Hub)

[M9 Enterprise Revenue Budget Monitoring 2015-16 Appendix 8.xls](#)

[Appendix 3C M9 Capital Monitoring Economic and Development Select 2015-16.xlsx](#)

[M9 Savings Mandates Appendix SM 2015-16.xls](#)

Adult Select Committee Portfolio Position Statement Month 9 (2015-16)

DIRECTOR'S COMMENTARY

APPENDIX 4

In terms of adult services, we are confident in achieving a balanced budget position by year end resulting from the practice led transformation. This is helping to offset the pressures on budgets which are a consequence of the demographics and cost pressures in commissioned providers. It is important that we are well positioned by year end given the significant budget mandated savings due in 2016/17, which will continue to build on the success of the changing practice, changing lives programme. The pressure in the cost of providing community care services is being seen both within in-house services, and by external providers, with particular issues for the latter in retaining and recruiting workforce. There are a number of priorities for commissioning including new models of provision in learning disabilities to respond to a progression in practice, and the implementation of turning the world upside down in the independent care at home market.

1. Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

Adult Service Area	Budget @ Month 6	Budget Revision Virements	Budget @ Month 9	Forecast Outturn	Variance @ Month 9	Variance @ Month 6	Variance @ Month 2	Forecast Movement Months 6 to 9
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Adult Services	6,332	50	6,382	6,312	(70)	(131)	(18)	61
Community Care	20,370	(50)	20,320	20,268	(52)	(56)	(107)	4
Commissioning	1,984	0	1,984	1,969	(15)	(7)	(4)	(8)
Resources & Performance	906	(42)	864	866	2	(1)	(28)	3
SCH Directorate	29,592	(42)	29,550	29,415	(135)	(195)	(157)	60

1.2 The most significant over and underspends are

Adult Select Service Area	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive) / Negative £000's	Commentary on forecasted outturn
Disability Equipment (GWICES)		(9)	22	Advanced stock purchases in 2014/15 by the Intermediate Care Fund
Adult Transformation		(48)	9	This scheme refers to Community co-ordination and subject to reserve budget. A formal slippage request has been made to carry forward into 2016/17.
Management team		(100)	(4)	Current Disabilities team manager vacancy plus ICF grant meeting costs of the Direct Care team manager.
Direct Care		(71)	8	Team manager vacancy and additional income from client referrals.
Direct Residential Care	140		44	Employee efficiency and previous mandate savings not deliverable, additional staffing to cover sickness and falling client numbers resulting in lower income
Transition co-operative		(24)	0	Income from employee secondment
TOTAL ADULT SELECT	140	(252)	79	Net Total (112)

Further analysis of the Costs centres contained within the Adult Select Service areas can be obtained in Appendix 6.

1 2015-16 Savings Progress


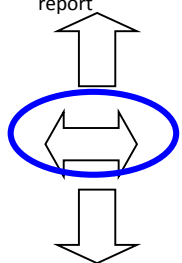
As at month 9, SCH are on track to meet our mandated savings as illustrated below: -

Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed Till 2016/17 £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	SOCIAL CARE & HEALTH					
24	Bright new futures	14,000	14,000	0	0	0
33	Sustaining Independent Lives in the Community	260,000	260,000	0	0	0
	TOTAL SCH	274,000	274,000	0	0	0

1.1 Further details on the savings mandates can be found in Appendix SM

Budget Mandates

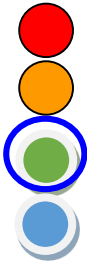
Progress and Next Steps at Month 9

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
<p>Mandate 24 * Transition - Bright New Futures (SC&H)</p> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> <p>Current status</p>  </div> <div style="text-align: center;"> <p>Trend since last report</p>  </div> </div>	<p>2014/15 mandate*</p> <p>In 2014 we combined our Transitions Project Team within Bright New Futures Project. (based in Bridges)</p> <p>This has established a shared service model.</p> <p>No action necessary in relation to the mandate savings.</p> <p>We continue to deliver savings with this partnership working.</p>	<p>Plan to review near the end of the five year project. Review to include :- Budgets Service Resource / secondments. Etc...</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>14,000</p> <p>14,000</p>	<p>0</p> <p>14,000</p> <p>14,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Julie Boothroyd</p>

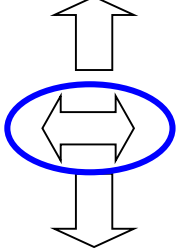
Mandate 33&34

Adult Social Care

Current status



Trend since last report



The service is continuing its journey on practice change and restructuring itself to meet future mandate savings with community links and innovative approaches to domiciliary care, coupled with less reliance on admissions to residential care.

The size of the saving is challenging however the service is working together as a whole team in order to continue to review its performance in order to meet the targets. Change in practice will need to continue at pace and be significant, this will continue to take time. All targets currently on track to deliver. Dementia care matters training roll out continues with vigour and there is full commitment that this training will support the changes in practice required.

Continue to review the structures and workforce to establish the resource, knowledge and skills moving forward.

Service transformation will continue to evolve and approval sought as the programme develops.

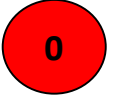
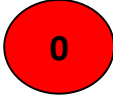
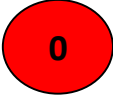
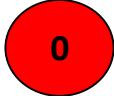
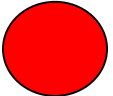
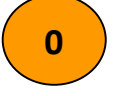
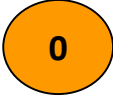
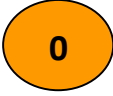
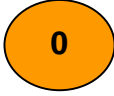
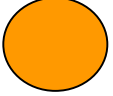










Continue to deliver and ongoing evaluation of the DCM training and other training that supports the workforce to change practice.

Continue to capture and work with teams to further develop ideas and drive practice change.

IT build continues further development (i.e reporting) and there remains positive feedback from users of FLO.

Income	0	0	0
Savings	260,000	260,000	0
Total	260,000	260,000	0

Julie Boothroyd

Summary - Month 10 Current status	Summary – Month 2	Summary – Month 6	Summary – Month 9	Traffic Light Key
				 Not on target Concerns identified with delivery of target. Closely review & monitor.
				 Monitoring & required to keep on track
				 On target to achieve budget and action Plans.
				 On target and over achieve.

Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
24 Transition – Bright New Futures				
33 Adult Social Care (&34)				

2 Capital Outturn Forecast

A summary of this year's capital schemes are shown below: -

Social Care & Health	Annual Forecast	Original Budget	Slippage from 2014/15	Budget	Total Approved Budget	Provisional Slippage carried Forward 2016/17	Adjusted Budget	Forecast	Variance
				Virement or Revision	@ Month 9		@ Month 9	Over / (Under) Outturn @ Month 9	Reported @ Month 6
	£000's	£000's	£000's	£000's	£000's	£000's	£'000's	£'000's	£000's
Asset Mgt Schemes	202	47		171	218	(15)	202	0	0
ICT Schemes	135		35	100	135		135	0	0
Grand Total SCH	337	47	35	271	353	(15)	337	0	0

Further details of all the schemes are contained in the appendix 4C. Currently no variation has been reported and so the budgets are presented here for information only.

APPENDIX (Links to Hub)

[M9 Social Care and Health Revenue Budget Monitoring 2015-16 Appendix 6.xls](#)

[Appendix 4C M9 Capital Monitoring Adult Social Care and Health Select 2015-16.xlsx](#)

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**Children & Young People Select Committee
Portfolio Position Statement Month 9 (2015-16)**

APPENDIX 5

CYP DIRECTOR'S COMMENTARY

The Directorate's month 9 position is a forecasted overspend of £242,000, this is £45,000 higher than anticipated at Quarter 2. The youth service remains a volatile area having been subject to a £200,000 savings mandate. The current forecast over spend for the youth service is £139,000. It is pleasing to note that the Additional Learning Needs service is underspent by £132,000, again an improvement of £30,000 since Quarter 2.

SCH DIRECTOR'S COMMENTARY

In terms of children's services, there are 2 key pressures: firstly, the pressure due to continued use of agency workforce resulting from vacancies in the permanent workforce. Recruitment campaigns have not been successful so alternative workforce plans are being developed including a scheme to recruit newly qualified social workers, linked to peer mentoring. The biggest cost pressure in children's services is the placement budgets. There has been an increase in the number of looked after children currently at 119, but there have also been an increase within that number of high cost residential placements, increasing the average weekly unit cost by £3,000 per placement. There are a number of strategies being employed to address this issue namely the fostering and SGO business cases, investment in commissioning capacity, and review of early intervention and prevention model and services.

1 Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

Children & Young People Service Area	Budget @ Month 6 £000's	Budget Revision Virements £000's	Budget @ Month 9 £000's	Forecast Outturn £000's	Variance @ Month 9 £000's	Variance @ Month 6 £000's	Variance @ Month 2 £000's	Forecast Movement Months 6 to 9 £000's
21st Century Schools	0	0	0	0	0	0	0	0
Individual School Budget	43,797	121	43,918	44,033	115	28	0	87
Resources	1,402	0	1,402	1,461	59	74	61	(15)
Standards	5,434	0	5,434	5,363	(71)	(42)	99	(29)
Youth	597	0	597	736	139	137	114	2
CYP Directorate	51,230	0	51,351	51,593	242	197	274	45
Children's Services	8,543	153	8,696	10,060	1,364	1,297	675	67
Total C&YP Select	59,426	274	60,047	61,653	1,606	1,494	949	112

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The most significant over and underspends are

Children & Young People Service Area	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive) / Negative £000's	Commentary on forecasted outturn
STANDARDS				
Additional Learning Needs		132	(30)	Staff vacancy and higher than anticipated recoupment income.
Primary Breakfast Initiative Grant	55		0	Take up continues to increase and therefore resulting in additional staffing requirements.
ISB				
ISB	115		87	Increased costs of protection at schools, changes in rateable value of a secondary school has incurred increased rates charge, also professional fees have been incurred by the directorate

RESOURCES				
Support Services	69		(4)	Efficiency savings for directorate to be identified. Directorate legal costs and a small saving now slightly higher than anticipated at Q2 due to a vacancy continuing to be held open.
Service Level Agreements		10	(10)	WJEC contributions less than anticipated.
YOUTH				
Community Education Youth General	139		2	Delay in the start of the ESF project will result in less income in this financial year.
CHILDRENS SERVICES				
Fostering Allowances and Payments For Skills	144		(12)	Reflects financial support to the current number and age mix of children in foster care and skills payments to carers with SGO's
Younger People's Accommodation		(66)	30	A vast amount of work has been undertaken in this budget over the past two years to deliver, at present, an underspend. This budget is prone to volatility and since month 6 we are supporting two more placements costing £1,600 per week.
Ty'r Enfys		(52)	0	This facility will remain closed for the entire year.
Therapeutic Service		(28)	0	Under spend due to part vacant Play Therapist post.
External Placements - LAC	1,094		174	Current activity is 70 placements compared to 64 at month 6. We are seeing a full year effect of placements that only entered the system in the latter part of last year.
External Placement - Non-LAC		(96)	0	This budget is generally used to fund the over spend within LAC.
SCYP - Placement & Support Team	122		(5)	There is a mixture of reasons for the overspend such as use of agency staff, contact and assessment costs and home to school transport. More recently this budget has funded building work to create in house contact centres.
SCYP - Supporting Children & Young People Team	233		35	Overspend relates to the employment of 7 agency workers to cover staff sickness and capacity issues and a 77% increase in transport costs since last year.
Children's Services Safeguarding Unit		(27)	(6)	Under spend relates to a vacant part time Independent Reviewing Officer post not expected to be filled until 2016/17.
Disabled Children	91		3	Large part of overspend relates to the continued use of agency staff to cover sickness.
FRS – Family Support Team	42		15	This budget has utilised the services of numerous agency social workers to cover for various staff absences.
Bus Cases / Temp Funding - Cabinet 06/05/15		(77)	(161)	Underspend relates to delayed appointment to social worker posts connected with approved business cases

Further analysis of the Service Areas contained within CYP Select can be found in Appendix 7 and Appendix 6 for Children's Services

2 2015-16 Savings Progress

The savings required by the 2015-16 have not yet been secured.

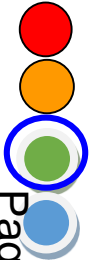
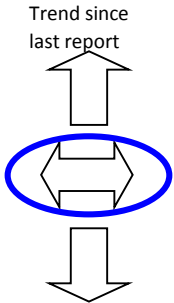
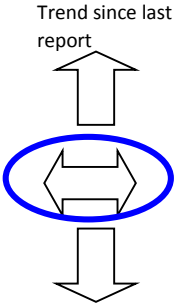
Children & Young People's budgeted savings were £1,514,000 and at month 9 £1,377,000 have been identified. Of the remaining savings £137,000 are currently deemed to be unachievable.


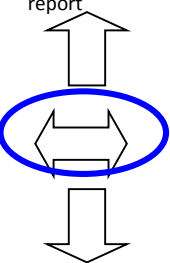

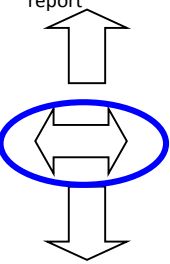
Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed In year £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	Children & Young People					
16	Delegated Schools Budget	1,124,000	1,124,000	0	0	0
18	School Library Service	20,000	20,000	0	0	0
20	School Music Service	50,000	50,000	0	0	0
35	CYP / Additional Needs / Mounon House	120,000	120,000	0	0	0
42	Youth Service	200,000	63,000	0	137,000	0
	TOTAL C&YP	1,514,000	1,377,000	0	137,000	0

2.1 Further analysis of the Savings mandates can be found in Appendix SM.

Budget Mandates

Progress and Next Steps at Month 9

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
<p>Mandate 16</p> <p>schools delegated budgets</p> <p>Current status  Trend since last report </p> <p>Page 95</p>	<p>Schools budgets will be protected at cash limit, this means no pay inflation and or non-pay inflation is provided for in funding, This is about finding opportunities to reduce costs in schools.</p> <p>Schools continue to be supported to seek opportunities for savings. Cluster led meetings. Schools being supported with performance management. Training needs have been identified for Head Teachers to address any skill gaps when managing their budgets. All schools continue to engage. Schools who need more significant support have been identified and support delivered action to mitigate any financial challenges. 'Quick wins' have been developed and continue to be published, shared and evaluated throughout all schools. Mandate savings delivered.</p>	<p>Continue to review resource impact for foundation phase.</p> <p>Monitor schools closely to ensure they follow their budget plans and more schools do not fall into a deficit.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nikki Wellington</p>
<p>Mandate 35</p> <p>Transformation of ALN</p> <p>Trend since last report </p>	<p>We are undertaking a review of Additional Learning Needs. Its forms a 3 stage process.</p> <p>Savings fully met for this year. Stages 1 and 2 are complete. The team have commenced consultation with families as part of the stage 3. (Mandate B20 for 16/17).</p>	<p>All timescales of delivery of the mandate to stay in line with the 'complete review' timetable. All future stages of the ALN review will be monitored via the future mandates.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>120,000</p> <p>120,000</p>	<p>0</p> <p>120,000</p> <p>120,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Sharon Randall-Smith</p>

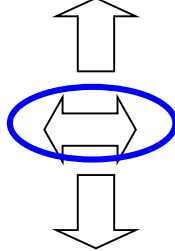
<p>Mandate 18 *</p> <p>School library service - combine with general library service</p> <p>Current status  Trend since last report </p>	<p>2014/15 mandate with 2015/16 savings*</p> <p>Savings achieved – mandate delivered</p>	<p>No next steps necessary</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>20,000</p> <p>20,000</p>	<p>0</p> <p>20,000</p> <p>20,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Sharon Randall - Smith</p>
<p>Mandate 20</p> <p>Gwent Music</p> <p>Current status  Trend since last report </p>	<p>Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient and increase the value by :-</p> <p>Increase charging to parents per term to bring it in line with other LA's delivering the same service i.e Newport.</p> <p>Introduce an instrument charge.</p> <p>Not fill the vacant post.</p> <p>Music access fund agreed as of 19th June by cabinet.</p> <p>Access fund launched from September 2015.</p>	<p>To continue to work with Gwent music to develop the music provision for Monmouthshire schools in light of the reductions.</p> <p>Gwent music have worked very successfully on income generation and very closely with Monmouthshire to achieve this.</p> <p>Gwent music continues to work with MCC to ensure the finding is used to support the need.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nicky Wellington</p>

**Mandate 42
Youth Service**

Current status



Trend since last report



Replace core funding with other income sources.
The Youth Service is exploring new ways of working. They are embracing this opportunity in an innovative way. Small groups are exploring ideas to generate income streams and savings whilst ensuring quality service is maintained.

Sourced and secured ESF funding for pre and post 16 for a period of 3 years. 130k per year secured and runs an academic year so circa 70k will be in this financial year.

Secured 10k from Supporting People's Programme to assist with Post 16 support for 1 year

Community Kitchen in Abergavenny has been awarded 5 star rating by Environmental Health and is now operational. Taking bookings for buffets; children's parties and lunches for community members

Skate Park Shop in Abergavenny is near opening
Finalising details with Legal on contract with local business
Audit and accounts have been set up
Marketing ready to go out

Propel is steadily progressing
Courses ready to advertise
Staffing being trained currently to deliver

Wellbeing is steadily progressing
Courses being written
Staff who have expertise in this area are finding it difficult to fit in this as well as working with young people on their case load as these are the priority.

Meetings with all schools to look at new roles for staff and outcomes required to meet funding criteria.
Planning and writing of resources and courses to be completed over summer period
Programme to start delivery on 2nd September 2015

Meet with SPP to finalise grant.
Case load young people to be supported. Commence project in July 2015.

Market and promote menus and packages available
Community Kitchen opened September 2015.

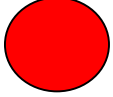
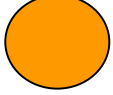


Set income targets once steady business flow is established.
Shop to be operational by September 2015
Set income targets once steady business flow is established

Still awaiting for HUB section to promote courses
Meeting with staffing team to look at where time can be found in order to free staff up to deliver specialised courses and offer more packages to families and young people

Income	200,000	63,000	137,000
Savings	0	0	0
Total	200,000	63,000	137,000

Tracey Thomas

	<p>£63,000 the savings have been met, but the service are reporting an £137k overspend at month 6.</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 60k achievable Combination of increase in Grant Income and savings on staff vacancies. Grant income delayed to new financial year</p>	Amendment to delivery plan.	Total	200,000	63,000	137,000	
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<p>Summary - Month 10 Current status</p> <p>1</p> <p>1</p> <p>3</p> <p></p>	<p>Summary – Month 2</p> <p>1</p> <p>0</p> <p>4</p> <p></p>	<p>Summary – Month 6</p> <p>1</p> <p>0</p> <p>4</p> <p></p>	<p>Summary – Month 9</p> <p>1</p> <p>0</p> <p>4</p> <p></p>	<p>Key</p> <p> Not on target Concerns identified with delivery of target. Closely review & monitor.</p> <p> Monitoring & required to keep on track</p> <p> On target to achieve budget and action Plans.</p> <p> On target and over achieve.</p>
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Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
16 Schools Delegated budgets				
18 School Library Service				
20 Gwent Music				
35 Transformation of ALN				
42 Youth Service				

3. SCHOOLS

3.1 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the outturn forecast Schools' balances position based on month 9 projections.

Draft Council Fund Outturn 2015/16– Schools Summary outturn position at Month 9 (Period 3)	(A) Opening Reserves (Surplus) / Deficit Position 2015/16 £'000	(B) Month 6 Draw on School Balances 2015-16 £'000	(C) Variance on Month 6 Reserve Draw £'000	(D) Draw Forecasted on School Balances @ Month 9 £'000	Forecasted Reserve Balances at 2015-16 Outturn (A+D) £'000	Forecasted Reserve Balances @ Month 6 £'000	Forecasted Reserve Balances @ Month 2 £'000
Clusters							
Abergavenny	(412)	(19)	65	46	(366)	(431)	(312)
Caldicot	(426)	153	(41)	112	(314)	(273)	(174)
Chepstow	98	63	17	80	178	161	143
Monmouth	(424)	154	(17)	137	(287)	(270)	(231)
Special	24	105	11	116	140	129	(4)
	(1,140)	456	35	491	(649)	(683)	(578)

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3.1.2 School balances at the beginning of the financial year amount to £1,140,000. The Schools budgeted draw upon balances is forecasted to be £491,000 for 2015/16, therefore leaving £649,000 as forecasted closing reserve balances.

3.1.3 Within these summary figures, of particular note, is the deficit reserve position forecasted for the Chepstow Cluster, Chepstow Comprehensive school have a recovery plan in place, the latest forecast indicates an increase in the deficit for the school. This is due to the contribution to redundancy costs that the school has incurred and additional water rate. The recovery plan is currently being reviewed and given the predicted increase in number of pupils on roll this deficit will still be met over the duration of the plan.

3.1.4 5 schools exhibited a deficit position at the start of 2015/16; Llanvihangel Crocorney (£30,947), Castle Park (£36,380), Chepstow Comprehensive (£399,926) Llandogo (£11,391) and Mounton House Special School (£142,391). Of these five schools the following four have seen an increase in their deficit balance at month 9, Llandogo (£1,770), this is due to the sickness absence at the school, Chepstow School (£24,478) due to water charges and increase in exam fees, Castle Park (£6,168) due to changes in staffing, and Mounton House Special School (£6,247), due to significant staffing changes and a delay in grant funding through the ESF project.

3.1.5. Schools balances are exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances which is of concern and others a more balanced trend.

Financial Year-end	Net level of School Balances
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16 (Forecast)	(649)

3.1.6 There has been a significant reliance on reserve balances to supplement school spending plans in the last 4 years across individual schools with a certain amount of replenishment. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to no more than £50,000 for a primary school and £100,000 for a secondary school. Members may wish to seek a comfort that balances aren't being used to subsidise and sustain core costs such as staffing.

3.1.7 Individual School Balances are available in Appendix 14 CYP School Select.

Capital Outturn Forecast

The total budget for Capital Schemes within the Children & Young People portfolio is £51,350,996 comprising an original budget of £43,100,948 together with authorised capital slippage from 2014/15 of £7,267,647 and virements or revisions of £982,401. The budget is separated under the following headings

CHILDREN & YOUNG PEOPLE	Annual Forecast	Original Budget	Slippage from 2014/15	Budget	Total Approved Budget	Provisional Slippage carried Forward 2016/17	Adjusted Budget	Forecast	Variance
				Virement or Revision	@ Month 9		@ Month 9	Over / (Under) Outturn @ Month 9	Reported @ Month 6
	£000's	£000's	£000's		£000's	£000's	£'000's	£'000's	£000's
Asset Mgt Schemes	19	0	19	0	19	0	19	(0)	0
Future Schools	13,552	42,197	6,699	0	48,896	(35,235)	13,661	(110)	(92)
School Development Schemes	269	50	219	806	1,075	(806)	269	0	0
Maintenance Schemes – Property	1,361	853	331	176	1,361	0	1,361	0	0
Grand Total	15,200	43,101	7,268	982	51,351	(36,041)	15,310	(110)	(92)

Further details of all the schemes are contained in the appendix 5C. There is an underspend anticipated in respect of Raglan 21c schools scheme, This is not available for redistribution at this stage, as there is a prior commitment to utilise this source to assist with IT capital replacement in schools during 2016-17.

APPENDIX (links to Hub)

[M9 School Movement on Reserves 2015-16 Appendix 14.xls](#)

[M9 Social Care and Health Revenue Budget Monitoring 2015-16 Appendix 6.xls](#)

[M9 CYP Revenue Budget Monitoring 2015-16 Appendix 7.xls](#)

Appendix [5C M9 Capital Monitoring Children and Young People Select 2015-16.xlsx](#)

SUBJECT: PROPOSED CHANGES TO THE FUNDING FORMULA FOR SCHOOLS

MEETING: CABINET

DATE: 3RD FEBRUARY 2016.

DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

1.1 To provide members with an update on the proposed changes to the school funding formula.

1.2 To provide members with details of any consultation responses received in relation to these proposals.

2. RECOMMENDATIONS:

2.1 That Cabinet approve the following changes for the school funding formula;

- (i) Threshold funding for teachers
- (ii) Top Up funding for primary schools
- (iii) Funding for free school meals
- (iv) Funding for the residential element of Mounton House Special School.

3. KEY ISSUES:

3.1 The funding formula distributes funding to schools on an agreed basis. The formula is reviewed annually.

3.2 The Schools Budget Funding Forum oversee any proposed changes to the formula and permission to consult on any changes is agreed by the forum members.

3.3 For the financial year 2016-17, two consultation papers have been issued:

- (i) Paper 1: Threshold funding for Teaching staff, Top up funding for Primary schools and funding for Free School Meals.
- (ii) Paper 2: Funding for the residential element for Mounton House Special School.

3.4 Threshold funding is for schools with teachers on the Upper Pay Scale (UPS). It is currently a large administrative burden to determine the required funding each year. Schools are required to provide details of all staff on UPS and determine if they will be eligible to increment the following September. Recent changes to the terms and conditions for teachers means pay progress can be accelerated, therefore adding to the financial burden for schools.

The current formula funds teaching staff on two rates, those on the main pay scale are funded at the top of this scale and those who have progressed on to the upper pay scale are funded at their actual rate. Hence the administrative burden for schools to provide this data.

The proposal is to fund all teaching staff at the top of the upper pay scale therefore reducing the pay burden to schools and reduce the administration.

3.5 The formula for primary schools funds a maximum of 30 pupils per class. This is determined separately for Foundation Phase and Key Stage 2. Schools who do not have straight classes of 30 in each year group will need to mix classes.

Recent changes from the Welsh Government now allow classes to be increased above 30, examples of which are where an appeal for admission is allowed, the admission of a looked after child and armed forces families.

In these cases, some primary schools have not employed additional teachers, but have breached. Therefore the funding has been used to increase the school balance, and in some cases the schools already have a significant surplus.

The proposal is to consult with schools on an individual basis who are receiving more than £20,000 in top up funding. If the school and local authority determine an additional teacher is required then funding will be provided. This will be determined at the January count. It is not anticipated to have class sizes significantly larger than current provision.

3.6 The current formula distributes funding for primary schools to fund meals for pupils who are entitled to free school meals. With the exception of one primary school, all primary schools use the school meal service provided by the Local Authority. This service is provided free of charge and the Local Authority funds those pupils entitled to a free meal.

As a result this funding is duplicated, therefore the proposal is to continue to distribute the funds via other elements of the formula, such as general allowances. The primary school that provides their own meal service will not be affected by this.

3.7 All the above proposals will not reduce funding for schools, the aim of these changes is to allow a fairer distribution.

3.8 The above changes have been subject to wide consultation, and the consultation paper is shown in appendix 1. All responses are shown in appendix 2. The School Budget Funding Forum agreed to progress these proposals at their meeting in November 2015.

3.9 The second paper relates to proposed changes to the funding of the residential element for Mounton House Special School. The current formula provides funding for 42 residential placements. This was last reviewed in 2010.

Since then the number of pupils having residential placements at the school has reduced significantly, and is currently at circa 12, covering both Monmouthshire and out of county pupils.

The proposal is to reduce funding by £250,000, which is a direct reduction to the schools budgets, therefore funding 18 residential placements.

The saving will be used to support the Medium Term Financial Plan for the financial year 2016-17, and is part of the budget mandate process.

3.10 This proposal has been subjected to wide consultation, the consultation paper is shown in appendix 3 and the responses are in appendix 4.

4. REASONS:

4.1 To ensure that the funding for schools is distributed on the fairest method.

5. RESOURCE IMPLICATIONS:

5.1 There are no resource implications. However the funding reduction for Mounton House Special School could place the school in a deficit budget. The school is currently facing a deficit budget of £142,391 and is working closely with the Local Authority to develop a recovery plan. It is anticipated that further reductions will need to be made, and the Governing Body are aware of this.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

6.1 This is shown in appendix 5.

7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS:

7.1 There are no safeguarding or corporate implications associated with this report.

8. CONSULTEES:

8.1 All Head teachers of Monmouthshire Schools

8.2 Chairs of Governing Bodies of Monmouthshire Schools

8.3 The Schools Budget Forum

8.4 The Senior Management Team

8.5 The Departmental Management Team of the Children and Young People Directorate

8.6 Diocesan Directors of Education

8.7 All Elected Members

8.8 CYP Select Committee.

9. BACKGROUND PAPERS:

- 9.1 Current funding formula
- 9.2 Minutes from the working group
- 9.3 Consultation responses
- 9.4 Schools Budget Share (Wales) Regulations 2010.

10. AUTHOR:

Nikki Wellington – CYP Finance Manager.

11. CONTACT DETAILS:

Tel: 01633 644549

E-mail: nicolawellington@monmouthshire.gov.uk



APPENDIX 1

MONMOUTHSHIRE LOCAL EDUCATION AUTHORITY CHILDREN AND YOUNG PEOPLE DIRECTORATE CONSULTATION DOCUMENT – CHANGES TO THE FUNDING FORMULA FOR SCHOOLS.

- This document forms part of the consultation process on the proposed changes to the funding formula which delegates funding to schools within Monmouthshire.
- The relevant Welsh Government legislation that Monmouthshire Local Education Authority is bound by is:
The Schools Budget Share (Wales) Regulations 2010.

CONSULTATION DOCUMENT

CHANGES TO THE DELEGATION OF FUNDING FOR SCHOOLS WITHIN MONMOUTHSHIRE.

Date of Issue: **25th September, 2015**

Action Required: **Consultation closes 6th November, 2015**

Title of Document: The Review of Funding for Schools in Monmouthshire Consultation Document.

Audience: All Head teachers of Monmouthshire Schools, Chairs of Governing Bodies of Monmouthshire Schools, The Schools Budget Forum, the Senior Management Team, the Departmental Management Team of the Children and Young People Directorate, Diocesan Directors of Education, and All Elected Members.

Overview: This document details the background that gave rise to the review of the current consultation on Schools funding and then outlines the new proposals for the distribution of this funding.

Action Required: A proforma (Appendix 2) is enclosed for your response. The completed form should be sent to the address below by the consultation closing date of **6th November, 2015**

Responses to: Nikki Wellington

Finance Manager
Children and Young People Directorate
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NP26 9AN

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Further Information: Enquiries about this consultation document should be directed to **Nikki Wellington**

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Tel: 01633 644549
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Additional Copies: These can be obtained from Nikki Wellington (telephone number and e-mail address above)

Related Documents: The Schools Budget Shares (Wales) Regulations 2010

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4 Funding of Top-up for Primary Sector	5-6
5 Funding of Free Primary School Meals	6

Appendix 1 – Impact on Individual Schools

Appendix 2 – Responses proforma.

1. Background

1.1. The School Budget Forum agreed to review the formula every year and to look at potential changes to ensure the formula remains up to date and to ensure that it continues to distribute funding in the fairest way.

1.2. Following the establishment of a working group, with requested representatives from all groups of schools, this consultation document sets out the areas that are to be considered for implementation for the financial year 2016-17.

1.3. The areas to be considered are:

- Threshold Funding
- Top Up Funding
- Free Primary School Meals

2. Issues with current arrangements

2.1. Threshold funding is for schools with employees on the Upper Pay Scale (UPS). It is currently a large administrative burden to determine the required funding each year as schools are required to provide details of all staff on UPS and determine if they will be eligible to increase in September. Also due to the changes in teachers' pay and conditions, if a teacher applies to increase more than one point and is successful the school currently would not have the funding for that financial year and vice versa, schools who have accelerated teachers and have been funded will reduce funding available to other schools.

2.2. Top up funding is for Primary Schools only, it is additional funding to support the funding for a teacher generated by pupil numbers. For example 91 pupils in Key Stage 2, would fund the school for four teachers. We see large differences with the level of funding year on year, for example if a school suddenly has 31 pupils, this would generate funding for 2 teachers, however it is likely that the school will arrange mixed classes and therefore an additional teacher would not be required.

2.3. Primary Schools currently receive funding for free school meals, this is an historical factor in the formula and the cost of free school meals is not passed to the school.

3. Proposal 1: Change to Threshold Funding

- 3.1 The current formula funds the school based on Main Scale 6 (M6) through pupil numbers and then additional funding is given depending on what UPS point the employee receive.
- 3.2 The working group discussed changing the funding per pupil to a UPS 3 instead of M6 and removing the additional element. Therefore all schools would be funded based on UPS 3 regardless of what point the teacher was paid.
- 3.3 This change will result in more funding via pupil led factors (within the regulation we have to ensure that at least 70% of the funding is delegated based on pupil led factors).
- 3.4 This change in formula would result in a £96k funding shift from Secondary to Primary sector, this was raised as an issue within the working group, however the following two proposals significantly reduces the impact, therefore this change will not be feasible unless the other proposals are accepted and will need to be reviewed.
- 3.5 The working group decided that Special schools funding should remain on threshold, as funding is already based on actual staff requirement.
- 3.6 All were in agreement that this proposal would remove a large administrative task for both the schools and finance staff.

Q1 – Do you agree that proposal 1 should be implemented?

Q2. - If you do not agree with this proposal, do you have any other suggested method of funding?

4. Proposal 2: Change to Top Up Funding

- 4.1 With the current formula a school could potentially receive funding for an additional teacher that is not required. This is deemed an unfair allocation as it unnecessarily reduces the funding for other schools.
- 4.2 Two options were considered:

Option 1: Funding for additional teachers would not emerge until 33 pupils were anticipated and an additional teacher would likely be required.

Option 2: Review on a case by case basis. If a school `Top Up` element is in excess of £20k, discussion with the school and LA staff to determine if an additional teacher is required.
- 4.3 The calculation of 33 pupils instead of 30 indicated that this option would not be viable as it would remove funding from smaller schools who would need the additional teacher. Therefore it was decided Option 2 would be the best way forward.
- 4.4 Nursery Top up funding should remain as it is.
- 4.5 This would result in £180k funding being removed from specifically primary sector to allocate across both primary and secondary.

Q3 – Do you agree with the above proposal to fund schools based on Option 2 where top up funding in excess of £20,000 is reviewed on a case by case basis?

Q4. - If you do not agree with this proposal, do you have any other suggested method of funding?

5. Proposal 3: Removal of Primary Free School Meal Funding

5.1 The current formula provides funding for free school meals in primary sector, where the cost of free school meals is borne by the LEA.

5.2 The group discussed the impact of the removal of this funding, which would remove £65k from Primary sector to allocate to both Primary and Secondary sector.

5.3 The removal of this factor within the formula, would make the formula more transparent.

5.4 If a school decided to not use the MCC school meals service they would receive additional funding which is already agreed within the current formula. (OLSM are the only school at present who receive this additional funding per pupil)

Q5 – Do you agree with the above proposal to remove the free school meal funding from Primary sector?

Q6 - If you do not agree with this proposal, do you have any other suggested method of funding?

**CHANGES TO THE DELEGATION OF FUNDING FOR SCHOOLS WITHIN
MONMOUTHSHIRE.****Covering:**

Funding of Teaching staff
Funding of Top Up Element for Primary schools
Funding of FSM.

We received 9 responses, 8 from schools and 1 union.

The responses are listed below:

Q1 – Do you agree that proposal 1 should be implemented?

9 said yes

Q2. - If you do not agree with this proposal, do you have any other suggested method of funding?

None were received

Q3 – Do you agree with the above proposal to fund schools based on Option 2 where top up funding in excess of £20,000 is reviewed on a case by case basis?

9 said yes

Q4 - If you do not agree with this proposal, do you have any other suggested method of funding?

None were received.

Q5 – Do you agree with the above proposal to remove the free school meal funding from Primary sector?

8 said yes

1 said no.

The school that had responded no had misunderstood the consultation and thought we were removing FSM entitlement and funding. We have visited this governing body this month to explain.

Q6 - If you do not agree with this proposal, do you have any other suggested method of funding?

None were received.



MONMOUTHSHIRE LOCAL EDUCATION AUTHORITY
CHILDREN AND YOUNG PEOPLE DIRECTORATE
CONSULTATION DOCUMENT – CHANGES TO THE FUNDING FORMULA FOR
SCHOOLS.

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- The relevant Welsh Government legislation that Monmouthshire Local Education Authority is bound by is:
The Schools Budget Share (Wales) Regulations 2010.

CONSULTATION DOCUMENT
CHANGES TO THE DELEGATION OF FUNDING FOR SCHOOLS WITHIN
MONMOUTHSHIRE.

Date of Issue: **23rd November, 2015**

Action Required: **Consultation closes 6th January 2016.**

Title of Document: The Review of Funding for Schools in Monmouthshire Consultation Document.

Audience: All Head teachers of Monmouthshire Schools, Chairs of Governing Bodies of Monmouthshire Schools, The Schools Budget Forum, the Senior Management Team, the Departmental Management Team of the Children and Young People Directorate, Diocesan Directors of Education, and All Elected Members.

Overview: This document details the background that gave rise to the review of the current consultation on Schools funding and then outlines the new proposals for the distribution of this funding.

Action Required: A proforma (Appendix 3) is enclosed for your response. The completed form should be sent to the address below by the consultation closing date of **6th January 2016**

Responses to: Nikki Wellington
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Further Information: Enquiries about this consultation document should be directed to Nikki Wellington

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Related Documents: The Schools Budget Shares (Wales) Regulations 2010

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Appendix 1 – Current funding Section 52.

Appendix 2 – Proposed funding Section 52.

Appendix 3 – Response proforma.

4. Background

4.1. The School Budget Forum agreed to review the formula every year and to look at potential changes to ensure the formula remains up to date and to ensure that it continues to distribute funding in the fairest way.

4.2. Following a meeting of the School Budget Funding Forum on 16th November 2015, members agreed to consult on the funding formula for Mounton House Special School.

5. Issues with current arrangements

5.1. The current formula provides funding for the residential capacity of the school. The current placement funding is 42. Currently there are 10 residents in the school, but this number will fluctuate slightly from this during the year.

5.2. The funding formula for Mounton House was reviewed in 2010 and at this point there were more residential pupils on roll.

5.3. From 2010 the number of residential pupils have reduced, however the formula has not been adjusted to reflect this decline.

6. Proposal.

6.1 The proposal is to change the formula to fund on a lower number of pupils to reflect the actual numbers on roll.

6.2 This will result on the numbers funded for residential dropping to 18, to allow any growth in year.

6.3 As a result of this, it is anticipated that the funding through the formula would reduce by circa £250,000. Appendix 1 details the current funding and Appendix 2 shows the proposal. Please note this is based on 15-16 funding levels.

6.4 The reduction in funding would not be redistributed to schools, it would be used as a saving to close the gap on the wider Monmouthshire County Council budget.

6.5 Although this is a reduction in residential placements, the Governing Body would be responsible in planning how this will be met. The current formula has resulted in a subsidy of day places from residential places and therefore the proposed changes will correct this disparity.

Q1 – Do you agree with this proposal?

Q2. - If you do not agree with this proposal, do you have any other suggested method of reducing schools budgets by £250,000.

**CHANGES TO THE DELEGATION OF FUNDING FOR SCHOOLS WITHIN
MONMOUTHSHIRE.**

Covering:

Funding for residential element of Mounton House School.

The consultation paper was sent to:

All Head teachers of Monmouthshire Schools, All Governors of Monmouthshire Schools, The Schools Budget Forum, the Senior Management Team, the Departmental Management Team of the Children and Young People Directorate, Diocesan Directors of Education, and All Elected Members.

We received 11 responses, 10 from schools and Governing Bodies and 1 from a union.

The responses are listed below:

Q1 – Do you agree that proposal 1 should be implemented?

2 – made comment only as below.
7 – said yes
2 – said no

Comments made:

It's not clear how the 2015 numbers of each year group totalling 42 have suddenly gone to 10. What year group are these? How many staff are there presumably to deal with different year groups..? – A message was left to discuss this, however no return phone call was received.

A reduction in education funding at a time when schools are being asked to absorb increases in teachers' pay and NICs seems contrary to the intention of the UK and Welsh governments. This would amount to cuts well above the 7.5% over the lifetime of this government suggested by the IFS. However it does seem sensible to review the future of Mounton House – the facility is very expensive and the two 21st Century schools each have special provision within their build. How is this factored into the decision making? What is the outcome of internal and external review of the provision? How has it impacted on life chances for young people? Can this be replicated or improved in the new provisions in Monmouthshire?

No we reject this proposal as at this stage it does not appear to be a Consultation rather a directive to reduce £250k from the Mounton House School budget by adjusting the funding formula. In order for the NASUWT to respond effectively we would need an impact assessment in terms of the implications for the residential provision and the staffing at the school as this will be crucial to our response.

There is insufficient information with regard to the finances for the residential provision at Mounton House School. Further information is required with regard to both the income and costs of residential provision in order to make any assessment. Any analysis needs to take full account of the fees received from other Authorities for both day and residential placements as well as the potential cost impact of the loss of residential provision for Monmouthshire pupils. Improved marketing of the school with other Local Authorities would lead to increased usage so this should be a revenue growth rather than a cost reduction initiative. One of the most likely and obvious options that the Governing Body will implement to mitigate the £250,000 proposed reduction in Funding (which is directly linked to residential places) for the 2016/17 financial year is to close the Residential facility at the School. The cost of simply staffing this part of the business at present is £282,213 therefore this is a realistic decision that Governors could make. This has implications for the Local Authority.

There are currently ten residential pupils on roll at Mounton House School 6 of which are from other Local Authorities and four from Monmouthshire. One further out of county Year 9 residential pupil has been referred to the School recently. Therefore the financial impact in terms of recoupment income from other Local Authorities could be £295,359 in 2016/17 based on the current annual residential fee of £46,030. Furthermore, there are four Monmouthshire residential pupils at Mounton House School three of which are Year 10 (one Year 11 pupil) pupils and could need alternative educational and residential provision for the whole or part of the 2016/17 academic year. These placements conservatively estimated at £50,000 per place could cost the Authority from £87,500 to £150,000 per year to educate these pupils through to April 2017 with further costs in the 2017/18 financial year. Therefore, the total cost/loss of income to the Authority could be as much as £445,359 far outweighing the £250,000 reduction in funding via the current formula.

Yes - Mounton House School agrees that it is right and proper that all Schools in Monmouthshire are financed appropriately via the School funding formula. Residential pupil numbers and therefore the places required to be funded at the School have fallen significantly. However, Mounton House School is different from any other School within the Local Authority as decisions made to address potential residential funding reductions by the LA can also significantly impact on the finances of the Local Authority itself. Also, Mounton House is looking to once again market itself across our neighbouring LA's in order to improve pupil numbers.

Mounton House School also has a £136,000 deficit forecast at Month 6 due to a set of unprecedented and unavoidable circumstances and it is acknowledged that a significant staffing restructure is required to address the current deficit and to develop the School into an organisation which is fit for its current purpose.

As you will be aware there is a consultation taking place on Additional Learning Needs in Monmouthshire and it is understood that Mounton House School is part of the Stage 3 element of this process. A decision on the future designation and role of the School will need to be supplemented by a substantial funding formula review so that the School is funded appropriately for any future purpose.

Mounton House School accepts that it has been subject to a funding formula that historically has not been responsive to changes in the number of places that were required residentially and now has to potentially manage this substantial (£250,000) decrease in funding in one financial year that has been caused by a reduction in residential pupils experienced over 4 or 5 academic years.

An overriding question from the School's standpoint is:-why was the funding formula not reviewed in view of falling pupil numbers a number of years ago? This would have resulted in a more gradual and manageable decrease in funding over a 3 to 5 year period allowing the Governing Body to plan more effectively in the context that the future of the School has yet to be clearly resolved despite being subject to Local Authority debate over the last 5 years.

The whole School restructure is currently underway and a deficit reduction plan/recovery plan will flow out of the process when the detail is known. In the past residential places led funding has been utilised to support other educational provision and initiatives to support the challenging behaviour of the pupils, therefore the impact in the reduction of the funding will be severe and will no doubt affect greatly the current restructure.

The context of the proposed change in funding formula and the resultant projected reduction in funding is £250,000. This represents the vast majority of the current cost of residential staff (£282,000) or put another way the cost of 5 teachers. Therefore the significant impact cannot be underestimated.

As the potential funding reduction is via residential places then a realistic outcome could be the decision to close the residential facility at the School. This would impact financially in a detrimental way on the Local Authority:

(1) Redundancy costs for Residential staff at Mounton House School would undoubtedly take up the majority of any redundancy budget earmarked by the Local Authority for 2016/17 (£300,000 for 2015/16) and therefore potentially leaving other Schools within the Local Authority to pick up redundancy costs from their own Individual School Budget Shares.

(2) There are currently ten residential pupils on roll at Mounton House School 6 of which are from other Local Authorities and four from Monmouthshire. One further out of county Year 9 residential pupil has been referred to the School recently. Therefore the financial impact in terms of recoupment income from other Local Authorities is £295,359 based on the current annual residential fee of £46,030.

Furthermore, there are four Monmouthshire residential pupils at Mounton House School three of which are Year 10 (one Year 11 pupil) pupils and could need alternative educational and residential provision for the whole or part of the 2016/17 academic year. These placements conservatively estimated at £50,000 per place but could cost the Authority from £87,500 to £150,000 to educate these pupils through to April 2017 with further costs in the 2017/18 financial year. (The Priory Group was contacted and although they would not discuss specific figure the “ball park” figure for a pupil with the type of needs being catered for at Mounton House School was £75,000)

Therefore, the total cost to the Authority could be as much as £445,359 far outweighing the (savings?) £250,000 reduction in funding via the current formula.

The closure of the residential aspect of the School will also have an “opportunity cost” on the Local Authority’s income generation potential in the future. Even at £46,000 many placing Local Authority’s consider the recoupment fees cheap in comparison to other (private) providers. The School has raised over £1.2m in recoupment fees income in the past (paying for “Band “funding distributed to Mainstream Schools to support inclusion for other pupils with Additional Learning Needs in Monmouthshire) and with the correct recruitment approach there is very realistic potential to be a large income generator again, for a Local Authority facing increasing budget pressures, now and in the future.

Q2. - If you do not agree with this proposal, do you have any other suggested method of reducing school budgets by £250,000?

Yes – Maintain the residential capacity at Mounton House School at 25 places which gives the potential scope for another 15 pupils.

If the current Acting Head (or designated person(s) within the School) was given flexibility within his role to recruit from outside the County and the places were valued at £50,000 an extra 5 pupils would give the Authority the £250,000 that it is looking for to help bridge its funding gap for the 2016/17 financial year.

The school would then propose that any further pupils recruited after the first 5 would result in a split in the funding with the current residential place value of approximately £11,000 being attributed to the School budget with the balance accruing to the Authority.

The Authority will know that the budget formula would need to be structured to allow the residential part of the business to grow and scope should be included to allow more flexibility in terms of pupil placements. The School could cater for partial residential placements, extended day placements, restbite care, weekend emergency placements from Social Services...the asset could be utilised extensively and provide increased income to the Authority and provide more certainty and security for the staff at the School.

Mounton House School is a forward thinking establishment looking to become a sector leading practice in the delivery of education to BESD and other learners with additional learning needs. The staff have shown that they are resilient, adaptable to change and are looking forward to achieving this goal. It is hoped that the Local Authority will continue to support us in our aims.

Response from CYP Select Committee – They unanimously agreed to paper one, but need further information on paper 2, which is subject to review.

The “Equality Initial Challenge”

Appendix 5

Name: Nikki Wellington Service area: CYP Schools Date completed: 4 th January 2016		Please give a brief description of what you are aiming to do. To ensure a fair distribution of funding for schools via the funding formula and to allocate funding for residential placements to Mounton House Special school in line with pupil numbers.	
Protected characteristic	Potential Negative impact Please give details	Potential Neutral impact Please give details	Potential Positive Impact Please give details
Age		✓	
Disability		✓	
Marriage + Civil Partnership		✓	
Pregnancy and maternity		✓	
Race		✓	
Religion or Belief		✓	
Sex (was Gender)		✓	
Sexual Orientation		✓	
Transgender		✓	
Welsh Language		✓	

Please give details about any potential negative Impacts .	How do you propose to MITIGATE these negative impacts
➤ <i>Potential that Mounton House Special School will have a deficit budget, that could result in redundancies.</i>	➤ Local Authority support to agree a recovery plan. All redundancies will follow the protection of employment policies.
➤	➤
➤	➤
➤	➤

Signed N S Wellington Designation CYP Finance Manager

Dated 15th January 2016.

EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
To ensure a fair distribution of funding for schools via the funding formula and to allocate funding for residential placements to Mounon House Special school in line with pupil numbers.	CYP Schools
Policy author / service lead	Name of assessor and date
Nikki Wellington	15 th January 2016

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What are you proposing to do?

To ensure a fair distribution of funding for schools via the funding formula and to allocate funding for residential placements to Mounon House Special school in line with pupil numbers.

2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age		Race	
Disability		Religion or Belief	
Gender reassignment		Sex	
Marriage or civil partnership		Sexual Orientation	
Pregnancy and maternity		Welsh Language	

3. Please give details of the negative impact

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There should be no negative impact on the protected characteristics above as all policies will be followed to minimise impact. Any redundancies will be in line with the protection of employment policy.

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

There has been wide consultation, detailed in section 8.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

As detailed in section 9.

Signed...N S Wellington**Designation**...**CYP Finance Manager****Dated** 15th January 2016.....

SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN AFFORDABLE HOUSING SUPPLEMENTARY PLANNING GUIDANCE
MEETING: CABINET
DATE: 3 FEBRUARY 2016
DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

The purpose of this report is:

- 1.1 To advise Cabinet of the results of the recent consultation on Draft Supplementary Planning Guidance (SPG) on Affordable Housing to support the policies of the Monmouthshire Local Development Plan (LDP).
- 1.2 To seek Cabinet's endorsement of the SPG, with a view to it being formally adopted as SPG in connection with the Monmouthshire LDP and to recommend to Council accordingly.

2. RECOMMENDATIONS:

- 2.1 To endorse the SPG with a view to it being formally adopted as SPG in connection with the Monmouthshire LDP to take effect from 1 April 2016 and to recommend to Council accordingly.

3. KEY ISSUES:

3.1 Background

Council endorsed Draft Affordable Housing SPG to be issued for consultation purposes on 22 January 2015. The report to Council (which was rearranged from 18 December 2014) is attached as **Appendix A**.

- 3.2 The consultation took place for a period of 6 weeks from Thursday 19th February 2015 to Thursday 2nd April 2015. A notice was placed in the Monmouthshire Free Press on 18 February 2015 and 388 individual notifications were sent out to:

- Specific (including Town and Community Councils), General and Other consultees, as identified in the LDP Community Involvement Scheme;
- Residents who were on the LDP consultation data base and had specifically requested to be notified of the SPGs;
- Agents/developers who work in the Council area.

- 3.3 11 replies were received. These have been split into 41 representations that are summarised, together with the suggested Council response, in the Report of Consultation provided as **Appendix B**.

- 3.4 The main themes arising from the consultation are considered to be:

- 3.4.1 Objections to affordable housing requirement being based on the theoretical capacity of the site when a density of 30 dwellings per hectare is not achieved.

Response: It is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an

achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity and the text of the SPG has been amended accordingly.

3.4.2 Objections to the Council identifying a preferred Registered Social Landlord (RSL) for developers to work with.

Response: It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. The paragraph stating that the Council will identify a preferred RSL (paragraph 5.3.3, formerly 6.3.4), therefore, has been amended to provide a more neutral wording that explains the position. Paragraph 5.12 (formerly 6.9) has also been amended for clarity.

3.4.3 Clarification is requested on when an affordable housing financial contribution on small sites will be payable because of concerns over cash flow issues.

Response: Concerns regarding potential cash flow issues for small businesses are recognised. The Council is content to adopt a flexible approach in such circumstances. An additional paragraph has been added to clarify this, stating that commuted sums are normally required when 70% of the units on site are completed and occupied but that this is open to negotiation should viability considerations make that necessary.

3.4.4 Queries on how the Affordable Housing financial contribution is calculated.

Response: A number of detailed queries on this issue are addressed in the Report of Consultation. Some additional text has been added to the SPG to try and better explain the process.

3.4.5 Queries over neutral tenure requirements and the relationship with Policy SAH11 sites (rural housing allocations).

Response: It is recognised that the way in which the draft SPG was written had potential for causing confusion. Section 6 of the SPG on the options for the delivery of affordable housing has been amended to deal with SAH11 sites under a separate heading. All general affordable housing will be required to be built to Welsh Government (WG) Design Quality Requirements (DQR) and be neutral tenure. More flexibility will be offered in relation to SAH11 sites because of the more difficult viability issues. If intermediate housing products are provided on SAH11 sites the standard of construction would not necessarily be DQR but would be negotiated to a standard agreed by the Council and its RSL partners.

3.4.6 Objection to the lack of flexibility in the definitions of affordable housing.

Response: It is considered that the Council needs to follow the definitions in TAN2, which sets out affordable housing policies for Wales, notwithstanding that other approaches may be acceptable under English planning policy. In any event, the greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. Provision of tenure neutral housing as set out in the SPG provides the flexibility to also achieve Low Cost Home Ownership. Other approaches are not considered to be appropriate for Monmouthshire as they will not be meeting the Council's housing need.

3.4.6 Objections to the viability implications of building affordable homes to DQR, commenting also that this requirement conflicts with the aim of ensuring that affordable units are indistinguishable from owner occupied homes.

Response: It is considered essential that DQR is achieved on neutral tenure properties (which is what the Council requires to meet its housing need) to achieve appropriate design, space standards and quality of new homes. Just because an affordable home is larger than a market home does not mean that it cannot be indistinguishable in

terms of its external appearance, such as materials and elevational treatment. Should developers be able to demonstrate that the requirement for DQR would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment').

3.4.7 Objections to the viability implications of the proposed percentage payments to developers for the transfer of affordable housing to RSLs (42% of WG Acceptable Cost Guidance (ACG)).

Response: The greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. The maximum that an RSL can afford to pay based on the rental income they would receive from the properties is 42% of Welsh Government Acceptable Cost Guidance (ACG). Whilst the developer would receive a higher percentage of ACG for Intermediate Rent, for instance, this would not be meeting housing need in Monmouthshire. It is considered essential that the 42% of ACG transfer rate remains in order to meet housing need in Monmouthshire. Should developers be able to demonstrate that this would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment'). Further text has been added to paragraph 6.3.5 (new paragraph 5.3.4) to provide justification for the 42% transfer rate.

3.4.8 Concerns about the implications of 'pepper-potting'.

Response: It is considered that the principle of 'pepper-potting' is an important one. Nevertheless, there would be scope for flexibility in negotiating over design and layout if a developer argued a special justification. It is also recognised that the limit of 10 dwellings on a cluster of affordable homes may be overly restrictive and inflexible, particularly on a large scale development. It is recommended, therefore, that this figure be increased to 15.

3.4.9 The changes made in response to the objections referred to in paragraph 3.4.1 also have implications for the proposed approach to infill sites within Main Villages that are not allocations under Policy SAH11. Some revisions have been made to Section 4.4(D), therefore, to ensure consistency. There is also a need to provide clarity on how the suggested policy will be applied on larger sites in Main Villages where it is feasible to provide affordable housing on site.

3.4.10 A number of additional amendments have been made to the original consultation draft to update and provide greater clarity, including:

- Section 4, Monmouthshire Planning Policies on Affordable Housing, has been re-arranged and given additional paragraph numbering in an attempt to make the process for assessing affordable housing requirements clearer. This has been accompanied by the addition of Appendix 7, which provides a diagrammatic representation of the process.
- Section 5, Rural Exceptions Policy, has been merged with Section 4 and the remainder of the document renumbered.
- Examples of how affordable housing contributions are calculated have been moved from Section 4 to Appendix 6.
- Appendix 4, which provided an excerpt from the Community Infrastructure Levy Regulations to illustrate how the exemption for self-builders' paying affordable housing contributions would operate, has been revised to include a standard Section 106 agreement for the provision of Affordable Housing Financial Contributions
- An extra paragraph 5.11 has been added to clarify the position regarding service charges and ground rents.

3.4.11 This report on the adoption of the Affordable Housing SPG has been delayed in order that the viability implications of the policies that it introduces could be tested. The SPG sets out enhanced space standards to meet Welsh Government Design Quality Requirements, a revised housing mix and changes to percentage payments to developers for the transfer of affordable housing to Registered Social Landlords compared with what was tested in the initial viability report prepared to establish a charging schedule for a Community Infrastructure Levy (CIL). Potentially, these changed policies could have affected the amount of CIL that can be charged (and the percentage of affordable housing that can be achieved under LDP policy). In this respect, the revised viability testing has not indicated any adverse impacts on viability arising from the policies set out in the SPG.

3.5 An amended SPG, incorporating the changes arising from the issues identified above is attached as **Appendix C**.

3.6 Next steps

3.6.1 It is intended to report the revised Affordable Housing SPG, together with the results of the consultation, to Council with a view to seeking the formal adoption of the document as SPG to support the Monmouthshire LDP.

4. **REASONS:**

4.1 Under the Planning Act (2004) and associated Regulations, all local planning authorities are required to produce a LDP. The Monmouthshire LDP was adopted on 27 February 2014 and decisions on planning applications are now being taken in accordance with policies and proposals in the LDP. The Affordable Housing SPG provides further explanation and guidance on the way in which the affordable housing policies of the LDP will be implemented.

5. **RESOURCE IMPLICATIONS:**

5.1 Officer time and costs associated with the publication of the SPG document. These will be within the existing Planning Policy budget.

5.2 A new funding stream will arise from processes introduced in association with the Affordable Housing SPG. LDP Policy S4, Affordable Housing, makes provision for financial contributions to be required to assist in funding affordable housing in the County where residential developments do not meet the thresholds for providing such housing on site. In addition, a process is set out in the SPG for requiring financial contributions in the exceptional circumstances where it is not appropriate or feasible to provide affordable housing on site.

6. **SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

6.1 These were considered in the report that was presented to Council on 22 January 2015 Council (rearranged from 18 December 2014) and which is attached as **Appendix A**.

6.2 A Future Generations Evaluation is attached.

7. **CONSULTEES**

- Head of Planning
- Senior Strategy & Policy Officer, Housing & Communities
- Strong Communities Select (16 July 2015)
- Cabinet

- SLT
- Planning Committee (2 February 2016)

8. BACKGROUND PAPERS:

- Monmouthshire Adopted LDP (February 2014)

9. AUTHOR & 9. CONTACT DETAILS:

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APPENDIX A

SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN AFFORDABLE HOUSING SUPPLEMENTARY PLANNING GUIDANCE
MEETING: FULL COUNCIL
DATE: 18 DECEMBER 2014
DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

- 1.1 The purpose of this report is to seek Council's endorsement of Draft Supplementary Planning Guidance (SPG) on Affordable Housing to support the policies of the Monmouthshire Local Development Plan (LDP), with a view to issuing for consultation purposes.

2. RECOMMENDATIONS:

- 2.1 Council endorse the Draft Affordable Housing SPG with a view to issuing for consultation purposes.

3. KEY ISSUES:

3.1 Background

The Monmouthshire County Council LDP 2011-2021 was adopted on 27 February 2014, superseding the Monmouthshire Unitary Development Plan (UDP), to become the adopted development plan for the County (excluding that part within the Brecon Beacons National Park). The LDP contains sufficient policies and proposals to provide the basis for deciding planning applications, and for determining conditions to be attached to planning permissions, but it was necessary to ensure that it avoided excessive detail. Selective use of SPG is a means of setting out more detailed thematic or site specific guidance on the way in which the policies of an LDP will be applied in particular circumstances or areas.

- 3.2 LDP Wales (2005) at paragraph 5.2 states that:

'SPG does not form a part of the development plan but must be consistent with it. It may take the form of site specific guidance such as master plans, design guides or area development briefs, or thematic such as shopfront guidance or detailed car parking standards. It should be clearly cross-referenced to the relevant adopted plan policy or proposal, which it supplements, and may be issued separately from the plan. It should be made publicly available and its status made clear.'

- 3.3 Paragraph 5.3 of LDP Wales further emphasises that SPG can be a material consideration in the determination of planning applications, provided that appropriate consultation has been undertaken and that it has been approved in accordance with the Council's decision making process:

'While only the policies in the development plan have special status under section 38(6) of the 2004 Act in deciding planning applications, SPG may be taken into account as a material consideration. SPG should be prepared in accordance with an authority's CIS [Community Involvement Scheme]; consultation should involve the general public, businesses, and other interested parties and their views should be taken into account before the SPG is finalised. It should then be approved by a Council resolution. A statement of the consultation undertaken, the representations received and the authority's response to those representations should be made

available with the approved SPG, either in an annex or in a separate document. In making decisions on matters that come before it, the Assembly Government and the Planning Inspectorate will give substantial weight to approved SPG which derives out of and is consistent with the development plan, and has been prepared consistent with the above advice.'

3.4 A programme for the preparation of SPG was endorsed by Planning Committee on 7 October 2014 and by Individual Cabinet Member decision on 22 October 2014

3.5 There is a need for Affordable Housing SPG as it has significant policy and/or financial implications for the implementation of the LDP. A number of allocated LDP sites are coming forward in the planning application process. The absence of adopted SPG does not prevent the Council achieving the required percentages of affordable housing as set out in LDP Policy S4 but it is obviously beneficial if appropriate guidance is provided to assist in the process. This is particularly advantageous in the case of rural housing allocations, which are covered by a new policy requiring them to provide 60% affordable housing, although, again, there has been a substantial amount of interest in a number of these sites, which to date are being progressed through pre-application discussions. A further new policy initiative in relation to affordable housing is that developments that fall below the threshold at which affordable housing is required on site are now required to make a financial contribution towards affordable housing provision in the locality. This is a matter that does require adopted SPG as it would be unreasonable to introduce this provision without appropriate consultation and a formal decision of the Council.

3.6 The Draft Affordable Housing SPG is attached to this report as an Appendix. The SPG provides background information on affordable housing issues, including national planning policy, the need for affordable housing in Monmouthshire, the planning application and negotiation process and LDP monitoring and targets. The main body of the SPG (Section 4) addresses seven types of situation where it is considered that further clarification is required:

- A) Where the affordable housing threshold of 5 or more is applicable, i.e. in Main Towns, Rural Secondary Settlements and Severnside Settlements.
- B) Where the affordable housing threshold is not met and financial contributions are required.
- C) Sites allocated in Main Villages under LDP Policy SAH11 with the specific purpose of providing 60% affordable housing.
- D) Other sites in Main Villages.
- E) Minor Villages.
- F) Conversions and sub-divisions in the open countryside.
- G) Departure applications in the open countryside.

A further policy area that requires explanation is the Affordable Housing Rural Exceptions policy (LDP Policy H7). A substantial part of the SPG (Section 6) also sets out the mechanisms that will be used to deliver affordable housing.

3.7 The SPG has been written with Housing & Communities, Senior Strategy and Policy Officer, with the assistance of the Rural Housing Enabler for Monmouthshire.

3.7 Next steps

3.7.1 As referred to in paragraph 3.3 above, for SPG to be given weight in the consideration of planning applications, appropriate consultation needs to be undertaken and any comments received should be taken into account in the Council's decision making process. Following a resolution to consult, targeted notifications will be sent to those considered to have an interest in the SPG topic, although all town and community councils will be consulted and notices will be placed in the press. Individuals and

organisations currently on the LDP consultation data base have been given the opportunity to request to be notified on some or all SPGs that they are interested in. All consultation replies will be analysed and responses/amendments reported for Members' consideration when seeking a resolution for the adoption of any SPG document.

4. REASONS:

4.1 Under the Planning Act (2004) and associated Regulations, all local planning authorities are required to produce a LDP. The Monmouthshire LDP was adopted on 27 February 2014 and decisions on planning applications are now being taken in accordance with policies and proposals in the LDP. The Affordable Housing SPG provides further explanation and guidance on the way in which the affordable housing policies of the LDP will be implemented.

5. RESOURCE IMPLICATIONS:

5.1 Officer time and costs associated with the preparation of the SPG document and carrying out the required consultation exercises. These will be within the existing Development Plans budget and carried out by existing staff.

5.2 A new funding stream will arise from processes introduced in association with the Affordable Housing SPG. LDP Policy S4, Affordable Housing, makes provision for financial contributions to be required to assist in funding affordable housing in the County where residential developments do not meet the thresholds for providing such housing on site. In addition, a process is set out in the SPG for requiring financial contributions in the exceptional circumstances where it is not appropriate or feasible to provide affordable housing on site.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

6.1 Sustainable Development

An integrated equality and sustainability impact assessment was carried out in connection with the Deposit LDP. 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. This SPG is expanding and providing guidance on existing LDP affordable housing policies, which were prepared within a framework promoting sustainable development. In addition, affordable housing makes an important contribution to the sustainability of our towns and villages by providing homes that local people on low incomes can afford to live in. It also a means of providing low cost homes for first time buyers. A commuted sum also has the potential to bring forward additional units of housing to meet the specific housing needs of vulnerable groups.

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, the SPG is expanding and providing guidance on these existing LDP affordable housing policies, which were prepared within this framework. New SPG will be subject to Equality Impact Assessments to ensure that informed decisions

can be made. Where practicable and appropriate, consultation will include targeted involvement of those with the relevant protected characteristics.

6.2.2 Assessments of Equality Impact will be required throughout the Plan's implementation wherever there is likely to be significant impact. In this respect, the LDP will be subject to an Annual Monitoring Report that will include consideration of Equality Impacts.

7. CONSULTEES

- Strong Communities Select
- Planning Committee
- SLT
- Cabinet

7. BACKGROUND PAPERS:

- Monmouthshire Adopted LDP (February 2014)

8. AUTHOR & 9. CONTACT DETAILS:

Martin Davies (Development Plans Manager).

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**Draft Supplementary Planning Guidance
Monmouthshire County Council Local Development Plan
Affordable Housing
Report of Consultation - January 2016**

Respondent Number	79	Representation Number	1
Respondent Name	Mr & Mrs Roach		
Respondent Organisation	Trustees of the late Mrs H M Langham		
Summary of Representation	<p>Question section C of paragraph 4.4 noting that villages are different in many respects and that generalisations should not be made in terms of their sustainability and capacity to absorb development. Affordable housing is needed in rural areas but not necessarily at higher rates than elsewhere. Market housing may also be needed in villages, e.g. for downsizing. Maximum of 15 dwellings does not offer flexibility. Those settlements that can sustain larger developments should not be restricted to 15 dwellings.</p>		
Requested Change	No specific change requested, as above.		
LPA Response	<p>Noted, the comments made relate to the policies set out within the LDP and not the SPG itself. The LDP Policies were adopted in February 2014 and as a consequence cannot be changed. The points raised are not issues that are relevant to consideration of the SPG but question the policies themselves which would be matters for any LDP review. The 60% affordable housing requirement on allocated sites in rural villages is not negotiable and this is set out in Policy S4 which requires 'at least' 60% to be affordable. The sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly.</p>		
Recommendation	No change necessary.		

Respondent Number	79	Representation Number	2
Respondent Name	Mr & Mrs Roach		
Respondent Organisation	Trustees of the late Mrs H M Langham		
Summary of Representation	<p>Note that whilst the claim in sub-paragraph 6 of paragraph 4.4 (c) that the 60% affordable requirement will still provide land values sufficient to bring sites forward may be theoretically true it has not been in practice in relation to the allocated Mathern site. Developers are discouraged as the site is too small and is not a commercially viable proposition as they consider the 60% ratio of affordable housing prohibitive. Suggest a larger allocation would cause no disruption to Mathern or change the character of the settlement. The 60% affordable home requirement is too prohibitive.</p>		
Requested Change	No specific change requested, as above.		
LPA Response	<p>Noted, the comments made relate to a specific site allocation within the LDP. The LDP Policies and Proposals Map were adopted in February 2014 and as a consequence cannot be changed. The points raised are not issues that are relevant to consideration of the SPG but question the policies themselves which would be matters for any LDP review. The 60% affordable housing requirement on allocated sites in rural villages is not negotiable and this is set out in Policy S4 which requires 'at least' 60% to be affordable. The sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly.</p>		
Recommendation	No change necessary.		

Respondent Number	80	Representation Number	1
Respondent Name	Rachael Bust		
Respondent Organisation	The Coal Authority		
Summary of Representation	No specific comments to make.		
Requested Change	No change requested.		
LPA Response	Comment noted.		
Recommendation	No change necessary.		

Respondent Number	165	Representation Number	1
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	<p>Definitions are used in the SPG that come from a number of sources, need to move away from conventional and narrow views of what qualifies as affordable housing. Recommend the SPG retains a flexible and open mind to what can or might qualify as affordable housing in the County. Suggest the list is extended to refer to other forms of housing which may over time qualify as affordable housing including affordable rent models and simple discounted sale properties which may be particularly appropriate for Monmouthshire.</p>		
Requested Change	As noted above.		
LPA Response	<p>It is considered that the Council needs to follow the definitions in TAN2, which sets out affordable housing policies for Wales, notwithstanding that other approaches may be acceptable under English planning policy. In any event, the greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. Provision of tenure neutral housing as set out in the SPG provides the flexibility to also achieve Low Cost Home Ownership. The approaches suggested by the representor are not considered to be appropriate for Monmouthshire as they will not be meeting the Council's housing need.</p>		
Recommendation	No change.		

Respondent Number	165	Representation Number	2
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	The use of general site densities to calculate default housing quotas for sites needs to be treated with caution, there may be reasons why some sites deliver lower or higher numbers, a fixed flat rate/general rule is not appropriate.		
Requested Change	No specific change requested.		
LPA Response	The point made by the representor is accepted. It is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity of 30 dph.		
Recommendation	<p>Amend the relevant paragraphs of the SPG as follows:</p> <p>If the capacity of the site is 5 or more dwellings then the affordable housing required to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.</p> <p>Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.</p> <p>In determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)</p>		

Respondent Number	165	Representation Number	3
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	Welcome the bullet points relating to viability at the top of page 10. They reflect the need for sites to be treated as individual projects which will be charged with meeting multiple planning objectives. The paragraph focuses on the percentage of affordable housing that will need to be considered in this assessment of viability. The type of homes proposed and price at which they are transferred could be just as important in some cases.		
Requested Change	No specific change requested.		
LPA Response	Comment noted.		
Recommendation	No change.		

Respondent Number	165	Representation Number	4
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	The preference for pepper potting is understandable but should be tempered. Provision should be made for different approaches to distribution.		
Requested Change	No specific change requested.		
LPA Response	It is considered that the principle of 'pepper-potting' is an important one. Nevertheless, there would be scope for flexibility in negotiating over design and layout if a developer argued a special justification. It is also recognised that the limit of 10 dwellings on a cluster of affordable homes may be overly restrictive and inflexible, particularly on a large scale development. It is recommended, therefore, that this figure be increased to 15.		
Recommendation	Amend the second sentence in the paragraph on Layout and Design in Section 4.4A to read Properties for affordable housing will normally be in clusters of 6-15 units, depending on the overall size of the development.		

Respondent Number	165	Representation Number	5
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	The definitions of affordable housing listed in Section 6 should be left a little open ended to allow other forms of housing to qualify in order to help provide people in need into new homes.		
Requested Change	As noted above.		
LPA Response	It is considered that the Council needs to follow the definitions in TAN2, which sets out affordable housing policies for Wales, notwithstanding that other approaches may be acceptable under English planning policy. In any event, the greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. Provision of tenure neutral housing as set out in the SPG provides the flexibility to also achieve Low Cost Home Ownership. The approaches suggested by the representor are not considered to be appropriate for Monmouthshire as they will not be meeting the Council's housing need.		
Recommendation	No change.		

Respondent Number	165	Representation Number	6
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	<p>Concern with the requirement to build all affordable homes to DQR standard as this significantly increases the cost of provision and can reduce the amount of affordable housing a site can provide. Affordable homes could cover a larger area of the site and leaving less land for value generating development. Differentiation sits uneasily with a requirement for equality and similarity between affordable and market housing made elsewhere in the SPG. The DQR standard could remain as the objective/starting point but should not be enforced at all costs for all affordable housing.</p>		
Requested Change	No specific change requested.		
LPA Response	<p>It is considered essential that DQR is achieved on neutral tenure properties (which is what the Council requires to meet its housing need) to achieve appropriate design, space standards and quality of new homes. Just because an affordable home is larger than a market home does not mean that it cannot be indistinguishable in terms of its external appearance, such as materials and elevational treatment. Should developers be able to demonstrate that the requirement for DQR would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment').</p>		
Recommendation	No change.		

Respondent Number	165	Representation Number	7
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	<p>The 42% level of ACG proposed has the potential to cancel out substantial value with the price secured for the property failing to cover basic costs resulting in a double deduction - with one coming from less income generated from the whole development to pay for opening up and the second being an actual loss on the build of affordable accommodation. Recent examples from within the County indicate that a more flexible approach to %ACG is necessary and acceptable, starting at a relatively low level for social rented but then increasing for Low Cost Home Ownership and increase again for intermediate properties. Cannot see the justification for a figure of 42% and suggest the SPG should not identify a single figure. Flexibility is vital if sites are to deliver affordable housing. Sites such as Fairfield Mabey require a flexible approach. Suggest the maximum/minimum ACG % figures are removed or a more explicit reference is provided to these rates in the two bullet points at the top of page 10.</p>		
Requested Change	As noted above.		
LPA Response	<p>The greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. The maximum that an RSL can afford to pay based on the rental income they would receive from the properties is 42% of Welsh Government Acceptable Cost Guidance (ACG). Whilst the developer would receive a higher percentage of ACG for Intermediate Rent, this would not be meeting housing need in Monmouthshire. It is considered essential that the 42% of ACG transfer rate remains in order to meet housing need in Monmouthshire. Should developers be able to demonstrate that this would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment'). Further text will be added to paragraph 6.3.5 (new paragraph 5.3.4) to provide justification for the 42% transfer rate.</p>		
Recommendation	<p>Amend paragraph 6.3.5 (new number 5.3.4) to read:</p> <p>5.3.4 The financial arrangements for the transfer of completed affordable housing units from the developer to the RSL are to be calculated using the current Acceptable Cost Guidance rates published by the Welsh Government's Housing Directorate. The percentage that the RSL can afford to pay, based on the rental income they would receive for the properties, is 42% of ACG. This leaves the landowner/developer to fund the 58% which in the past would have been covered by Social Housing Grant. The developer will then be expected to sell the properties to the RSL at this percentage rate. (This percentage rate does not apply to units delivered under Policy SAH11).</p>		

Respondent Number	165	Representation Number	8
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	Recommend the list of RSLs is removed or extended and is not imposed by the Council as suggested. This is at odds with national planning policy guidance.		
Requested Change	As noted above.		
LPA Response	It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. It is recommended therefore that paragraph 6.3.4 is deleted but that it is replaced by a more neutral wording. Paragraph 6.9 should also be amended for clarity.		
Recommendation	<p>Replace paragraph 6.3.4 (new number 5.6.3) with the following:</p> <p>The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSL's development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.</p> <p>Amend paragraph 6.9 (new paragraph 5.12) to read:</p> <p>There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:</p> <p style="padding-left: 40px;">Melin Homes Monmouthshire Housing Association The Seren Group</p> <p>It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.</p>		

Respondent Number	165	Representation Number	9
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	Recommend implications of neutral tenure are explained, it is difficult to predict or see what financial impact this could have.		
Requested Change	As noted above.		
LPA Response	Amendments are suggested to add some additional explanation to the requirements for neutral tenure. Any viability implications arising from this will be dealt with on a site by site basis. A definition of neutral tenure is provided in paragraph 6.2 Types of Affordable Housing.		
Recommendation	<p>Amend paragraph 6.3.5 (new number 5.3.4) to read:</p> <p>5.3.4 The financial arrangements for the transfer of completed affordable housing units from the developer to the RSL are to be calculated using the current Acceptable Cost Guidance rates published by the Welsh Government's Housing Directorate. The percentage that the RSL can afford to pay, based on the rental income they would receive for the properties, is 42% of ACG. This leaves the landowner/developer to fund the 58% which in the past would have been covered by Social Housing Grant. The developer will then be expected to sell the properties to the RSL at this percentage rate. (This percentage rate does not apply to units delivered under Policy SAH11).</p>		

Respondent Number	165	Representation Number	10
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	Recommend provision is made for decisions on affordable housing in full context of what each site is expected to deliver and the other dividends that development will deliver.		
Requested Change	As noted above.		
LPA Response	Comment noted. Each development will be assessed on its merits on a site by site basis. LDP Policy S7 does state that affordable housing will be given priority over other planning obligation requirements, once the infrastructure necessary to bring the site forward has been taken into account.		
Recommendation	No change.		

Respondent Number	184	Representation Number	1
Respondent Name	Christopher Knock (Agent)		
Respondent Organisation	Llangibby Estate		
Summary of Representation	In main villages set out in Policy S1 for 3 or more dwellings, 60% affordable housing is too high and will restrict development.		
Requested Change	No specific change requested.		
LPA Response	Noted, the LDP Policies were adopted in February 2014 and as a consequence cannot be changed. The draft SPG does however contain a specific section (4.4 D) relating to other sites in Main Villages, particularly small infill plots. The 60% affordable housing requirement on allocated sites in rural villages is not negotiable and this is set out in Policy S4 which requires 'at least' 60% to be affordable. The sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly.		
Recommendation	No change necessary.		

Respondent Number	1380	Representation Number	1
Respondent Name	Mrs Lynne Morgan		
Respondent Organisation			
Summary of Representation	Concerned by emphasis given to affordable housing by the Council. Suggests priority should be placed on infrastructure, schools, hospitals and roads to which problems will be exacerbated with increased housing. Notes funds should be directed to these areas in preference to social housing. Refers to traffic problems in Chepstow.		
Requested Change	No specific change requested.		
LPA Response	Comment noted. The provision of affordable housing is a major priority of the Council and as such it is important for documents such as the SPG to provide clear guidance on how LDP policies and the planning system can improve the supply of affordable housing for local people.		
Recommendation	No change necessary.		

Respondent Number	2030	Representation Number	1
Respondent Name	Mr G Howells		
Respondent Organisation			
Summary of Representation	Desperate Need for Social Housing, particularly 1 bed flats. Should be high priority particularly for under 35s.		
Requested Change	No change requested		
LPA Response	Comment noted.		
Recommendation	No change necessary.		

Respondent Number	2862	Representation Number	1
Respondent Name	Simon Tofts		
Respondent Organisation	Blue Cedar Homes		
Summary of Representation	Support the need to seek affordable housing from new developments but suggest off site contributions could be used as an alternative to on site provision in relation to developments that address needs such as retirement housing. State C3 Sheltered/Retirement Housing should be exempt from providing on site affordable housing as higher building costs and a longer selling period make retirement housing less viable than new homes in general. Purchasers are often 'downsizing' from large family homes. This frees up family housing needed by younger families.		
Requested Change	C3 sheltered/retirement housing should be explicitly exempt from providing on-site affordable housing.		
LPA Response	Paragraph 6.6 recognises that on-site provision of affordable homes can be difficult in sheltered retirement housing schemes because of management issues and puts forward the option of making off-site financial contributions for affordable housing. It is recognised that there are viability issues with sheltered housing schemes and it is suggested that an additional paragraph be added to acknowledge this.		
Recommendation	<p>Add new paragraph 5.7:</p> <p>It is recognised that some specialist housing schemes such as Sheltered Housing may be challenging to deliver and any affordable housing contribution would be subject to viability. Should it be necessary the Council will commission an independent viability assessment.</p>		

Respondent Number	2883	Representation Number	1
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>In relation to small sites financial contribution further clarification is required on:</p> <p>(1.1) Residual Value calculation, has any account been taken on the different values achieved across the borough?</p> <p>(1.2) Details of when the financial contribution is to be paid is required. Suggest that if it is required upfront/prior to sale/occupation the contribution would have to be borrowed. Question whether a small scale builder could borrow at this stage of the development.</p> <p>(1.3) Details of how and on what the money will be spent is required to provide confidence and justification of its requirement.</p>		
Requested Change	Details required on when the contribution will be required and how it will be spent.		
LPA Response	<p>(1.1)The commuted sum calculator can be used for different value areas in Monmouthshire. It also allows the user to input scheme specific values if these are available.</p> <p>(1.2)Concerns regarding potential cash flow issues for small businesses are recognised. The Council is content to adopt a flexible approach in such circumstances. It is recommended that an additional paragraph be added to clarify this.</p> <p>(1.3) The money raised through affordable housing contributions will be spent in the housing market area in which the development is located. It is recommended that an additional paragraph be added to clarify this.</p>		
Recommendation	<p>Add the following paragraphs:</p> <p>Commuted sums will be liable to be paid on completion and occupation of a percentage of units on site. This is normally 70% but will be open to negotiation should viability considerations make that necessary.</p> <p>Commuted sums gathered by the Council will be used to deliver affordable housing in the Housing Market Area (HMA) from which they are collected. The map below shows the three HMAs in Monmouthshire.</p>		

Respondent Number	2883	Representation Number	2
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	With reference to paragraph 6.3.4, flexibility should be allowed for provision on site for a developer to choose their preferred RSL partner particularly where no grant is involved. The LPA should not impose a RSL as this would be contrary to national guidance set out in TAN2. There should be flexibility to agree use of a non-zoned RSL with regard to specialist provision.		
Requested Change	No specific change required.		
LPA Response	It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. It is recommended therefore that paragraph 6.3.4 is deleted but that it is replaced by a more neutral wording. Paragraph 6.9 should also be amended for clarity.		
Recommendation	<p>Replace paragraph 6.3.4 (new number 5.3.3) with the following:</p> <p>The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSLs development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.</p> <p>Amend paragraph 6.9 (new number 5.12) to read:</p> <p>There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:</p> <p style="text-align: center;">Melin Homes Monmouthshire Housing Association The Seren Group</p> <p>It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.</p>		

Respondent Number	2883	Representation Number	3
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>Paragraph 4.4 (A) sub paragraph 2 stating 'check the site area and estimate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare' should be changed. The site area should be based on net hectares and not gross hectares. Some flexibility should be considered around the 30dpha figure for example on heavily constrained or higher density brown field sites. Object to statement that 30dpha will be used for calculating affordable housing requirement where a development does not achieve this density, needs more flexibility.</p>		
Requested Change	<p>Suggest the wording be changed to 'Establish the net site area and calculate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare'</p>		
LPA Response	<p>Subsequent paragraphs explain that the calculation will be based on net density, but it is agreed that that the amendment suggested by the representor would be helpful in providing further clarity.</p> <p>With regard to point regarding flexibility in determining affordable housing requirements rather than relying on the flat rate of 30 dph, it is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity.</p>		
Recommendation	<p>Amend the second paragraph of 4.4(A) to read:</p> <p>Establish the net site area and calculate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare.</p> <p>Amend further paragraphs of Section 4.4(A) as follows:</p> <p>If the capacity of the site is 5 or more dwellings then the affordable housing required to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.</p> <p>Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.</p> <p>In determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion</p>		

required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)

Respondent Number	2883	Representation Number	4
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	The section on viability testing needs to include advice on how an independent dispute resolution process would work where agreement cannot be reached, suggest wording that allows for a third party agreed by both sides.		
Requested Change	As noted above.		
LPA Response	If the Council has concerns regarding viability evidence submitted by developers it will appoint its own consultants to verify. It would be hoped that any disagreements could be resolved through negotiation and discussion. If the Council cannot accept the developer's figures then this could result in a refusal of a planning application and the matter could then be determined by a Planning Inspector on appeal. It is not considered appropriate to introduce a third party dispute resolution process.		
Recommendation	No change.		

Respondent Number	2883	Representation Number	5
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>(1)Need clarity on what the financial contributions relate to in the model examples of calculations in 4.4 section B. It is not clear if the final calculation is per dwelling or per scheme. Taking the first example on page 11 the scheme without the affordable contribution would now make a profit of £82,000 of which £53,625 would now be the affordable contribution leaving a profit of £29,175 or £14,587 per property.</p> <p>(2)Seek clarification that the figures used are taken from information gathered from small house builders rather than national developers as it is the small house builders of below 5 units that will be affected by the calculation.</p>		
Requested Change	Further clarification sought as noted above.		
LPA Response	<p>(1)The contribution set out in the example is per scheme not per dwelling. The figures used by the representor are incorrect and based on a misunderstanding. The commuted sum calculator includes a developer return of 20% in its calculations. In the example this is 20% of the market value or £36,000 per market dwelling. It is accepted, however, that the wording of the examples is not clear and they will be re-written to try and avoid such misunderstanding. (The examples also reduce the amounts paid to the developer by 'on costs of 9%' This is an error and would not be applied in practice. In addition the Welsh Government Acceptable Cost Guidance figures have been updated. The examples, therefore, will be amended accordingly).</p> <p>(2)The developer return and marketing costs used are those agreed for the viability testing used to inform the affordable housing policy in the LDP. However, the calculator allows for variation in developer return and marketing costs if this can be justified by evidence.</p>		
Recommendation	The model examples to be amended to provide greater clarity, remove the reference to 'on-costs of 9%' and update the ACG figures.		

Respondent Number	2883	Representation Number	6
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	In relation to layout and design on page 10, question how the reference to 'pepper potting' would work in a flatted scheme, where preference would be to provide all in one block, or an area of a block served by its own core, to ease future management and transfer to a RSL.		
Requested Change	No specific change requested.		
LPA Response	This point is not considered to be applicable to Monmouthshire as the provision of large blocks of flats would not be appropriate as not in keeping with the rural nature of the County's rural towns. It is considered that the principle of 'pepper-potting' is an important one. Nevertheless, there would be scope for flexibility in negotiating over design and layout if a developer argued a special justification. It is also recognised that the limit of 10 dwellings on a cluster of affordable homes may be overly restrictive and inflexible, particularly on a large scale development. It is recommended, therefore, that this figure be increased to 15.		
Recommendation	<p>Amend the second sentence in the paragraph on Layout and Design in Section 4.4A to read</p> <p>Properties for affordable housing will normally be in clusters of 6-15 units, depending on the overall size of the development.</p>		

Respondent Number	2883	Representation Number	7
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>(1)Suggest paragraph 6.3.1 contradicts 6.3 in relation to being built to DQR standard yet indistinguishable from private properties. Due to size differences and external layout requirements these will always look different to other private properties. It is understood that DQR compliance is only required if WG social housing grant is used in the scheme, suggest wording is amended to take account of this.</p> <p>(2)Para 6.3.2 says the same as 6.3.1 but states DQR only applies to social rented, need to clarify which paragraph is correct .</p>		
Requested Change	As noted above.		
LPA Response	<p>(1)It accepted that it is not a WG requirement to achieve its Design Quality Standard (DQR) if social housing grant is not being used. It is considered essential, however, that DQR is achieved on neutral tenure properties to achieve appropriate design, space standards and quality of new homes. Just because an affordable home is larger than a market home this does not mean that it cannot be indistinguishable in terms of its external appearance, such as materials and elevational treatment.</p> <p>(2) It is recognised that the way in which the draft SPG is written has potential for causing confusion, which appears to be the case in relation to this part of the representation. Paragraph 6.3.2 only deals with rural housing sites allocated under Policy SAH11. It is proposed, therefore, to re-write this section of the SPG to deal with SAH11 affordable housing under a separate heading. All general affordable housing will be required to be built to DQR standards and be neutral tenure. More flexibility will be offered in relation to SAH11 sites because of the more difficult viability issues. If intermediate housing products are provided on SAH11 sites the standard of construction would not necessarily be DQR but would be negotiated to a standard agreed by the Council and its RSL partners.</p>		
Recommendation	<p>Rearrange section 6 (new section 5) and add a new paragraph 5.10:</p> <p>5.10 Affordable housing delivered under Policy SAH11</p> <p>5.10.1 Affordable housing delivered under Policy SAH11 will be a mix of social rented units and intermediate housing depending on the local need identified by the Council. All units for social rent will be constructed to Welsh Government Design Quality Requirements, which includes Lifetime Homes. Intermediate housing will be constructed to a standard agreed by the Council and their RSL partners.</p> <p>5.10.2 Affordable housing delivered under Policy SAH11 will be transferred to the Council's preferred RSL at 38% of Welsh Government ACG for social rented units, 50% of ACG for low cost home ownership units and 60% of ACG for intermediate rent units.</p>		

Respondent Number	2883	Representation Number	8
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>Paragraphs 6.3.5 and 6.3.6 specify different values at which different types of properties will be transferred to RSL, 42% is commonly used but other % figures are also used. There is no cost assigned to tenure neutral properties although paragraph 6.5 states this is the preferred choice. Question how this enables developers to take account of the cost of delivering affordable. Is it possible for the document to provide a cost for the tenure neutral option?</p>		
Requested Change	As noted above.		
LPA Response	<p>General affordable housing and Policy SAH11 affordable housing (rural village sites where the viability issues are more pressing because of the 60% requirement) are treated differently in terms of the quality standards required and the amounts paid to the developer. It is recognised that the way in which the draft SPG is written has potential for causing confusion, which appears to be the case in relation to this representation. It is proposed, therefore, to re-write this section of the SPG to deal with SAH11 affordable housing under a separate heading. All general affordable housing will be required to be built to DQR standards and be neutral tenure. Developers will then transfer the affordable housing to RSLs at 42% of Acceptable Cost Guidance. More flexibility will be offered in relation to SAH11 sites because of the more difficult viability issues.</p>		
Recommendation	<p>Rearrange section 6 (new section 5) and add a new paragraph 5.10:</p> <p>5.10 Affordable housing delivered under Policy SAH11</p> <p>5.10.1 Affordable housing delivered under Policy SAH11 will be a mix of social rented units and intermediate housing depending on the local need identified by the Council. All units for social rent will be constructed to Welsh Government Design Quality Requirements, which includes Lifetime Homes. Intermediate housing will be constructed to a standard agreed by the Council and their RSL partners.</p> <p>5.10.2 Affordable housing delivered under Policy SAH11 will be transferred to the Council's preferred RSL at 38% of Welsh Government ACG for social rented units, 50% of ACG for low cost home ownership units and 60% of ACG for intermediate rent units.</p>		

Respondent Number	2883	Representation Number	9
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	Paragraph 7.3 should refer to the fact that a unilateral undertaking may also be an option if only a monetary contribution is required.		
Requested Change	As noted above.		
LPA Response	Agreed		
Recommendation	<p>Add an additional sentence to the last paragraph of paragraph 7.3 (new paragraph 6.3)</p> <p>An unilateral undertaking may also be an option if only a monetary contribution is required. This is a simplified version of a planning agreement, which is relatively quick and straightforward to complete, and is entered into by the landowner and any other party with a legal interest in the development site.</p>		

Respondent Number	2883	Representation Number	10
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>Agree with paragraph 7.2.2 and actually encourage the Council to declare this mix earlier in the process in order for the purchaser to agree a land value which accounts for the exact Councils affordable requirement prior to sale. This would reduce negotiations that often occur during s.106 stage. Some flexibility is still needed to take account of changes in the layout and mix of houses which may occur through the detailed planning stage.</p>		
Requested Change	No specific change requested.		
LPA Response	Comment noted. The viability implications of the required mix are recognised.		
Recommendation	No change.		

Respondent Number	2884	Representation Number	1
Respondent Name	Emyr Davies		
Respondent Organisation	Redrow Homes (South Wales) Ltd		
Summary of Representation	<p>Section 4.4A, fourth paragraph on page 9 states 'Should the development not be achieving 30 dwellings per hectare.... The affordable housing requirement should be based on the theoretical capacity of the site rather than the actual number of dwellings applied for'. Suggest this is not appropriate and is unnecessary as while 30dpha may be an average for new build in Monmouthshire every application has to be assessed on its merits and taking into account of the character and existing built form of an area for example. There appears to be no justification for deviating from agreeing a fixed percentage for affordable housing products on site. Applications cannot be assessed on what could theoretically be delivered on a site but only on what is actually proposed and on its merits.</p>		
Requested Change	No specific change requested.		
LPA Response	<p>The point made by the representor is accepted. It is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity.</p>		
Recommendation	<p>Amend the relevant paragraphs of the SPG as follows:</p> <p>If the capacity of the site is 5 or more dwellings then the affordable housing required to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.</p> <p>Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.</p> <p>In determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)</p>		

Respondent Number	2884	Representation Number	2
Respondent Name	Emyr Davies		
Respondent Organisation	Redrow Homes (South Wales) Ltd		
Summary of Representation	Refer to paragraph 6.3.4 'The Council will identify a preferred RSL to work in partnership with the developer' noting this is not considered reasonable and that if an RSL and a developer choose to work together to deliver what is required by a planning permission then this has to be acceptable.		
Requested Change	Suggest this paragraph is removed as it is clear elsewhere in the SPG in paragraph 6.9 of the Councils preferences to RSLs.		
LPA Response	It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. It is recommended therefore that paragraph 6.3.4 is deleted but that it is replaced by a more neutral wording. Paragraph 6.9 should also be amended for clarity.		
Recommendation	<p>Replace paragraph 6.3.4 (new number 5.3.3) with the following:</p> <p>The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSL's development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.</p> <p>Amend paragraph 6.9 (new number 5.12) to read:</p> <p>There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:</p> <p style="text-align: center;">Melin Homes Monmouthshire Housing Association The Seren Group</p> <p>It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.</p>		

Respondent Number	2884	Representation Number	3
Respondent Name	Emyr Davies		
Respondent Organisation	Redrow Homes (South Wales) Ltd		
Summary of Representation	<p>In the flow chart (page 21) it would be useful to clarify under pre application discussions with the LPA that these will be of a multi-disciplinary nature. Representatives from other relevant departments would also be present and developers will not be expected just to set up pre application meetings solely to discuss affordable housing requirements and then other meetings to meet with other departments.</p>		
Requested Change	<p>Amend wording to provide clarity that pre application discussions will not necessarily be solely related to affordable housing.</p>		
LPA Response	<p>Agreed. The pre-application process can include other Council officers, e.g. highways, biodiversity, depending on the level of service requested.</p>		
Recommendation	<p>Amend first box in the flow chart on page 21 to clarify the pre-application process.</p>		

Respondent Number	2885	Representation Number	1
Respondent Name	Simon Coop (Nathanial Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	<p>Section (A) of paragraph 4.4 relates to the minimum assumed density of 30dpha on the basis of the theoretical capacity of the site has implications in that the actual affordable housing requirement might be substantially above the 25% or 35% figures contained in Poicy S4. Understand the reasoning behind the assumed density of 30dpha though it might not be possible to achieve this level of development on all sites. If the Council is content it does not conflict with the requirements of DES1 the theoretical density should not be 30dpha for its assessment of affordable housing provision. The SPG does not provide any indication that the assumed development density of 30dpha will be applied in the event that a higher density can be achieved on site, rather it would be expected that the yield would be based upon the 'total number of dwellings on the site'. Suggest the approach is inconsistent that could have significant bearing on viability.</p>		
Requested Change	<p>Recommend the 4th paragraph of page 9 of the SPG be deleted and that the affordable housing requirement be based on the actual number of dwellings to be provided on site in every case where this is known. Underline the importance of ensuring that the requirements set out in Policy S4 are subject to an assessment of viability.</p>		
LPA Response	<p>The point made by the representor is accepted. It is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity.</p> <p>It is considered, however, that no change is required in relation to the necessity to be aware of viability issues as this is sufficiently covered in the SPG (e.g. the two bullet points at the top of page 10)</p>		
Recommendation	<p>Amend the relevant paragraphs of the SPG as follows:</p> <p>If the capacity of the site is 5 or more dwellings then the affordable housing required to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.</p> <p>Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.</p> <p>In determining how many affordable houses should be provided on a</p>		

development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)

Respondent Number	2885	Representation Number	2
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	<p>Section (B) of paragraph 4.4 provides guidance on financial contributions for affordable housing on small sites. This raises a number of viability issues that do not appear to have been fully addressed in the SPG. No indication is provided of when the financial contribution would be required, it is assumed this would be prior to the completion and sale of the open market properties which would create cashflow issues. Evidence of the Council's viability assessment should be provided so the impact can be fully understood. Concerned the implications of this may reduce the potential for small sites to come forward and for small scale developers to work in Monmouthshire, increasing the burden on larger developments to meet the identified need for affordable housing in the County. There is no evidence that the viability position would be any better for small scale builders.</p>		
Requested Change	No change requested, evidence should however be provided of the Council's viability assessment.		
LPA Response	Concerns regarding potential cash flow issues for small businesses are recognised. The Council is content to adopt a flexible approach in such circumstances. It is recommended that an additional paragraph be added to clarify this.		
Recommendation	<p>Add new paragraph:</p> <p>Commutated sums will be liable to be paid on completion and occupation of a percentage of units on site. This is normally 70% but will be open to negotiation should viability considerations make that necessary.</p>		

Respondent Number	2885	Representation Number	3
Respondent Name	Simon Coop (Nathanial Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	<p>Bovis Homes consider the minimum of 60% affordable housing in Main Villages an appropriate mechanism for rural parts of the County, this should however be subject to viability and a reduced level should be permitted where the delivery of a scheme would otherwise be compromised. Abnormal costs are recognised in the SPG although it states there is no intention to use financial subsidy to support such sites, albeit stating that this is to be reviewed. There is concern that the Council has failed to appreciate that the key challenge can often relate to an inability of the Gross Development Value (GDV) to sustain the high land values that are being sought, particularly when viewed in context of other development costs. Additional costs should not be taken off land value as the owner may no longer be prepared to sell.</p>		
Requested Change	<p>The Council's minimum land value must be set at an appropriate level and that the use of subsidy or relaxation of targets should be considered to ensure delivery where costs are not supported by GDV.</p>		
LPA Response	<p>The 60% affordable housing requirement on allocated sites in rural villages is not negotiable and this is set out in Policy S4 which requires 'at least' 60% to be affordable. The sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly. The question of potential 'abnormal' costs will be taken into account on a case by case basis in considering specific viability issues that may be preventing a site coming forward. Initially, however, there is no intention to use financial subsidy to support 60% affordable housing sites as the amount of Social Housing Grant available is extremely limited. The situation will be reviewed after the first sites have been developed and an indication provided of the values at which land is changing hands. The Council may then introduce an expected minimum land value, which, if not achieved, may result in financial subsidy being made available to assist in bringing sites forward.</p>		
Recommendation	No change.		

Respondent Number	2885	Representation Number	4
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	The issue of land prices is only raised in the SPG in relation to allocated sites in main villages. Reasonable assumptions in relation to all costs including land should be taken into account throughout in assessing the level of affordable housing that can be sustained as part of a particular development.		
Requested Change	No specific change is requested.		
LPA Response	It is considered that no change is required in relation to the necessity to be aware of viability issues as this is sufficiently covered in the SPG (e.g. the two bullet points at the top of page 10)		
Recommendation	No change.		

Respondent Number	2885	Representation Number	5
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	An open book approach on testing of viability is welcomed although this must be appraised in a reasonable manner. Concern regarding the 4th para on Page 11 relating to how the calculator works, noting it does not reflect that affordable houses are subject to more stringent policy requirements impacting on the relative build costs for both market and affordable houses.		
Requested Change	No specific change requested.		
LPA Response	The assumption that the calculator works on the basis that the cost of building a market home is similar to the cost of an affordable home actually works in the developer's favour as it is the higher cost that is taken into account in the model. In the light of the consultation responses, however, the Council is reviewing the space standards and use of DQR for non-grant-funded housing. This may have implications for the calculator and if so will be reported.		
Recommendation	No change, depending on the results of further viability work.		

Respondent Number	2885	Representation Number	6
Respondent Name	Simon Coop (Nathanial Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	<p>The viability implications of neutral tenure are unclear. Paragraph 6.3.6 identifies different transfer values for different tenures with no indication of costs for neutral tenure. The variation between 38% and 60% of ACG is substantial and the implications should be set out much more clearly. 42% ACG value is more acceptable, although further justification should be provided.</p>		
Requested Change	No specific change requested.		
LPA Response	<p>General affordable housing and Policy SAH11 affordable housing (rural village sites where the viability issues are more pressing because of the 60% requirement) are treated differently in terms of the quality standards required and the amounts paid to the developer. It is recognised that the way in which the draft SPG is written has potential for causing confusion, which appears to be the case in relation to this representation. It is proposed, therefore, to re-write this section of the SPG to deal with SAH11 affordable housing under a separate heading. All general affordable housing will be required to be built to DQR standards and be neutral tenure. Developers will then transfer the affordable housing to RSLs at 42% of Acceptable Cost Guidance. More flexibility will be offered in relation to SAH11 sites because of the more difficult viability issues.</p>		
Recommendation	<p>Rearrange section 6 (new section 5) and add a new paragraph 5.10:</p> <p>5.10 Affordable housing delivered under Policy SAH11</p> <p>5.10.1 Affordable housing delivered under Policy SAH11 will be a mix of social rented units and intermediate housing depending on the local need identified by the Council. All units for social rent will be constructed to Welsh Government Design Quality Requirements, which includes Lifetime Homes. Intermediate housing will be constructed to a standard agreed by the Council and their RSL partners.</p> <p>5.10.2 Affordable housing delivered under Policy SAH11 will be transferred to the Council's preferred RSL at 38% of Welsh Government ACG for social rented units, 50% of ACG for low cost home ownership units and 60% of ACG for intermediate rent units.</p>		

Respondent Number	2885	Representation Number	7
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	Refer to paragraph 6.3.4 noting the Council's identification of a RSL will remove flexibility from developers. As long as developers conform to the level and mix of affordable housing specified in the s.106 agreement they can partner with the RSL of their choice. Suggest this requirement conflicts with paragraph 12.4 of TAN2.		
Requested Change	No specific change requested.		
LPA Response	It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. It is recommended therefore that paragraph 6.3.4 is deleted but that it is replaced by a more neutral wording. Paragraph 6.9 should also be amended for clarity.		
Recommendation	<p>Replace paragraph 6.3.4 (new number 6.3.3) with the following:</p> <p>The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSLs development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.</p> <p>Amend paragraph 6.9 (new number 6.12) to read:</p> <p>There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:</p> <p style="padding-left: 40px;">Melin Homes Monmouthshire Housing Association The Seren Group</p> <p>It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.</p>		

Respondent Number	2885	Representation Number	8
Respondent Name	Simon Coop (Nathanial Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	Welcome paragraph 6.3.3 relating to liaison with the Council to agree the mix of affordable units prior to submission of an application. It should nevertheless be recognised that the mix can have a direct impact upon development viability, this should be considered when seeking to establish the preferred mix.		
Requested Change	No specific change requested.		
LPA Response	Comment noted. The viability implications of the required mix are recognised.		
Recommendation	No change.		

Respondent Number	2886	Representation Number	1
Respondent Name	Jason Price		
Respondent Organisation	Persimmon Homes		
Summary of Representation	Suggest the ACG value of 42% is substantially lower than the percentage utilised in neighbouring authorities (typically 50%) where benchmark rental values are significantly lower than could be achieved in Monmouthshire. Question the justification of the inclusion of 42% without worked examples/calculations justifying the use of this percentage, and its conformity with the guidance contained within PPW.		
Requested Change	No specific change requested.		
LPA Response	<p>The greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. The maximum that an RSL can afford to pay based on the rental income they would receive from the properties is 42% of Welsh Government Acceptable Cost Guidance (ACG). Whilst the developer would receive a higher percentage of ACG for Intermediate Rent, this would not be meeting housing need in Monmouthshire. (With regard to the respondent's comment about adjoining authorities, Newport, for instance, is a large city with a range of needs). It is considered essential that the 42% of ACG transfer rate remains in order to meet housing need in Monmouthshire. Should developers be able to demonstrate that this would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment'). Further text will be added to paragraph 6.3.5 (new paragraph 5.3.4) to provide justification for the 42% transfer rate.</p>		
Recommendation	<p>Amend paragraph 6.3.5 (new number 5.3.4) to read:</p> <p>5.3.4 The financial arrangements for the transfer of completed affordable housing units from the developer to the RSL are to be calculated using the current Acceptable Cost Guidance rates published by the Welsh Government's Housing Directorate. The percentage that the RSL can afford to pay, based on the rental income that they would receive for the properties, is 42% of ACG. This leaves the landowner/developer to fund the 58% which in the past would have been covered by Social Housing Grant. The developer will then be expected to sell the properties to the RSL at this percentage rate. (This percentage rate does not apply to units delivered under Policy SAH11).</p>		

Respondent Number	2886	Representation Number	2
Respondent Name	Jason Price		
Respondent Organisation	Persimmon Homes		
Summary of Representation	There is a danger the implications of the SPG could be viewed in isolation of the emerging Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule (PDCS), compounding the impact of affordable housing in Monmouthshire by placing significant additional costs of developers.		
Requested Change	No specific change requested.		
LPA Response	It is acknowledged that currently there is inconsistency between the requirements of the Affordable Housing SPG and the viability testing carried out in connection with CIL. Further viability testing is being carried out for CIL in order that the implications of the SPG can be fully considered.		
Recommendation	No change.		

Respondent Number	2886	Representation Number	3
Respondent Name	Jason Price		
Respondent Organisation	Persimmon Homes		
Summary of Representation	Whilst affordable housing targets are subject to appropriate viability assessments, the methodology employed to assess viability utilises benchmark land values that do not accurately reflect the reality of housing development. The outcomes cannot be expected to provide developers with the comfort of knowing that it can be utilised as an effective tool for justifying a reduction in affordable housing provision where viability is an issue.		
Requested Change	No specific change requested.		
LPA Response	The benchmark land values were found sound at the LDP Examination, have been reviewed as part of the recent CIL viability study and will subsequently be tested in any CIL Examination. This is not a matter for consideration in relation to the SPG.		
Recommendation	No change.		

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Appendix C

Monmouthshire County Council Local Development Plan

Draft Affordable Housing Supplementary Planning Guidance

February 2016

Planning Policy

Monmouthshire County Council

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1. INTRODUCTION

1.1 This note is one of a series of Supplementary Planning Guidance (SPG) Notes that have been prepared to provide supporting information and advice on the implementation of the Council's development plan policies. The Notes are intended to offer clear guidance on the main considerations that will be taken into account by the Council when reaching decisions on planning applications and in this case how planning policy on affordable housing will be delivered in practice.

1.2 Status

1.2.1 This SPG is prepared in the context of the Monmouthshire County Council Adopted Local Development Plan (LDP), February 2014.

1.2.2 SPG supplements the Council's development plan, with only the policies contained in the development plan having the special status that Section 38 (6) of the Planning and Compulsory Purchase Act 2004 provides in the determination of planning applications. However, the Welsh Government (WG) advises that SPG may be taken into account as a material consideration in the determination of planning applications and appeals. Substantial weight will be afforded to SPG which derives out of and is consistent with the development plan (*Planning Policy Wales Edition 8, January 2016, para. 2.4*).

2. THE AFFORDABLE HOUSING ISSUE

2.1 A significant issue for Monmouthshire is the fact that house prices are high in relation to earnings so that there is a need for additional affordable housing in the County in both urban and rural areas, particularly for those that live and work here.

2.2 Affordability of housing is a concern throughout Wales. In October 2014 the average house price for Wales was £170,900 and the house price to earnings ratio was 6.2:1. For comparison, in Monmouthshire the average house price in October 2014 was £269,700 and the house price to earnings ratio was 7.2:1 (Source: Hometrack 30/10/2014).

2.3 These figures illustrate how difficult it is for local people to purchase their first homes or move into larger homes in the County when their family circumstances change. For those people who live and work in the County it is even more difficult, as local earnings are much lower than the average for Wales. In 2014, the median earnings for Monmouthshire residents were £578.00 per week, compared to the Wales median of £479.00 per week. However, the median earnings by workplace presents a different picture with people working in the County earning only £466.00 per week, much lower than the £473.00 per week figure for Wales as a whole (NOMIS 23/01/15).

2.4 Monmouthshire is a county which is subject to inward migration so there will continue to be strong demand for housing with subsequent pressure on

house prices. With local earnings unlikely to catch up with the Wales average for the foreseeable future, housing will remain at a level way above what local people can afford.

2.5 The planning system is seen as an increasingly important means of improving the supply of affordable housing for local people. Monmouthshire County Council recognises this and is keen to ensure that developers and local people have clear guidance on how its development plan policies and decisions on planning applications will operate and thereby contribute to one of the desired outcomes of the Council's Single Integrated Plan, namely 'We want people to live in homes that are affordable, appropriate and where people want to live'. The importance of providing affordable housing was also recognised by the Council's Strong Communities Select Committee, which produced the report 'A Place to call Home' in June 2011. The recommendations of this report provided the context in which the LDP affordable housing policies were prepared.

2.6 This SPG has been prepared in the context of the most recent WG planning policy on affordable housing contained in *Planning Policy Wales Edition 8*, January 2016 and Technical Advice Note 2 *Planning and Affordable Housing*, June 2006.

2.7 *Planning Policy Wales (PPW) Edition 8, January 2016*

2.7.1 *PPW* provides the overarching national strategic guidance with regards to land use planning matters in Wales. Paragraph 4.4.3 states that Local Planning Authorities should: 'Ensure that all local communities - both urban and rural - have sufficient good quality housing for their needs, including affordable housing for local needs and for special needs where appropriate, in safe neighbourhoods.'

2.7.2 The housing section of *PPW* (paragraph 9.1.2) seeks the promotion of sustainable mixed tenure communities. It states: 'Local Planning Authorities should promote sustainable residential environments, avoid large housing areas of monotonous character and make appropriate provision for affordable housing.'

2.7.3 With regard to need, paragraph 9.2.14 states: 'A community's need for affordable housing is a material planning consideration which must be taken into account in formulating development plan policies.'

2.8 Definitions of Affordable Housing

2.8.1 Affordable housing is defined in paragraph 9.2.14 of *PPW*:

'Affordable housing for the purposes of the land use planning system is housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers. ... Affordable housing includes social rented housing owned by local authorities and registered social

landlords and intermediate housing where prices or rents are above those of social rent but below market housing prices or rents.'

- 2.8.2 These definitions of affordable housing contrast with general market housing:

'All other types of housing are referred to as 'market housing', that is private housing for sale or rent where the price is set in the open market and occupation is not subject to control by the local planning authority.

2.9 Affordability

- 2.9.1 There is a need also to define 'affordability'. WG guidance defines this as:

'the ability of households or potential households to purchase or rent property that satisfies the needs of the household without subsidy' (WG TAN2, para 4.1).

The subsidy referred to in the quotation above is a subsidy on the property itself, which helps make it more affordable. There are different levels of subsidy depending on the different types of tenure, therefore creating a wide range of affordable options.

- 2.9.2 This should be determined in each local housing market area in an authority's area and would be based on such factors as ratio of household income to the price of property.

3. **AFFORDABLE HOUSING NEED IN MONMOUTHSHIRE**

- 3.1 **Local Housing Market Assessment (LHMA)** - The Council's Housing Services section, with Torfaen and Blaenau Gwent County Borough Councils and Newport City Council, commissioned a LHMA across the four County areas in 2006. This suggested that there was a need for 659 affordable homes in Monmouthshire in the five year period from 2006. This was based on a requirement of 2,720 affordable homes in the study area as a whole and represented 37% of the total planned housing requirement.
- 3.2 Subsequently, an Update to the 2006 LHMA was carried out to provide evidence to support the LDP, using 2010 as its base year. This predicted a 5-year affordable housing need of 2,205 dwellings for the study area from 2010. This represented 32% of the then total planned delivery total for the three authorities of 6,950.
- 3.3 The Update report also disaggregated the study findings for each authority, in accordance with the requirements of TAN2. This projected a five year affordable housing need in the County of 478 dwellings, 29% of the then overall dwelling requirement of 1,636. This gave an annual requirement for affordable housing of 96 dwellings per year, a ten year requirement of 960 dwellings, which is the affordable housing need for 2011-21 that has to be addressed through the LDP.

4. MONMOUTHSHIRE'S PLANNING POLICIES ON AFFORDABLE HOUSING

- 4.1 Policy S4 of the Adopted Monmouthshire LDP is the primary means of achieving the affordable housing target referred to in the above paragraph. Policy S4 sets out the thresholds at which affordable housing has to be provided and the percentage of affordable housing that will be required in each case, depending on the location of the development site.

Policy S4 – Affordable Housing Provision

Provision will be made for around 960 affordable homes in the Local Development Plan Period 2011-2021. To meet this target it will be expected that:

- 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.
- 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.
- In the open countryside developments involving the conversion of existing buildings or sub-division of existing dwellings to provide 3 or more additional dwellings will make provision (subject to appropriate viability assessment) for 35% of the total number of dwellings to be affordable.
- Development sites with a capacity below the thresholds set out above will make a financial contribution towards the provision of affordable housing in the local planning authority area.

Other than in Main Villages, in determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up).

The capacity of a development site will be based on an assumed achievable density of 30 dwellings per hectare.

4.2 The settlement hierarchy referred to in Policy S4 is set out in LDP Policy S1, namely:

- **Main Towns:** Abergavenny, Chepstow and Monmouth
- **Severnside Settlements:** Caerwent, Caldicot, Magor, Portskewett, Rogiet, Sudbrook and Undy
- **Rural Secondary Settlements:** Usk, Raglan, Penperlleni and Llanfoist
- **Main Villages:** Cross Ash, Devauden, Dingestow, Grosmont, Little Mill, Llandewi Rhydderch, Llandogo, Llanellen, Llangybi, Llanishen, Llanvair Kilgeddin, Mathern, Penallt, Pwllmeyric, Shirenewton/Mynyddbach, St Arvans, Trellech, Werngifford/Pandy
- **Minor Villages:** Bettws Newydd, Broadstone/Catbrook, Brynygwenin, Coed-y-Paen, Crick, Cuckoo's Row, Great Oak, Gwehelog, Llanarth, Llandegveth, Llandenny, Llangwm, Llanover, Llansoy, Llantilio Crossenny, Llantrisant, Llanvair Discoed, Llanvapley, Mitchel Troy, Penpergwm, The Narth, The Bryn, Tintern, Tredunnoch
- **Open Countryside**

4.3 There are five types of situation that could arise in providing affordable housing under Policy S4 which need further consideration:

- A) Where the affordable housing threshold of 5 or more is applicable, i.e. in Main Towns, Rural Secondary Settlements and Severnside Settlements.
- B) Where the affordable housing threshold is not met and financial contributions are required.
- C) Developments in Main Villages
- D) Developments in Minor Villages.
- E) Developments in the open countryside.

4.4 Specific guidance in these matters is provided on the following information sheets and the checklists in Appendix 6:

A. WHERE THE AFFORDABLE HOUSING THRESHOLD OF 5 OR MORE IS APPLICABLE, I.E. IN MAIN TOWNS, RURAL SECONDARY SETTLEMENTS AND SEVERNSIDE SETTLEMENTS.

When an application for residential development is received in these settlements the first step in its assessment will be to:

A.1 Establish the net site area and calculate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare.

- i. It is a requirement of LDP Policy DES1 criterion i) that in order to make the most efficient use of land the minimum net density of residential development should be 30 dwellings per hectare. The net developable area is defined as excluding areas taken out for other uses such as employment or which are undevelopable for one reason or another and as including internal access roads and incidental open space between houses, play areas etc. Similar considerations should be taken into account when calculating the site capacity in relation to Policy S4.
- ii. The capacity of a site is calculated as a 'net' figure. The number of any existing dwellings on a site that are to be demolished, therefore, would be taken away from an overall capacity based on an area calculation to give a final capacity figure for the purposes of Policy S4. Similarly, where a subdivision of an existing dwelling(s) is proposed, the net gain is the final number of dwellings proposed minus the number of original dwellings on the site.

A.2 If the capacity of the site is 5 or more dwellings then the affordable housing requirement to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements, subject to a) and b) below.

A.2.a) Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the **agreed** capacity of the site (rather than the 'theoretical' capacity of 30 dwellings per hectare).

A.2.b) In determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)

A.3 If the capacity of the development site is below the threshold of 5 dwellings then a financial contribution towards affordable housing in the local planning authority area will be required (see B)

A.4 When the threshold for affordable housing is met the following considerations will be taken into account in the implementation of Policy S4:

- i. The mix of house types, sizes and tenure should reflect local needs. (This must be established from the Council's Housing Services section on a site-by-site basis in accordance with the particular needs of the community in which the site is located).
- ii. Provision for affordable housing will be secured through Section 106 Agreements.
- iii. **Affordable housing should generally be provided on-site** (unless there are exceptional circumstances that justify off-site provision, as considered in paragraph 5.6 of this SPG) and should reflect the characteristics of the locality or the rest of the site.
- iv. Householder permitted development rights may be withdrawn so that control may be exercised over the enlargement or alteration of dwellings in ways that would change their affordability for future occupiers.
- v. In seeking to negotiate an element of affordable housing on a site the Council will take into account: site size, suitability, and the economics of provision; whether there will be particular costs associated with development of the site; and whether the provision of affordable housing would prejudice the realisation of other planning objectives that need to be given priority in the development of the site. **(The percentage of affordable housing required is, under the terms of Policy S4, subject to appropriate viability assessment).**
- vi. Where necessary, as part of such negotiations, the Council will undertake viability analysis of residential development sites using the Development Appraisal Toolkit developed by Three Dragons on behalf of South and West Wales local authorities. The Toolkit is a means of assisting all parties in their understanding of the economics of a particular development. The model enables the testing of claims that affordable housing requirements (along with other costs, such as those from additional infrastructure works, for example) would make a site uneconomic. This approach can employ the default data available for general analysis. For more accurate assessments of costs, revenues and constraints, however, an 'open book' approach, where the developer provides information on development costs and selling prices, is advocated.

A.6 Layout and Design

The Council's preference is for '**pepper-potting**' of affordable housing, rather than provision in enclaves. **Properties for affordable housing will normally be in clusters of no more than 6 - 15 units, depending on the overall size of the development.** The design and materials of dwellings built to comply with affordable housing policies should be similar to that of adjoining market housing, including the provision of garages where appropriate. Similarly, it will be expected that affordable housing layouts will comply with the Council's general design guidance and standards for new residential development.

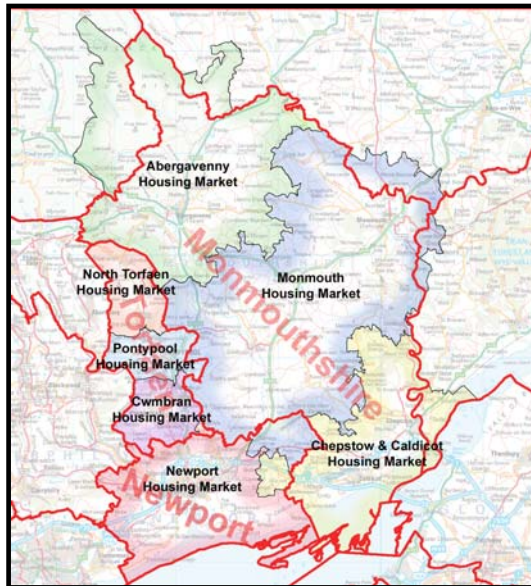
B. WHERE THE AFFORDABLE HOUSING THRESHOLD IS NOT MET AND FINANCIAL CONTRIBUTIONS ARE REQUIRED.

It is a basic principle of Policy S4 that all residential developments (including at the scale of a single dwelling) should make a contribution to the provision of affordable housing in the local planning authority area, irrespective of whether or not the size of the development falls below the threshold for on-site provision.

B.1 If the capacity of the site falls below the threshold at which affordable housing is required, prior to obtaining planning permission the applicant will need to enter into a S106 agreement to pay a financial contribution towards affordable housing in the housing market in which the site is located. A standard Section 106 agreement that will be used for this purpose is set out in Appendix 4. An affordable housing contribution will be liable to be paid on completion and prior to occupation of each dwelling to which the payment relates.

- i. The required contribution will be established by using the Affordable Housing Contribution Calculator and can be obtained from the Council's Housing Strategy Officer. Example affordable housing financial contribution sum calculations are given in Appendix 6.
- ii. The contribution is calculated so that the developer and landowner of a scheme is no worse or better off financially, whether they provide the affordable housing on-site or as a contribution. As it is important that there is a consistent and transparent mechanism for calculating the contributions to be collected, the Council commissioned Three Dragons to design an Affordable Housing Contribution Calculator for this purpose.
- iii. The calculator is designed for the specific purpose of calculating a financial contribution and does **not** assess whether or not the scheme can afford the policy compliant amount of affordable housing. **Should there be issues of viability a full Viability Assessment would need to be undertaken (see A.5.vi) above).**
- iv. The contribution made by a developer towards affordable housing is the assessed difference in residual value of a 100% market housing scheme and a scheme with the policy requirement for affordable housing (or a lesser percentage where this is justified by viability considerations). Residual value is the difference between the total scheme revenue (for the market and affordable housing) and the cost of the scheme. The calculator works on the basis that the cost of building the same type of market home (e.g. 3 bedroom terrace) is similar to the cost of the same type of affordable home. However, there are some costs that a developer of a market home has to meet which are additional to that for a typical affordable home. These are marketing costs and the level of return (profit) expected. These differences are taken into account in the calculations. The mix and tenure of units used for the affordable housing contribution calculation will be the equivalent of what would be required if the affordable housing was provided on-site.

- v. Financial contributions gathered by the Council will be used to deliver affordable housing in the Housing Market Area (HMA) from which they are collected. The map below shows the three HMAs in Monmouthshire.



B.2 The Council does not wish to hinder the supply of dwellings from self-builders who could be building to meet their own needs. Therefore, **self-builders whose developments fall below the thresholds will not be required to make a financial contribution.** A similar approach is taken in the application of the Community Infrastructure Levy and it is intended, for the purposes of this SPG, to adopt the same definition of 'self-build' as set out in the CIL Regulations 54A, 54B, 54C and 54D as inserted by the 2014 Regulations (see the standard Section 106 agreement in Appendix 4).

- i. If a developer wishes to make a claim for an exemption under the self-build provision then a form should be submitted prior to completion of each dwelling to which the payment relates confirming that the dwelling is intended to be occupied by the owner of the land.
- ii. Within 6 months of occupation a further form will need to be submitted evidencing occupation by the owner. The Council will at this point agree to defer the payment for the duration of two-and-a-half years from that notification.
- iii. Any such exemption will be subject to a 'claw-back' mechanism so that if the criteria for self-build status are not complied with within a period of three years from the occupation of the dwelling then the requirement for an affordable housing contribution will be reinstated. Should there be compliance with the three year period, the Council will, through a variation of the Section 106 Agreement, confirm that no payment will be required on that specific dwelling.

C. DEVELOPMENT IN MAIN VILLAGES.

C.1 Sites allocated in main villages under LDP Policy SAH11 with the specific purpose of providing 60% affordable housing.

There is a specific issue in the County relating to the provision of affordable housing in rural areas due to the limited ability of existing residents in the countryside, particularly young people, to afford housing, which restricts their ability to remain within their existing communities if they are in housing need.

Given the relative unsustainability of the County's rural areas in comparison to its towns it was the Council's view that most villages were not appropriate locations for unrestrained market housing, even with the application of the Council's general requirements that new housing developments should make provision for a proportion of affordable housing. It was considered that the proportion of affordable housing provided in rural communities would need to be higher than elsewhere and that the main justification for new housing development in rural villages should be the need to provide affordable housing to meet local needs.

A number of housing sites have been allocated in Main Villages under LDP Policy SAH11 with the specific aim of providing affordable housing for local people.

These sites are required under Policy S4 to provide a **minimum of 60% affordable housing**:

- i. The mix and tenure of the 60% affordable housing will be based on local housing need and this information can be established from the Council's Housing Strategy Officer on a site-by-site basis in accordance with the particular needs of the community in which the site is located.
- ii. Unlike general housing sites, therefore, **when the figure resulting from applying the proportion of affordable housing required to the total number of dwellings is not a whole number, there is no rounding down, only rounding up.**
- iii. Policy SAH11 sets a maximum size of development at 15 dwellings in order to ensure that any development is of a 'village scale', in keeping with character of the settlements. This amount may be smaller in certain villages, as set out in Policy SAH11, which indicates the scale of development that is considered to be acceptable having regard to the characteristics of the village and the particular site. It is unlikely to be acceptable for these lower site capacities to be exceeded unless it can be clearly demonstrated that there is no adverse impact on village form and character and surrounding landscape.
- iv. The LDP *Affordable Housing Viability Study* confirmed that a requirement for 60% affordable housing on rural sites will enable developer contributions towards the cost of providing affordable

housing as the high market values for housing in rural areas would still provide residual land values far in excess of existing agricultural land values that should be sufficient incentive to bring land forward for development. **It needs to be recognised that the sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly.**

- v. It is intended that this affordable housing will be brought forward using the mechanisms set out in section 5 below. The Council recognises that there may sometimes be abnormal costs that restrict the ability of a development to provide the financial subsidy to achieve affordable housing requirement. Initially, however, there is no intention to use financial subsidy to support 60% affordable housing sites.
- vi. Given the particular circumstances of these 60% affordable housing sites, the Council will not apply its normal policy of requiring 'pepper-potting' of affordable housing throughout a development. It is recognised that the best way of developing these sites and enabling the market housing to achieve its full potential for achieving financial subsidy for the affordable housing element is to allow the market dwellings to be grouped together.
- vii. All affordable housing achieved on LDP sites in Main Villages will give priority to local residents through the Council's Rural Allocations Policy. This is set out in Appendix 3, although it may be subject to revision in the future.

C.2 Other Sites in Main Villages

Development boundaries for Main Villages were set at the same limits as in the previous Unitary Development Plan (UDP). These Village Development Boundaries (VDBs) were only extended where necessary to incorporate the 60% affordable housing sites allocated under LDP Policy SAH11. There is still scope, therefore, for infill development to take place within the VDB, as would have been the case under the previous UDP. LDP Policy S4 requires, however, that all sites in Main Villages provide 60 per cent affordable housing.

- C.2.a)** The first step in such cases should be to establish the net site area and calculate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare.

If the capacity of the site meets the threshold of 3 or more dwellings then affordable housing should be provided on site at a rate of 60%, but this will be subject to b) and c) below.

If the capacity of the site is less than 3 dwellings a financial contribution will be required towards affordable housing in the local planning

authority area. This will normally be set at the equivalent of 35% of the agreed capacity of the site.

C.2.b) The Council recognises that in most cases applying this percentage, together with the density requirements of Policy DES1 i), to small infill sites within the fabric of existing villages could result in a density of development that is out of keeping with its surroundings. In such cases, criterion l) of LDP policy DES 1 would need to be considered. This states that development proposals will be required to ensure that existing residential areas characterised by high standards of privacy and spaciousness are protected from over-development and insensitive or inappropriate infilling. In such circumstances, it is considered likely that the requirements of Policy S4 and Policy DES1 i) could be relaxed on infill plots in Main Villages to allow a smaller percentage of affordable homes and a lower density of development than 30 dwellings per hectare.

On larger sites in Main Villages where it should be feasible to provide affordable housing on site then this would be the preferred option and the number of affordable homes required will normally be set at 35% of the theoretical capacity of the site (at 30 dwellings per hectare), subject to viability considerations and the effect of the development on the character and appearance of the area.

C.2.c) Where the site is too small or restricted to achieve an acceptable standard of design and layout if the affordable housing was provided on site, **a financial contribution towards affordable housing in the housing market area in which the site is located would be required to compensate for allowing a non-compliance with Policy S4.** This will be set at the equivalent of 35% of the agreed capacity of the site. The required financial contribution will be established using the Affordable Housing Financial Contribution Calculator described in Section B.

C.2.d) A strict application of Policy S4 would also require conversion of existing buildings or sub-division of existing dwellings to make provision for 60% of the total number of resulting dwellings to be affordable. This would be inequitable, however, when it is considered that if such development was taking place in the open countryside only 35% affordable would be required. It is also recognised that the provision of affordable housing is not always practicable in conversion schemes. The Council, therefore, will adopt a more flexible approach in such situations, although **generally a financial contribution towards affordable housing in the local planning authority area will still be required. This will be set at the equivalent of 35% of the agreed capacity of the site** and utilise the Affordable Housing Financial Contribution Calculator, but careful consideration will be given to the viability and practical implications of conversion and sub-division applications in assessing the level of financial contribution required.

D. DEVELOPMENT IN MINOR VILLAGES

D.1 Policy S1 identifies Minor Villages where small scale development will be allowed in the circumstances set out in LDP Policy H3. Minor Villages are settlements that (subject to detail) are suitable for minor infill of no more than 1 or 2 dwellings resulting from the filling in of a small gap between existing dwellings.

Infill developments in Minor Villages, consisting of 1 or 2 dwellings, will make a financial contribution towards affordable housing in the local planning authority area. This will be set at the equivalent of 35% of the number of dwellings proposed in the development.

D.2 Policy H3 does contain an exception that allows for planning permission to be granted for up to 4 dwellings on an infill site that demonstrably fits in with village form (including not resulting in the loss of an open space that forms an important gap or open area) and is not prominent in the landscape. As such proposals are 'exceptional' in that they go beyond the normal definition of 'minor infill', it was considered appropriate to seek a higher proportion of affordable housing than would normally be required. Policy S4, therefore, requires that in the Minor Villages identified in Policy S1 where there is compliance with Policy H3:

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

D.2.b) Development sites with a capacity for 3 dwellings will make provision for 2 dwellings to be affordable.

- i. In such cases, it would be expected that the single open market dwelling will provide cross-subsidy towards the on-site provision of the affordable housing. Each site will be subject to a viability assessment which will determine the amount of cross-subsidy required.

E. DEVELOPMENT IN THE OPEN COUNTRYSIDE

E.1 Conversion and sub-divisions

Policy S4 requires that in the open countryside developments involving the conversion of existing buildings or sub-division of existing dwellings to provide 3 or more additional dwellings will make provision for 35% of the total number of dwellings to be affordable. It is considered that this should always be the aim in dealing with applications of this type. Nevertheless, it is recognised that provision of affordable housing on site is not always practicable in such situations. It is also more difficult to estimate the capacity of a development proposal involving existing buildings in comparison with a simple area calculation.

The Council, therefore, will adopt a more flexible approach in such situations, although generally **a financial contribution towards affordable housing in the local planning authority area will still be required. This will be set at the equivalent of 35% of the agreed capacity of the site** and utilise the Affordable Housing Financial Contribution Calculator but careful consideration will be given to the viability and practical implications of conversion and sub-division applications in assessing the level of financial contribution required.

E.2 Departure applications in the open countryside

Policy S4 contains no requirement for affordable housing on proposals that do not comply with the LDP's spatial strategy, as set out in Policy S1. It would not have been appropriate to have written policy that anticipated an application being allowed that was totally contrary to other LDP policies regarding new build residential development in the open countryside. Nevertheless, it is normal practice in appeal situations to set out planning conditions and/or planning obligations that might be required should an Inspector decide to allow an appeal against the Council's refusal of any such application. It is necessary, therefore, to set out what the Council's position would be in such an appeal situation. In this respect it would be entirely appropriate to require a residential development to provide a proportion of affordable housing, notwithstanding that there is no direct policy justification for this in the LDP. Increasing the supply of affordable housing is a significant objective of national and local planning policies. For instance, paragraph 9.3.5 of Planning Policy Wales states: 'Where development plan policies make clear that an element of affordable housing, or other developer contributions, are required on specific sites, this will be a material consideration in determining relevant applications.'

It is considered, therefore, that **it should be a requirement that departure applications in the open countryside should make provision for 35% of the total number of dwellings in the development to be affordable or a financial contribution will be required towards affordable housing in the housing market area in which the site is located, to be set at the equivalent of 35% of the agreed capacity of the site**, in order to be compatible with Policy S4 in relation to general housing development in high value areas in the County.

E.3 Rural Exceptions Policy

Policy H7 of the Adopted UDP provides a further planning policy mechanism for the provision of affordable housing in rural areas of Monmouthshire. It makes provision for the siting of small affordable housing sites in or adjoining villages on land that would otherwise not be released for residential development. **In such circumstances affordable housing should be provided on site at a rate of 100%.** Policy H7 is set out below:

Policy H7 – Affordable Housing Rural Exceptions

Favourable consideration will be given to the siting of small affordable housing sites in rural areas adjoining the Rural Secondary Settlements, Main Villages and Minor Villages identified in Policy S1 that would not otherwise be released for residential development provided that all the following criteria are met:

- a) **The scheme would meet a genuine local need (evidenced by a properly conducted survey or by reference to alternative housing need data) which could not otherwise be met in the locality (housing needs sub-area);**
 - b) **Where a registered social landlord is not involved, there are clear and adequate arrangements to ensure that the benefits of affordable housing will be secured for initial and subsequent occupiers;**
 - c) **The proposal would have no significant adverse impact on village form and character and surrounding landscape or create additional traffic or access problems.**
-
- i. In seeking to identify such sites it needs to be recognised that isolated sites in the open countryside or those within small, sporadic groups of dwellings are unlikely to be acceptable. Policy H7 specifically refers to sites adjoining Rural Secondary Settlements, Main Villages and Minor Villages. Any proposals for locations other than these would be treated as ‘Departure’ applications and will need special justification. Another important consideration is the balance of the pattern of settlements in the community.
 - ii. It will also be necessary to demonstrate that the scheme would meet a genuine local need. This local need would normally relate to the rural parts of the community council area in which the site is located. Evidence of local need can be established by a number of different means, including local surveys, local consultation events, other forms of primary evidence and housing register data. As with the affordable housing sites in Main Villages, the Council’s Rural Allocations Policy will apply.
 - iii. Monmouthshire County Council positively encourages local people to build their own affordable home to meet their own housing needs through the rural exceptions policy. Single plot exception sites are only permitted with restrictions and the ‘Build Your Own Affordable Home’ scheme is explained in Appendix 2.

5. OPTIONS FOR THE DELIVERY OF AFFORDABLE HOUSING

5.1 The Council requires that affordable housing is managed by a Registered Social Landlord (RSL) zoned for development in Monmouthshire by the Welsh Government, as procedures are already in place to ensure that dwellings remain affordable in perpetuity.

5.2 Types of affordable housing.

The Council will use the following definitions of affordable housing:

- **Social rented housing** is let by RSLs to households taken from the Council's Housing Register who are eligible for social rented housing. Rents will be set at Welsh Government benchmark levels.
- **Intermediate housing** is homes for sale and rent provided at a cost above social rent but below market levels. These can include shared equity, and intermediate rent. All of these will be provided through a Registered Social Landlord (RSL).
- **Neutral Tenure** is where tenure of housing is not predetermined but can vary according to needs, means and preferences of households to whom it is offered. This incorporates the tenures described above. This arrangement gives flexibility in that it allows the tenure type of a property to change between occupiers, or even with the same occupier. So, for example, on first occupation a house might be social rented, but when that occupier vacates the property the next occupier may choose the Homebuy option. In another instance, a property might initially be rented, but if the economic circumstances of the occupier improve, they may choose to convert to Homebuy. **Neutral tenure is the delivery option preferred by Monmouthshire County Council.**
- **Specialist affordable housing** may be sought for people with specific accommodation requirements that may not otherwise be met and where a need has been identified. These can include sheltered retirement housing, adapted housing for households with a physical disability and supported housing, for example for young homeless people or people with learning difficulties.

5.3 The Council's preferred method of achieving affordable housing through Section 106 Agreements is for developers to build houses for transfer to a Registered Social Landlord (RSL). This method will ensure mixed communities where the required pepper-potting of the affordable housing units will achieve a scheme where the affordable units are otherwise indistinguishable from the owner occupied homes.

5.3.1 Prior to submission of a planning application developers will be expected to liaise with the Council to agree the mix of units required to meet housing need.

5.3.2 All affordable housing units, except for those delivered under Policy SAH11, that are built by the developer for transfer to a RSL must be constructed to the Welsh Government's Design Quality Requirements (DQR), which includes Lifetime Homes, or successor Welsh Government scheme. Developers' DQR

Compliant house types will be checked to ensure that they meet the required standards. (See Appendix 1 for guidance)

- 5.3.3 The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSL's development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.
- 5.3.4 The financial arrangements for the transfer of completed affordable housing units from the developer to the RSL are to be calculated using the current Acceptable Cost Guidance rates published by the Welsh Government's Housing Directorate. The percentage that the RSL can afford to pay, based on the rental income they would receive for the properties, is 42% of ACG. This leaves the landowner/developer to fund the 58% which in the past would have been covered by Social Housing Grant. The developer will then be expected to sell the properties to the RSL at this percentage rate. (This percentage rate does not apply to units delivered under Policy SAH11).
- 5.4 When negotiating option agreements to acquire land for residential development, developers should take account of affordable housing requirements. The amount of Social Housing Grant (SHG) that is available to the Council is very limited and is not normally made available for the delivery of Section 106 sites. The Council's preferred financial arrangements for the provision of affordable housing, as outlined in paragraph 5.3.4, have been agreed following consultation with the RSLs to ensure a consistent and equitable approach that also provides certainty for developers when they are preparing their proposals.
- 5.5 Affordable housing land or dwellings that are transferred to a RSL will be used to provide affordable housing on a neutral tenure basis to qualifying persons from the Council's Housing Register.
- 5.6 To achieve the aim of developing mixed and balanced communities the Council seeks to provide affordable housing on-site. Only in exceptional circumstances will off-site provision be considered. This might occur, for instance, in situations where the management of the affordable housing cannot be effectively secured (as in sheltered retirement housing schemes). In such cases it may be possible for off-site new build housing or refurbishment/conversion of existing properties to provide a satisfactory alternative that meets the needs of the local community. Such schemes would be subject to the financial arrangements outlined in paragraph 6.3.5 above. In the exceptional circumstances where on-site provision is not considered appropriate and off-site units cannot be delivered as an alternative site is not

available, the Council will consider accepting an affordable housing contribution payment in lieu of on-site affordable housing provision, utilising the Affordable Housing Financial Contribution Calculator referred to in 4.4.B) above.

- 5.7 It is recognised that some specialist housing schemes such as Sheltered Housing may be challenging to deliver and any affordable housing contribution would be subject to viability. Should it be necessary the Council will commission and independent viability assessment.
- 5.8 There are a number of people living in the County Council area that have specific housing requirements as a result of learning/physical disabilities and/or medical conditions. In certain circumstances, where particular housing needs cannot be met through use of existing affordable housing stock, new purpose built special needs units may be required. Where there is evidence of need, and it is considered appropriate by the Council, special needs housing may be provided as part of the affordable housing contribution through the involvement of a RSL to ensure that these units remain affordable in perpetuity.
- 5.9 It is recognised that the development costs of providing specific needs affordable housing may be higher than general needs affordable housing and therefore it may be acceptable for a lower proportion of affordable units to be provided, subject to an assessment of viability.
- 5.10 Affordable housing delivered under Policy SAH11
- 5.10.1 Affordable housing delivered under Policy SAH11 will be a mix of social rented units and intermediate housing depending on the local need identified by the Council. All units for social rent will be constructed to Welsh Government Design Quality Requirements, which includes Lifetime Homes. Intermediate housing will be constructed to a standard agreed by the Council and their RSL partners.
- 5.10.2 Affordable housing delivered under Policy SAH11 will be transferred to the Council's preferred RSL at 38% of Welsh Government ACG for social rented units, 50% of ACG for low cost home ownership units and 60% of ACG for intermediate rent units.
- 5.11 Service Charge and Ground Rents
- 5.11.1 Rents or purchase price are usually seen as the main measures of affordability, but the whole cost of occupation could be significantly higher where service charges and/or ground rents are also payable, for example in a block of apartments. Where there are to be service charges and/or ground rent then these should also be set at an affordable level if properties are to be classed as affordable. If at the time of determining a planning application the level of service charge or ground rent is not known, an appropriate condition or section 106 agreement clause will be applied.

5.11.2 Where a developer intends to appoint a management company who will be responsible for the maintenance of open spaces, landscaping and unadopted highways, which will be paid for through a charge collected from residents, this charge will not be payable in relation to any of the affordable housing units (irrespective of affordable tenure), either by the nominated RSL or the subsequent occupants of the affordable homes.

5.12 There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:

Melin Homes
Monmouthshire Housing Association
The Seren Group

It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.

6. THE PLANNING APPLICATION AND SECTION 106 PROCESS

6.1 Type of Planning Application

6.1.1 Where new or additional housing is to be provided as part of a planning application on sites where the policy threshold has been exceeded affordable housing will be sought in accord with Adopted LDP Policy S4. This would apply to the following types of planning applications:

- All outline, full or change of use applications
- All renewal applications, including where there has been no previous affordable housing obligation

6.1.2 Affordable housing will be required on sites falling below the threshold if the Council considers that there has been a deliberate attempt to subdivide the site or phase the total development in an attempt to avoid the threshold.

6.2 Negotiation and Application Process

6.2.1 The provision of affordable housing is just one of a number of issues that need to be taken into account in applications for residential development. Discussion and detailed negotiations will also need to cover such matters as design, layout, density, landscape, open space and recreation provision, education, access and other financial contributions that may be needed. Developers should refer to other LDP policies and SPG in this respect.

6.2.2 In implementing the affordable housing policies of the adopted development plan, the Council will seek to ensure that there is close consultation between planning, housing and legal officers concerned with the operation of these policies, as well as other external agencies, including developers and RSLs. In order to ensure that negotiations on affordable housing provision are

conducted as effectively as possible, the Council will expect all parties involved to follow the procedures outlined:

Pre Application Discussions
With Planning and Housing Officers to establish the element of affordable housing required. There is a formal pre-application service which is available at a cost and which can include other Council officers from sections such as Highways and Biodiversity, dependent on the level of service required.



Submission of Planning Application
The proposal should contain an element of affordable housing which meets the housing needs identified by Housing Officers, clearly identifying how the affordable housing requirements are proposed to be met, including the appropriate mix, number, type and locations of dwellings.
(It is recognised that this information might not be readily available if the application is in outline.)



Further Detailed Negotiations where necessary
Planning Department in consultation with the Housing Department consider the local need for affordable housing (quantity and type).
Effective and early partnership between developer, RSL and the Council is critical. The Officer report to Planning Committee will require information on the mechanisms for providing affordable housing. This should include that the developer build and transfer to a RSL, which is the Council's preference. In order to transfer to a RSL detailed plans of dwellings would need to be confirmed as meeting their requirements.



Consideration by Council's Planning Committee



If recommendation to approve is accepted, Planning Committee resolve to grant planning permission subject to planning conditions and the signing of a Section 106 Agreement, including an agreed Affordable Housing Scheme.
Council's Solicitor prepares Section 106 Agreement with Developer, in consultation with RSL where necessary. Legal agreement signed by all parties.



Council issues decision on planning application.

6.3 Section 106 Agreements

The precise form of Section 106 Agreement will depend on the circumstances of individual cases including the ownership of the site and the terms of any obligation or agreement between the owner and a RSL. However, Section 106 legal agreements will normally include clauses setting out requirements with regard to the following issues:

- The mix of affordable housing types, sizes sought as part of the development
- The location and distribution of affordable housing within the development site
- The minimum design standards required for the affordable housing units
- The timing of the construction and occupation of the affordable housing in relation to the development of the whole site, including appropriate restrictions on general market housing occupation
- The price, timing and conditions for the transfer of the land or affordable housing to a RSL
- The arrangements regarding the future affordability, management and ownership of the affordable housing
- With outline applications (where the proposed number of dwellings is not known, but where there is a likelihood that the site threshold will be exceeded) the Agreement will ensure that the appropriate proportion of new housing will be affordable.

It will be necessary for the Section 106 Agreement to include appropriate long-term occupancy arrangements. The Council will require full nomination rights, which will be exercised according to the Council's allocations policy as current at the time. The key requirement is that any housing that is provided as affordable should remain in the affordable housing stock each time there is a change of occupant.

The flowchart set out above is unlikely to be applicable to small scale developments that fall below the affordable housing thresholds set out in Policy S4 and that, therefore, require a financial contribution. A standard Section 106 agreement has been prepared for such circumstances to ensure that there is no undue delay in the determination of the application (Appendix 4). An unilateral undertaking may also be an option if only a monetary contribution is required. This is a simplified version of a planning agreement, which is relatively quick and straightforward to complete, and is entered into by the landowner and any other party with a legal interest in the development site.

7. MONITORING AND TARGETS

- 7.1 As referred to in Section 3 above, the affordable target for the Monmouthshire LDP is 960 affordable dwellings over the plan period 2011-2021. This is based on the findings of a 2010 Update to the LHMA carried out in 2006.

7.2 The LDP estimated that the potential affordable housing provision if all sites achieve their maximum requirement is as follows:

• 35% on new sites in Main Towns and Rural Secondary Settlements	446
• 25% on new sites in Severnside settlements	242
• 60% on rural housing allocations in Main Villages	120
• 20% on large site windfalls	68
• 20% on current commitments	108
• Completions 2011 – 2013	127
• Small site windfalls	74
Total	1,185

7.3 The period for this estimate had a base date of 1 April 2013. In the period 2013 to 2014 there were 36 affordable housing completions out of an overall total completions of 230 dwellings. In the period 2014 to 2015 there were 17 affordable housing completions out of an overall total completions of 205 dwellings.

7.4 The Council is required to produce an Annual Monitoring Report (AMR) that has to be published in the October following the preceding financial year. The first LDP AMR, therefore, was published in October 2015. The LDP monitoring framework includes a number of indicators relating to affordable housing. This is reproduced as Appendix 5 to this document.

Contacts

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For affordable housing **planning policy** general enquiries please contact:

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Housing & Communities

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E Mail: shirleywiggam@monmouthshire.gov.uk

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Development Management Section

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NP15 1GA

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Registered Social Landlords:

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Ty'r Efail, Lower Mill Field, Pontypool, Torfaen. NP4 0XJ

Tel: 08453 101102.

Email: peter.davies@melinhomes.co.uk

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APPENDIX 1

ACG Floor Areas

APPENDIX 1

ACG Notional Floor Areas

Unit Type	Floor Area (Square Metres)
7 person 4 bed house	114
6 person 4 bed house	110
5 person 3 bed house	94
4 person 3 bed house	88
4 person 2 bed house	83
3 person 2 bed bungalow	58
3 person 2 bed flat (walk up)	65
3 person 3 bed flat (common access)	59
2 person 1 bed flat (walk up)	51
2 person 1 bed flat (common access)	46
5 person 3 bed bungalow (wheelchair)	115
4 person 2 bed bungalow (wheelchair)	98
3 person 2 bed bungalow (wheelchair)	80

1. Notional Floor Areas are provided as guidance on the expected floor areas that would be achieved if Development Quality Requirements (DQR) were implemented in full for each house or flat type listed.
2. NFAs are not a minimum size as the main criterion should be all designs comply with DQR and not merely achieve a notional floor area. House or flat designs with full DQR compliance can be achieved with floor areas below the notional figures and the degree of reduction will depend on the efficiency of the shape. It is not considered that anything less than 3/4 square metres smaller could possibly comply with DQR.

Calculation of Notational Floor Area (NFA)

1. Notional (or Net) Floor Area is measured to the internal finished surfaces of main containing walls on each floor, including private staircases, internal partitions, flues and ducts; it excludes external dustbin enclosures or stores, any porch open to the air or enclosed.
2. The measurement of floor area of common access flats excludes the area of the communal stairs and circulation space.
3. The measurement of floor areas of individual ground floor external access flats includes the area occupied by the staircase and entrance hall necessary to gain access to the first floor flat. The areas of the ground floor and upper floor flats (walk-up) shall be averaged in order to make comparisons against the notional floor areas shown above.
4. The floor area in rooms where the ceiling height is less than 1.50m is excluded.

APPENDIX 2

Build Your Own Affordable Home



BUILD YOUR OWN AFFORDABLE HOME

Single plot rural exception sites explained

What are single plot rural exceptions sites?

Monmouthshire County Council positively encourages local people to build their own affordable home to meet their own housing needs – so long as the site is in a recognisable rural settlement and its future value is controlled so that it remains affordable to other local people in the future. Sites may be permitted in rural areas outside existing settlement limits as an exception to the normal planning policies that restrict housing development in such areas.

Is it only affordable housing which is allowed?

Yes. We make an exception to normal planning policies only because there is a pressing need in Monmouthshire to help provide local people with affordable housing in rural areas. Open Market housing development continues to be strictly controlled outside existing settlement limits, as set out in the adopted Local Development Plan.

So what is the catch?

Single plot rural exception sites are only permitted with restrictions. These are:

- The value of the property is based on a standard cost of construction plus a nominal plot value. This typically works out at around 60% of open market value. A legal agreement is used to ensure that future sale of the property is capped at this percentage of market value forever. The value of the affordable property will then rise (or fall) directly in proportion to the housing market.
- The property cannot be larger than 100 square metre gross internal floor area. This includes any integral or attached garage. Normal permitted development rights will be removed so that express permission has to be sought for any future extensions.
- The house must be built to exacting quality and design standards, meeting the Lifetime Homes standards and satisfying the sustainable construction, energy and water efficiency aspects of level 3 of the Code for Sustainable Homes. It

must be sympathetically designed in relation to its setting, particularly as it is being granted permission as an exception to normal planning policies.

Can anyone apply?

To obtain planning permission, the applicant must satisfy Monmouthshire County Council that:

- The site is in a suitable location.

And

- The initial occupier of the affordable home is in housing need and has a strong local connection.

How do I apply for planning permission?

The application should be made by the prospective occupier of the proposed affordable dwelling. You need to do some groundwork before you make the planning application, contacting the following in this order:

1. First, you should contact the Senior Strategy and Policy Officer in Housing & Communities. This officer will liaise with the planning department on your behalf to establish whether your site is considered to be in a suitable location. Sites must be in locations that demonstrably form part of a recognisable named settlement. Please note that development in the open countryside, isolated from any recognisable settlement, will not be permitted.
2. If the site appears to have potential, the Senior Strategy and Policy Officer in Housing Services will arrange to interview you to establish whether or not you are in housing need and have a strong local connection. Existing homeowners with particular issues can still be eligible where it can be shown that their existing property is not suitable for their ongoing needs, and they have a strong local connection.
3. You will then be asked to approach your Community Council for confirmation of your local connection. At this stage, the Community Council should limit itself to confirming facts about the applicant's personal connection to the local area. When a planning application is made, the Community Council will be consulted in the normal manner for its comments on the proposed site and design.
4. Once you have obtained a preliminary "green light" from the above and you **are confident that you can fund the project**, you have some assurance that it is worthwhile employing an architect or builder to draw up your building plans. It is sensible to discuss the emerging design with the Planning Officer

before making your planning application, to establish whether it is likely to be found acceptable.

Finally, you are ready to make a planning application.

The Application Process

Who can apply?

Because planning permission is granted as an exception to normal policies, the Council must ensure that the affordable homes will genuinely meet local housing need. To do so, the Council will assess the housing need and the local connection of the prospective occupier. Consequently, applicants must normally be the prospective occupiers of the proposed dwelling. This does not prevent the applicant from using an agent to help them to submit the planning application.

Speculative applications from landowners and developers will not be successful, because they cannot identify with certainty the prospective occupants. The eligibility of the occupants is critical to the decision to allow development as an exception to normal planning policies.

Step 1: contact the Senior Strategy & Policy Officer at Monmouthshire County Council, Housing & Communities

**Mrs Shirley Wiggam
Housing and Communities
Monmouthshire County Council
Ty'r Efail
Lower Mill Field
Pontypool
NP4 0XJ**

**Tel: 01633 644474/07769 616662
Email: shirleywiggam@monmouthshire.gov.uk**

Step 2: contact your Community Council

Build Your Own Affordable Home: Single Plot Rural Exception Sites

It is recognised that in Monmouthshire the price of housing has risen to a level beyond that which many local people can afford. Therefore, the need for affordable housing is one of the Council's more pressing concerns, both in urban and rural areas.

The single plot rural exceptions scheme is a self-help solution that enables families to use their own resources to provide affordable housing that meets their needs within their community. The construction of such affordable housing is funded from householders' own resources, which can include the sale of existing property as well as through a commercial mortgage. Utilising the resources of those families who are able to provide new affordable housing to meet their own needs means that the local community benefits over the long term from an increased stock of local affordable homes.

Monmouthshire County Council is able to allow the development of affordable housing through the use of single plot rural exception sites under policy H7(Affordable Housing Rural Exceptions) of the existing adopted Local Development Plan.

Extracts from Monmouthshire County Council's Local Development Plan

Policy S1 – The Spatial Distribution of New Housing Provision

The villages that are considered most likely to be suitable for single plot rural exception sites are those identified as Main and Minor Villages in Policy S1 of the Local Development Plan. Proposals in villages and hamlets not identified in Policy S1 of the Local Development Plan will not comply with Policy H7. These are minor settlements where new residential development will not normally be allowed because of their small size and sporadic nature and often because of the potential harm that development would cause to their open, rural character and/or sensitive landscape setting. Each proposal will be treated on its merits, however, and you are encouraged to discuss your site with the Senior Strategy and Policy Officer in Housing Services.

Policy H7 – Affordable Housing Rural Exceptions

H7 Favourable consideration will be given to the siting of small affordable housing sites in rural areas adjoining the Rural Secondary Settlements, Main Villages and Minor Villages identified in Policy S1 that would not otherwise be released for residential development provided that all the following conditions are met:

- (a) The scheme would meet a genuine local need (evidenced by a properly conducted survey or by reference to alternative housing need data) which could not otherwise be met in the locality (housing needs sub-area);
- (b) Where a registered social landlord is not involved, there are clear and adequate arrangements to ensure that the benefits of affordable housing will be secured for initial and subsequent occupiers; and
- (c) The proposal would have no significant adverse impact on village form and character and surrounding landscape or create additional traffic or access problems.

With regard to criterion (a) the local need for single plot rural exceptions sites will be established through the tests set out in this information pack.

Suitability of Location

Whilst wishing to address affordable housing needs in the rural areas, the Council must balance this with the need to promote sustainable patterns of development and to protect the open countryside from widespread development. In this respect, the Council considers that there will be cases where these wider environmental and sustainability interests will take precedence over the economic and social sustainability issues surrounding affordable housing.

Design

Proposals for single plot rural exception sites will need to comply with the current adopted Local Development Plan policies. As these potential sites will usually be outside the areas normally considered suitable for residential development, it is especially important to achieve an appropriate design. In this respect, full applications will be required for single plot rural exception sites and an early dialogue with Planning Officers is therefore essential.

Policy DES 1 – General Design Considerations

DES1 All development should be of a high quality sustainable design and respect the local character and distinctiveness of Monmouthshire's built, historic and natural environment. Development proposals will be required to:

- (a) Ensure a safe, secure, pleasant, and convenient environment that is accessible to all members of the community, supports the principles of community safety and encourages walking and cycling;
- (b) Contribute towards sense of place whilst ensuring that the amount of development and its intensity is compatible with existing uses.
- (c) Respect the existing form, scale, siting, massing, materials and layout of its setting and any neighbouring quality buildings.

- (d) Maintain reasonable levels of privacy and amenity of occupiers of neighbouring properties where applicable.
- (e) Respect built and natural views and panoramas where they include historical features and/or attractive or distinctive built environment or landscape.
- (f) Use building techniques, decoration, styles and lighting to enhance the appearance of the proposal having regard to texture, colour, pattern, durability and craftsmanship in the use of materials.
- (g) Incorporate existing features that are of historical, visual or nature conservation value, and use the vernacular tradition where appropriate.
- (h) Include landscape proposals for new buildings and land uses in order that they integrate into their surroundings, taking into account the appearance of the existing landscape and its intrinsic character, as defined through the LANDMAP process. Landscaping should take into account, and where appropriate retain, existing trees and hedgerows;
- (i) Make the most efficient use of land compatible with the above criteria, including that the minimum net density of residential development should be 30 dwellings per hectare, subject to criterion (l) below;
- (j) Achieve a climate responsive and resource efficient design. Consideration should be given to location, orientation, density, layout, built form and landscaping and to energy efficiency and the use of renewable energy, including materials and technology;
- (k) Foster inclusive design;
- (l) Ensure that existing residential areas characterised by high standards of privacy and spaciousness are protected from overdevelopment and insensitive or inappropriate infilling.

Where an applicant owns land which could provide a number of possible sites, the Council will seek to utilise the most environmentally sustainable and appropriate site as advised by the Council. Applicants are therefore strongly advised to discuss the alternatives at an early stage, and follow the advice given by the case Planning Officer.

Layout

The dwelling size should not exceed 100 square metre gross internal floor space (i.e. a simple measurement of floor space between internal walls) and overall plot size

must be appropriate in terms of the general pattern of development in the surrounding area, but not normally exceeding 0.1 ha.

Sites which form part of the curtilage of an existing property must provide an appropriately sized plot for the new dwelling. In this respect, it will be important to achieve a ratio of dwelling size to overall plot size which is in keeping with surrounding properties. Such sites must also respect the existing character and setting of the original property, so as not to adversely alter the character or create a cramped form of development.

Materials of construction should be sympathetic to those in use locally.

Attached garages will count against the 100 square metres. It is appreciated, however, that there will generally be a need for garaging and for ancillary buildings to store gardening equipment, garden furniture etc. The size of such outbuildings will be strictly controlled. Detached garages of appropriate dimensions and height may be permitted if they are not intrusive upon the wider locality, reflect the local rural vernacular in both style and materials and remain subordinate to, and do not detract from, the character and appearance of the main dwelling. They should be sited as unobtrusively as possible, to the side or rear of the dwelling. Outbuildings should be modest in size and sensitively located.

Applications for single plot rural exception sites should include details of any proposed garages and outbuildings in order that the overall impact of a scheme can be fully assessed. The Council will need to be satisfied at the time of the original application that adequate ancillary garages and storage space can be achieved for the dwelling in order to avoid pressure for further, possibly harmful, development at some future date. If overlarge outbuildings are required then this could result in a reduction in the size of dwelling that might be allowable if this is necessary to limit the overall impact of the development in the landscape.

Housing Need and Strong Local Connection

Applicants will need to demonstrate that they are unable to afford a suitable home currently available in the locality.

Housing need is demonstrated if the household unit has no home of its own, or is renting from a housing association but would like to become an owner-occupier, or is in unsuitable accommodation. For example:

- the current housing may be too large or too small for the household
- be in a poor state of repair
- be too costly for the household to maintain or sustain.

- be in a location that is a long way from existing employment, schools or support networks and that the cost or availability of transport is prohibitive to the particular household

Strong local connections with the settlement in question will need to be demonstrated by the household (Appendix A). These include working locally, residing locally, or having family members who need support in the local area.

Assessments of whether a household is in housing need or not, has strong local connections and is unable to afford a suitable home in the locality will be made by the Council's Housing Services following completion of a standard form and submission of supporting documentation. Applicants will be expected to be proactive in obtaining confirmation of their local connection from the Community Council.

Purchasers of the property in the future must also meet the local needs criteria in Appendix A. As a requirement of the section 106 legal agreement, the property cannot change hands without the written consent of Monmouthshire County Council. This will only be forthcoming if the Council is satisfied that the new purchaser has a strong local connection as defined in the section 106 legal agreement.

Affordable in Perpetuity

Rural exception sites are permitted in order to benefit the long term sustainability of the community, and as such it is important that the property remains affordable for successive occupiers for the lifetime of the building. To achieve this, the model section 106 legal agreement in Appendix C puts a Restriction on the Title of the property, to the effect that the property cannot change hands without the written consent of Monmouthshire County Council. The Land Registry will effectively enforce this provision, as it will not be possible for a solicitor to register a new ownership with the Land Registry without the appropriate letter from Monmouthshire County Council.

A draft section 106 legal agreement should be submitted with the planning application, with agreed heads of terms in accordance with those attached at Appendix C. The section 106 agreement must be ready for all parties to sign by the time the application is ready for decision by the Council.

The "formula price" of the affordable property will be determined by the cost of construction as set out on page 10 of this pack, plus a nominal plot value of £10,000, expressed as a percentage of open market value. Extraordinary construction costs will only be taken into account at the discretion of the local planning authority, where such costs can be robustly justified as unavoidable.

The future sale of the property will be subject to the fixed percentage of open market value as detailed in the section 106 agreement. There is no scope for it to enter into the open housing market without recycling of proceeds.

In order to ensure that dwellings remain affordable, a dwelling size restriction will be imposed. The size of dwellings will normally be restricted to no more than 100 square metre gross internal floor space, with a curtilage not exceeding 0.1 ha.

Furthermore, permitted development rights to extend properties in the future will be removed by planning condition, in order to ensure that the Council retains control over the future affordability of the property. Future values will, in any event, be based on original floor space and exclude later additions.

Standard Conditions for Rural Exception Sites

In order to provide a consistent and manageable approach to rural exception sites. Monmouthshire County Council proposes to use standard conditions on all rural exception sites that ensure:

- sustainable construction, energy and water efficiency aspects equivalent to level 3 of the Code for Sustainable Homes will apply to **all** schemes
- meeting Lifetime Homes Standards will apply to **all** schemes

Standard Conditions for Single Plot Rural Exception Sites

In addition, standard conditions for single plot rural exception sites will include:

- restrictions on size of the property (to not exceed 100 square metres)
- removal of permitted development rights so that express permission has to be sought for any future extension, including garage and carport extensions

In the majority of cases, 100 square metres is adequate for a family of five persons. Larger properties are, by definition, more expensive and run counter to the primary aim of ensuring affordability.

Permitted development rights of the affordable dwellings will normally be removed to ensure that properties are not extended or altered in any way as to increase values beyond an affordable level. Exceptions will only be made where clearly justified. The normal permitted development rights will not prevent consideration of adaptations or extensions in certain circumstances, for instance, where required by an occupant with disabilities or to accommodate appropriate extensions for family growth.

The Council recognises that some households will need more space, for example to cater for very large families. Where an application is received to amend or remove a

standard condition, the applicant will be expected to demonstrate that the household's needs are genuine. The national definition of overcrowding (Appendix C) will be a factor in assessing what size of property is justified. The needs of disabled residents for physical space (for wheelchairs, etc.) will also be taken into account.

Site Suitability Guidelines

The Local Development Plan (LDP) enables Monmouthshire County Council to allow affordable housing on sites that would not obtain planning permission for open market housing, as an exception to normal planning policies.

The site, however, must be in a location that demonstrably forms part of a recognisable named settlement. Sites that would constitute isolated or sporadic development, or which would adversely affect the landscape or rural character, are not considered acceptable and will be refused planning permission in line with existing LDP policies.

Calculating the Formula Price

Affordable housing that is granted as an exception to normal planning policies must remain affordable for ever. This is achieved through a section 106 legal agreement, which defines what the “formula price” is for the affordable property.

The price for affordable housing that is built on single plot rural exception sites is calculated from standard construction costs and a nominal plot value. This is expressed as a percentage of market value to create the “formula price”.

The **nominal plot (land) value** applied is **£10,000** per building plot.

The **standard Cost of Construction** that applies is **£1,300** per square metre.

These figures apply regardless of the actual build or land cost. The combined total of these figures is the initial affordable value.

The initial affordable value is then converted into a percentage of the property’s potential Open Market Value (i.e. the property’s value if it were not subject to the affordability restrictions in the section 106 legal agreement). This percentage is the “**formula price**”.

The formula price determines how much the property could be sold for in the future. As it is a percentage of open market value, it will go up or down in line with market prices.

Worked Example

In this example, the affordable property is a 2 bed house of 70 square metres in size. The value is based on the gross internal floor space (i.e. a simple measurement of the floor space between the internal walls. Each floor of the property is included – in our example, the ground floor is 35 square metres and the first floor is 35 square metres.

One builder has quoted £81,000, another builder has quoted £85,000 and a third builder has quoted £97,000. The actual construction price is irrelevant, because the property’s affordable value is based on a formula price. Instead the affordable value will be calculated as follows. The formula for the initial affordable value is: standard cost of construction x floor space + nominal plot value:

$$\begin{aligned} &= (\mathbf{£1,300 \times 70 \text{ sqm}}) + \mathbf{£10,000} \\ &= \mathbf{£91,000 + £10,000} \\ &= \mathbf{£101,000} \end{aligned}$$

Let us assume that the market value for a 2 bed property in this location is £165,000 (actual value to be based on an independent surveyor’s/estate agent’s valuation of the property).

Formula price equals nominal cost as a proportion of market value:

$$\begin{aligned} &= \mathbf{£101,000/£165,000} \\ &= \mathbf{61.2\%} \end{aligned}$$

The section 106 legal agreement would therefore specify the formula price as 61.2% of open market value. Future sale of the property must be at 61.2% of whatever the open market value is at that point in time. Thus the property will go up or down in value in line with market prices.

If You Need to Sell in the Future

The value of the property is set in the section 106 legal agreement, as a percentage of open market value.

Resale of the property must be to a marketing plan that has been agreed with the Council, as required by the legal agreement. It must be offered for sale at the formula price for six months. Persons wishing to purchase the property must meet the Council's criteria for being in housing need (see Appendix A).

Over six months, the pool of potential purchasers widens from the local area, then Monmouthshire-wide, then to the Council or one of the Council's nominated partners and finally to anyone else. This is known as the cascade mechanism. The details of which are specified in the section 106 legal agreement for the property.

In the highly unlikely event of an owner being unable to sell at the formula price in this six month period, he/she may apply to have the formula price removed. If the Council agrees to its removal, then half of the difference between the affordable and the open market value will be recouped by the Council and used towards the provision of affordable housing elsewhere.

These requirements have been reached in discussion with mortgage lenders to ensure that they satisfy most mortgage lenders' criteria. They provide a balance between trying to ensure that affordable properties remain affordable in perpetuity, prioritising local people, and minimising the financial risks for lenders.

Lifetime Homes Standards

All affordable homes must be built to the lifetime homes standard to ensure that they are accessible and can be easily adapted should their occupiers experience mobility difficulties in the future. Homes built to this standard are "future-proofed" not only for the potential needs of their occupiers, but also for the needs of visiting friends and relatives. The Lifetime Homes standard requires the following:

Access

1. Where car parking is adjacent to the home, it should be capable of enlargement to attain 3.3metres width.
2. The distance from the car parking space to the home should be kept to a minimum and should be level or gently sloping.
3. The approach to all entrances should be level or gently sloping (Gradients for paths should be the same as for public buildings in the Building Regulations).
4. All entrances should be illuminated and have level access over the threshold and the main entrance should be covered.

5. Where homes are reached by a lift, it should be wheelchair accessible.

Inside the Home

6. The width of internal doorways and halls should conform to Part M of the Building Regulations, except where approach is not head on and the hallway is less than 900mm clear width, in which case the door should be 900mm rather than 800mm wide. Entrance level doorways should have a 300mm nib or wall space adjacent to the leading edge of the door.
7. There should be space for the turning of wheelchairs in kitchens, dining areas and sitting rooms and adequate circulation space for wheelchair users elsewhere.
8. The sitting room (or family room) should be at entrance level.
9. In houses of two or more storeys, there should be space on the ground floor that could be used as a convenient bed space.
10. There should be a downstairs toilet which should be wheelchair accessible, with drainage and service provision enabling a shower to be fitted at any time.
11. Walls in bathrooms and toilets should be capable of taking adaptations such as handrails.
12. The design should incorporate provision for a future stair lift and a suitably identified space for potential installation of a through-the-floor lift from the ground to the first floor, for example to a bedroom next to the bathroom.
13. The bath/bedroom ceiling should be strong enough, or capable of being made strong enough, to support a hoist at a later date. Within the bath/bedroom wall provision should be made for a future floor to ceiling door, to connect the two rooms by a hoist.
14. The bathroom layout should be designed to incorporate easy access probably from a side approach, to the bath and WC. The wash basins should also be accessible.

Fixtures and Fittings

15. Living room window glazing should begin at 800mm or lower, and windows should be easy to open/operate.
16. Switches, sockets and service controls should be at a height usable by all (i.e. between 600mm and 1200mm from the floor).

Do you qualify for affordable housing?

The Council wishes to make it as easy as possible for residents to be able to find out if they qualify for the 'Build Your Own Single Plot' affordable home.

Applicants must demonstrate:

That they have a suitable plot of land (this is assessed by a planning officer)

That they are in need of a house in the area and would contribute towards community sustainability

That they have strong local connections and need to live in the area where they propose to build

That they are unable to secure a suitable home currently available on the open market

What are the main housing need, local connection and affordability qualification criteria?

Local Housing Need	Strong Local Connections & Need to Live in the Local Area	Affordability and Availability of Housing in the Area
<ul style="list-style-type: none"> • No home of your own – e.g. living with your parents • Current housing not suitable for current needs • Housing Association tenant but would like to become an owner-occupier 	<ul style="list-style-type: none"> • Parents are permanent residents in the area • Parents were permanently resident in the area at the time of the applicants birth and applicant was a permanent resident of the area for 5 continuous years as a child • Currently living in the area and have been for 5 continuous years • Currently employed in the area • Have an offer of work in the area • Applicant needs to live in the area to care for a relative or receive support/childcare 	<ul style="list-style-type: none"> • If buying your mortgage should not be more than 25% of your gross household income • If renting, your rent should be less than 25% of your income • Your total household income is not large enough to buy a suitable house on the open market • There are no suitable properties in the area

For more information please contact Shirley Wiggam, Senior Strategy & Policy Officer on 01633 644474

APPENDIX 3

Rural Allocations Policy



Affordable Housing

Rural Allocations Policy

The purpose of the policy is to ensure that homes developed for local people are allocated as intended. This policy is to be used in addition to both Monmouthshire County Council's Common Allocations Policy and any other or succeeding allocations policy for letting of affordable housing in Monmouthshire.

The Registered Social Landlord requires assurance for its future business security that the local connection policy will not be allowed to cause empty properties. There is flexibility built into this policy to allow a broadening of both occupancy levels and geographical connection in order to allow properties to be tenanted swiftly and therefore ensure that the affordable housing resource is utilised.

The Rural Allocations Policy will be used to allocate the first 10 homes on all new housing sites and on all subsequent lettings of these properties (once identified via the first round of lettings) in rural areas of Monmouthshire other than:

- The main settlements of Abergavenny, Caldicot, Chepstow, Monmouth and Usk (Abergavenny includes the waiting list areas of Mardy and Croesonnen and the settlement of Monmouth includes the waiting list area of Wyesham)

Geographical Criteria

The aim of this policy is to ensure that households with strong links to rural areas are given the opportunity to remain in these communities thus helping to maintain sustainability in the future. The local qualification will be based on villages within the Community Council boundary where the properties are located and then will cascade out to the immediately adjoining communities using community council boundaries.

As there are some rural areas in Monmouthshire where development is unlikely due to land supply and topography, the Council reserves the right to widen qualification to a neighbouring Community Council on occasions where there is a proven local need.

Under Occupation

Priority will be given to applicants who have a local connection and who fully occupy a property in line with local housing allowance size criteria. One spare room will be considered whereupon a tenancy is affordable or there are exceptional circumstances. In the case where there are more applications received that meet the rural housing lettings criteria than there are properties to allocate, these applications will then be assessed to the current allocation policy.

Rural Housing Lettings Criteria

In priority order:

1. Applicants who have lived in the community (defined as the Community Council area) for a continuous period of at least 5 years at the time of application and are owed a reasonable preference as defined by the Housing Act 1996.
2. Applicants who have lived in the community (defined as the Community Council area) for a continuous period of at least 5 years at the time of application and who need to live in the community in order to provide support to a dependent child or adult or to receive support from a principal carer.
3. Applicants who have lived in the community (defined as the Community Council area) for a continuous period of at least 5 years at the time of application and who are principally (> 20 hours per week) employed in the community (defined as the Community Council area).
4. Applicants who have lived in the community (defined as the Community Council area) for a continuous period of at least 5 years at the time of application or those who have lived in the community for a period of five years but have had to move out of the area to access accommodation.
5. Applicants who have previously lived in the community for a period of at least 5 years and who need to move to the community in order to provide support to a dependent child or adult or to receive support from a principal carer.
6. Applicants who have been principally (> 20 hours per week) employed in the community (defined as the Community Council area) for a continuous period of at least 5 years.
7. Applicants who have previously lived in the community for a period of at least 5 years.
8. Applicants with a firm offer of employment in the community and who would otherwise be unable to take up the offer because of a lack of affordable housing.

Applicants will be prioritised using the above criteria, however, if more than one applicant has the same priority, the applicant who has lived (or previously lived) in the Community Council area for the longest will be given priority. Applicants who have the same priority and who will be fully occupying the property will be given priority over those applicants who have the same priority and who will be under-occupying.

In the event there is no suitable [insert Community Council] applicant, these criteria will then be applied in the same order to applicants from immediately adjoining communities as set out above. Should there be no suitable applicant from the Community Council area where the properties are located or from the immediately

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adjoining Community Council areas then the properties will be allocated to applicants with a connection to Monmouthshire in line with the Monmouthshire Homesearch Allocations Policy.

It should be noted however that the Council reserves the right to nominate applicants for rural vacancies, who do not meet the above criteria, where it is considered that the circumstances of the individual case warrant special consideration. Such cases can only be considered for the offer once the decision has been agreed by the Common Housing Register Operational Sub Group and the Head of Housing and Communities.

Evidence of Local Connection

In all cases, the applicant will be expected to demonstrate their local connection, for example by providing service bills, bank statements, medical registration documents and so forth. Applicants living at home with parents and looking to leave home for the first time would be expected to provide evidence to show that they have local criteria which may include evidence that their parents have achieved the local connection.

Applicants not living in the Community, but who are applying for reasons of employment must provide evidence to show that they are principally employed within the area, including the date of commencement of employment and confirmation from their employer of employment status, and whether this is likely to continue for the foreseeable future.

Applicants will also be asked to consent to the landlord making enquiries of the electoral register and council tax records should it be necessary to confirm local connection.

Future Voids

The properties identified for each site will remain ear marked for all future lettings. Therefore all future lettings for these properties will also be carried out as per this policy.

Monitoring

The Council will ensure that lettings through this policy will not dominate the main allocation scheme. The Rural Allocations Policy will be monitored on an ongoing basis to ensure that overall reasonable preference for allocation in Monmouthshire is given to applicants in the reasonable preference groups.

The policy will also be monitored in order to assess its impact, the outcome of which will be regularly reported.

The policy will also be monitored to ensure that void properties are re-let to qualifying households who satisfy the Rural Allocations Policy.

APPENDIX 4

Draft Standard Section 106 Agreement for Affordable Housing Financial Contributions

DATED

**PLANNING OBLIGATION UNDER SECTION 106 OF THE TOWN AND
COUNTRY PLANNING ACT 1990 (AS AMENDED) RELATING TO LAND AT
[ADDRESS]**

between

COUNCIL

and

OWNER

and

[MORTGAGEE]

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THIS DEED is dated [DATE]

- (1) [NAME OF COUNCIL] of [ADDRESS OF COUNCIL] (**Council**).
- (2) [NAME OF OWNER] of [ADDRESS OF OWNER] (**Owner**).
- (3) [[FULL COMPANY NAME] incorporated and registered in England and Wales with company number [NUMBER] whose registered office is at [REGISTERED OFFICE ADDRESS] (**Mortgagee**).]

BACKGROUND

- (A) The Council is the local planning authority for the purposes of the TCPA 1990 for the area in which the Property is situated.
- (B) The Owner is the freehold owner of the Property [subject to a mortgage in favour of the Mortgagee but otherwise] free from encumbrances.
- (C) The Owner has made the Planning Application and is proposing to carry out the Development.
- (D) [The Mortgagee is the registered proprietor of the charge dated [DATE] referred to in entry number [NUMBER] of the charges register of Title number [NUMBER] and has agreed to enter into this deed to give its consent to the terms of this deed.]
- (E) The Council having regard to the provisions of the [Local Plan **OR** Unitary Development Plan] and to all other material considerations resolved that Planning Permission should be granted for the Development subject to the prior completion of this deed.
- (F) The parties have agreed to enter into this Agreement with the intention that the obligations contained in this Agreement may be enforced by the Council against all Owners, the Developer and their respective successors in title.

AGREED TERMS

1. INTERPRETATION

The following definitions and rules of interpretation apply in this deed:

1.1 Definitions:

Affordable Housing: social rented, intermediate rented and low cost home ownership, provided to eligible households, the total cost (including service charges) of which will be available and affordable to persons whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for subsidy to be recycled for alternative affordable housing provision as set out in schedules 2 and 3.

Base Rate: the higher of [5%] and the base rate from time to time of Barclays Bank plc.

Commencement of Development: the carrying out in relation to the Development of any material operation as defined by section 56(4) of the TCPA 1990 [but disregarding for the purposes of this deed and for no other purpose, the following operations: demolition works; site clearance; ground investigations; site survey works; temporary access construction works; archaeological investigation; and erection of any fences and hoardings around the Property.]

Completion of Development: the issuing of a compliance certificate for this development issued under either regulation 17 (completion certificates) of the Building Regulations or section 51 of the Building Act 1984 (final certificates)

Commence and Commences shall be construed accordingly.

Commencement Date: the date Development Commences.

Default Interest Rate: 4% per annum above the Base Rate.

Development: the development of the Property authorised by the Planning Permission.

Development Site: the land at [DESCRIPTION OR ADDRESS] shown edged red on the Plan and registered at HM Land Registry with absolute title under title number(s) [NUMBER[S]].]

Form 1: Self Build Exemption Claim Form to be submitted prior to completion of the Development.

Form 2: Self Build Exemption Claim Form to be submitted within 6 months of occupation of the self-build dwelling.

Index Linked: increased in accordance with the following formula:

Amount payable = the payment specified in this deed x (A/B) where:

A= the figure for the [Retail Prices Index (All Items)] that applied immediately preceding the date the payment is due.

B= the figure for the [Retail Prices Index (All Items)] that applied when the index was last published prior to the date of this deed.

Occupation and Occupied: occupation for the purposes permitted by the Planning Permission.

Plan: the plan attached as Annex A.

Planning Application: the application for [FULL OR OUTLINE] planning permission registered by the Council on [DATE] under reference number [NUMBER].

Planning Permission: the planning permission to be granted by the Council in respect of the Planning Application [in the draft form attached as Annex B].

Retail Price Index: the retail price index compiled and published by the Office of National Statistics

Self Build: all homes built or commissioned by individuals or groups of individuals for their own use, either by building the home on their own or working with builders.

TCPA 1990: Town and Country Planning Act 1990.

VAT: value added tax chargeable under the Value Added Tax Act 1994 and any similar replacement tax and any similar additional tax.

Working Day: any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in Wales

- 1.2 Clause headings shall not affect the interpretation of this deed.
- 1.3 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.4 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.5 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.6 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.7 A reference to any party shall include that party's personal representatives, successors and permitted assigns and in the case of the Council the successors to its respective statutory functions.
- 1.8 Unless the context otherwise requires, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.9 Unless the context otherwise requires, a reference to a statute or statutory provision shall include any subordinate legislation made from time to time under that statute or statutory provision.
- 1.10 A reference to **writing** or **written** [includes fax but not e-mail **OR** excludes faxes and e-mail].
- 1.11 A reference to **this deed** or to any other deed or document referred to in this deed is a reference to this deed or such other deed or document as varied or novated (in each case, other than in breach of the provisions of this deed) from time to time.
- 1.12 References to clauses and Schedules are to the clauses and Schedules of this deed.

- 1.13 An obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.14 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.15 Where an obligation falls to be performed by more than one person, the obligation can be enforced against every person so bound jointly and against each of them individually.

2. STATUTORY PROVISIONS

- 2.1 This deed constitutes a planning obligation for the purposes of section 106 of the TCPA 1990, section 111 of the Local Government Act 1972, [section 1 of the Localism Act 2011 **OR** section 2 of the Local Government Act 2000] and any other enabling powers.
- 2.2 The covenants, restrictions and obligations contained in this deed are planning obligations for the purposes of section 106 of the TCPA 1990 and are entered into by the Owner with the intention that they bind the interests held by those persons in the Property and their respective successors and assigns.
- 2.3 The covenants, restrictions and obligations contained in this deed are enforceable by the Council in accordance with section 106 of the TCPA 1990.

3. CONDITIONALITY

With the exception of clauses 2, 3, [7],10,11, 13, 16, 17, 19, 20, 21, 22 and 24 [OTHER RELEVANT CLAUSES] (which take effect immediately), this deed is conditional on the grant and issue of the Planning Permission.

4. COVENANTS TO THE COUNCIL

The Owner [and the Mortgagee] covenant[s] with the Council to:

- (a) observe and perform the covenants, restrictions and obligations contained in Schedule 1.
- (b) give at least [NUMBER] Working Days written notice to the Council of the intended Commencement Date.

5. COVENANTS BY THE COUNCIL

The Council covenants with the Owner to observe and perform the covenants, restrictions and obligations contained in Schedule 2.

6. INDEXATION

6.1 All financial contributions payable to the Council shall be Index Linked.

6.2 Where reference is made to an index and that index ceases to exist or is replaced or rebased then it shall include reference to any index which replaces it or any rebased index (applied in a fair and reasonable manner to the periods before and after rebasing under this deed) or in the event the index is not replaced, to an alternative reasonably comparable basis or index as the Council shall advise the Owner in writing.

7. [MORTGAGEE'S CONSENT

7.1 The Mortgagee consents to the completion of this deed and declares that its interest in the Property shall be bound by the terms of this deed as if it had been executed and registered as a land charge prior to the creation of the Mortgagee's interest in the Property.

7.2 The Mortgagee shall not be personally liable for any breach of the obligations in this deed unless committed or continuing at a time when the Mortgagee is in possession of all or any part of the Property.]

8. RELEASE

No person shall be liable for any breach of a covenant, restriction or obligation contained in this deed after parting with all of its interest in the Property, except in respect of any breach subsisting prior to parting with such interest.

9. DETERMINATION OF DEED

The obligations in this deed (with the exception of clause 11) shall cease to have effect if before the Commencement of Development, the Planning Permission:

- (a) expires;
- (b) is varied or revoked other than at the request of the Owner; or
- (c) is quashed following a successful legal challenge.

10. LOCAL LAND CHARGE

This deed is a local land charge and shall be registered as such by the Council.

11. COUNCIL'S COSTS

The Owner shall pay to the Council on or before the date of this deed:

- (a) the Council's reasonable and proper legal costs together with all disbursements incurred in connection with the preparation, negotiation, completion and registration of this deed.
- (b) the sum of £[AMOUNT] as a contribution towards the Council's costs of monitoring the implementation of this deed.

12. INTEREST ON LATE PAYMENT

If any sum or amount has not been paid to the Council by the date it is due, the Owner shall pay the Council interest on that amount at the Default Interest Rate (both before and after any judgment). Such interest shall accrue on a daily basis for the period from the due date to and including the date of payment.

13. OWNERSHIP

13.1 The Owner warrants that no person other than the Owner [and the Mortgagee] has any legal or equitable interest in the Property.

13.2 [Until the covenants, restrictions and obligations in Schedule 1 have been complied with, the Owner will give to the Council within [NUMBER] Working Days, the following details of any conveyance, transfer, lease, assignment, mortgage or other disposition entered into in respect of all or any part of the Property:

- (a) the name and address of the person to whom the disposition was made; and
- (b) the nature and extent of the interest disposed of.]

14. REASONABLENESS

Any approval, consent, direction, authority, agreement or action to be given by the Council under this deed shall not be unreasonably withheld or delayed.

15. CANCELLATION OF ENTRIES

15.1 On the written request of the Owner at any time after each or all of the obligations have been performed or otherwise discharged (and subject to the payment of the Council's reasonable and proper costs) the Council will issue a written confirmation of such performance or discharge.

15.2 Following the performance and full satisfaction of all the terms of this agreement or if this deed is determined pursuant to clause 9 (and subject to the payment of the Council's reasonable and proper costs and charges) the Council will on the written

request of the Owner cancel all entries made in the local land charges register in respect of this deed.

16. DISPUTES

Any dispute, controversy or claim arising out of or relating to this deed, including any question regarding its breach, existence, validity or termination or the legal relationships established by this deed, shall be finally resolved by arbitration in accordance with the Arbitration Act 1996. It is agreed that:

- (a) the tribunal shall consist of [one] arbitrator appointed jointly by the parties;
- (b) in default of the parties' agreement as to the arbitrator, the arbitrator shall be appointed on either party's request by the President for the time being of the Royal Institution of Chartered Surveyors;
- (c) the costs of the arbitration shall be payable by the parties in the proportions determined by the arbitrator (or if the arbitrator makes no direction, then equally); and
- (d) the seat of the arbitration shall be [London].

17. NO FETTER OF DISCRETION

Nothing (contained or implied) in this deed shall fetter or restrict the Council's statutory rights, powers, discretions and responsibilities.

18. WAIVER

No failure or delay by the Council to exercise any right or remedy provided under this deed or by law shall constitute a waiver of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

19. FUTURE PERMISSIONS

Nothing in this agreement shall prohibit or limit the right to develop any part of the Property in accordance with any planning permission (other than the Planning Permission or modification, variation or amendment thereof) granted after the date of the Planning Permission.

20. AGREEMENTS AND DECLARATIONS

The parties agree that:

- (a) nothing in this deed constitutes a planning permission or an obligation to grant planning permission; and

- (b) nothing in this deed grants planning permission or any other approval, consent or permission required from the Council in the exercise of any other statutory function.

21. NOTICES

21.1 Any notice [or other communication] to be given under this deed must be in writing and must be:

- (a) delivered by hand; or
- (b) sent by pre-paid first class post or other next working day delivery service.

21.2 Any notice [or other communication] to be given under this deed must be sent to the relevant party as follows:

- (a) to the Council at [ADDRESS] marked for the attention of [NAME/POSITION];
- (b) to the Owner at [ADDRESS] marked for the attention of [NAME/POSITION];
- (c) [to the Mortgagee at [ADDRESS] marked for the attention of [NAME/POSITION]]

or as otherwise specified by the relevant party by notice in writing to each other party.

21.3 Any notice [or other communication] given in accordance with clause 21.1 and clause 21.2 will be deemed to have been received:

- (a) if delivered by hand, on signature of a delivery receipt [or at the time the notice or document is left at the address] provided that if delivery occurs before 9.00 am on a Working Day, the notice will be deemed to have been received at 9.00 am on that day, and if delivery occurs after 5.00 pm on a Working Day, or on a day which is not a Working Day, the notice will be deemed to have been received at 9.00 am on the next Working Day; or
- (b) if sent by pre-paid first class post or other next working day delivery service, at [9.00 am] on the [second] Working Day after posting.

21.4 A notice given under this deed shall not be validly given if sent by fax or e-mail.

21.5 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

22. THIRD PARTY RIGHTS

A person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed.

23. VALUE ADDED TAX

23.1 Each amount stated to be payable by the Council or the Owner to the other under or pursuant to this deed is exclusive of VAT (if any).

23.2 If any VAT is at any time chargeable on any supply made by the Council or the Owner under or pursuant to this deed, the party making the payment shall pay the other an amount equal to that VAT as additional consideration on receipt of a valid VAT invoice.

24. GOVERNING LAW

This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales as it applies in Wales.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

The common seal of
MONMOUTHSHIRE
COUNTY COUNCIL
was affixed to this document in the presence
of:

Member of Council

Authorised signatory

Signed as a deed by [NAME OF OWNER] in the presence of:

.....

.....
[SIGNATURE OF WITNESS]
[NAME, ADDRESS [AND OCCUPATION] OF WITNESS]

[SIGNATURE OF OWNER]

Executed as a deed by [NAME OF MORTGAGEE] acting by [NAME OF FIRST DIRECTOR], a director and [NAME OF SECOND DIRECTOR OR SECRETARY], [a director **OR** its secretary]

.....

[SIGNATURE OF FIRST DIRECTOR]

Director

.....

[SIGNATURE OF SECOND DIRECTOR OR SECRETARY]

[Director **OR** Secretary]

OR

Executed as a deed by [NAME OF MORTGAGEE] acting by [NAME OF DIRECTOR], a director, in the presence of:

.....

[SIGNATURE OF DIRECTOR]

Director

.....
[SIGNATURE OF WITNESS]
[NAME, ADDRESS [AND OCCUPATION] OF WITNESS]

Schedule 1 Owner's Covenants to the Council

1. AFFORDABLE HOUSING CONTRIBUTION

On or before the date of completion or the date of occupation (whichever is the earliest) to pay to the Council the sum of £[AMOUNT] towards the cost of providing off site affordable housing within Monmouthshire.

The Owner covenants that should they successfully claim exemption (as self-build applicants) through submitting forms 1 and 2 that they will remain liable for this payment if they do not reside at the dwelling for a minimum of 3 years from the date upon which occupation commenced.

Schedule 2 Covenants by the Council

1. AFFORDABLE HOUSING CONTRIBUTION

- 1.1 Not to use any part of the Contribution other than for the purposes for which it was paid (whether by the Council or another party).
- 1.2 In the event that the Contribution has not been spent or committed for expenditure by the Council within 5 years following the date of receipt of the Contribution the Council shall refund to the Owner any part of the Contribution which has not been spent or committed for expenditure, together with any accrued interest.
- 1.3 The Council covenants that upon receipt of Form 1 prior to the completion of the development that the development or part of the development consists of a self-build dwelling for occupation by the Owner that the Council will not request the Affordable Housing Contribution in respect of that dwelling on the due date and payment shall be deferred pending receipt of Form 2 from the Owner.
- 1.4 Form 2 must be submitted within 6 months of occupation of the potentially exempt dwelling with evidence that it is the Owner's primary residence as set out in Form 2. Should Form 2 not be received the Owner will remain liable for the contribution.
- 1.5 If Form 2 is submitted and the Owner occupies the dwelling for a minimum of 3 years the Council shall vary the s106 Agreement to reflect that the identified dwelling will not attract the contribution.

Annex A. Plan

Annex B. Draft Planning Permission

Annex C. Self-Build Exemption Claim Forms 1 and 2

Self Build Exemption Claim Form 1

An exemption for a self build home must be granted prior to the completion of the development. Notice must be received by the Monmouthshire County Council Planning Department prior to the date of completion of the development. The applicant will otherwise be liable for the full charge.

Form 2 of the self build exemption claim must be submitted to Monmouthshire County Council Planning Department within six months of the occupation of the development. The applicant will otherwise be liable for the full charge.

Please complete the form using block capitals and black ink and send to Monmouthshire County Council Planning Department.

Section A: Claiming Exemption – General Information

To be completed by the individual(s) claiming self build exemption.

1. Application Details :

Applicant Name:

Planning Portal Reference (if applicable):

Local authority planning application number (if allocated):

Please provide the full postal address of the application site:

If postal address/postcode not known, or original relief claim was submitted with reference to grid reference, please provide:

Easting: Northing:

Description:

Section B: Self Build Declaration

I declare that this is a "self build project" as defined below

I declare that I will occupy the premises as my sole or main residence for a period of 3 years from completion of the property

I declare that I will provide the required supporting documentation as set out in '**Self Build Exemption Claim Form 2**' within 6 months of occupation of the property and I understand failure to do this will result in the contribution becoming payable

I declare the amount of de minimis State aid received in the last three years prior to submission of this application for relief is less than 200,000 Euro

'Self Build' for these purposes is defined as all homes built or commissioned by individuals or groups of individuals for their own use, either by building the home on their own or working with builders.

'Completion' for these purposes is defined as the issuing of a compliance certificate for this development issued under either regulation 17 (completion certificates) of the Building Regulations 2010 or section 51 of the Building Act 1984 (final certificates).

Declaration

I confirm that the details given are correct.

I understand:

That my claim for exemption will lapse where **Form 2** is not submitted prior to occupation of the chargeable development to which this exemption applies.

Name – Claimant:

Date (DD/MM/YYYY):

*On receipt of this application Monmouthshire County Council Planning Department will make a decision on your claim as soon as practicable and inform the amount of affordable housing contribution relief granted in writing. You **must** then submit **Form 2** to the collecting authority within 6 months of occupation. Failure to do so will result in the affordable housing contribution charge becoming payable in full.*

Self Build Exemption Claim Form 2

To be submitted within 6 months of occupation of the self build dwelling

Please note that 'Completion' is defined as the issuing of a compliance certificate for this development issued under either regulation 17 (completion certificates) of the Building Regulations 2010 or section 51 of the Building Act 1984 (final certificates).

This form must be sent to the Monmouthshire County Council Planning Department within 6 months of the occupation of the self build dwelling. The applicant may otherwise be liable for the full affordable housing contribution.

Please complete the form using block capitals and black ink and send to Monmouthshire County Council Planning Department.

Section A: Claiming Exemption – General Information

To be completed by the individual(s) claiming self build exemption.

Application Details

Applicant

Name:

Local authority planning application number (if allocated):

Please provide the full postal address of the application site:

If postal address/postcode not known, or original relief claim was submitted with reference to grid reference, please provide:

Easting:

Northing:

Description:

Section B: Submission of Evidence

Please confirm below what evidence you are providing to support your claim for self build exemption.

1. Please enclose a copy of **all** of the following items:

(a) A compliance certificate for this development issued under either:

-regulation 17 (completion certificates) of the Building Regulations 2010 **or**

-regulation 51 of the Building Act 1984 (final certificates)

What date was the compliance certificate issued (DD/MM/YYYY)?

(b) Title deeds of the property to which this exemption relates (freehold or leasehold)

(c) Council Tax certificate

Section B: Submission of Evidence continued

2. Please enclose two further proofs of occupation of the home as sole or main residence

Please enclose a copy of **two** of the following items **showing your name and address of the property**:

Utility Bill

Bank Statement

Local electoral roll registration

3. Please also enclose a copy of **one** of the following:

(a) An approved claim from HM Revenue and Customs under 'VAT431NB: VAT refunds for DIY housebuilders'

(b) Proof of a specialist Self Build or Custom Build Warranty* for your development

(c) Proof of an approved Self Build or Custom Build Mortgage** from A bank or building society for your development

*A Self Build or Custom Build Warranty is a warranty and Certificate or Approval issued by a Warranty provider which provides a 'latent defects insurance' policy and which is accompanied by certified Stage Completion Certificates (SCC) issued to the owner/occupier of the home.

**A Self Build or Custom Build Mortgage is an approved mortgage to arrange to purchase land and/or fund the cost of erecting a home where the loan funds are paid to the owner/occupier in stages as the building works progress to completion.

Declaration

I/We confirm that the details given are correct.

Name:

Date (DD/MM/YYYY):

Annex D. Deed of Variation

The Deed of Variation will confirm that the identified dwelling on the plan annexed is no longer liable for any affordable housing contribution.

APPENDIX 5
Extract from LDP Monitoring Framework

Affordable Housing

Strategic Policy: S4 Affordable Housing

LDP Objectives Supported: 1, 3, and 4

Other LDP Policies: SAH1-10, SAH11

Monitoring Aim / Outcome	Indicator	Target	Trigger for Further Investigation	Source Data / Monitoring Method
To provide 960 affordable dwelling units over the plan period	The number of additional affordable dwellings built* over the plan period	Deliver 96 affordable dwellings per annum 2011-2021 (total of 960 over the plan period)	Further investigation if 10% less or greater than the LDP strategy build rate for 2 consecutive years	JHLAS / S106 monitoring
	Number of affordable dwellings secured on new housing sites	<ul style="list-style-type: none"> 35% of the total number of dwellings to be affordable on sites of 5 or more dwellings in the Main Towns and Rural Secondary Settlements identified in Policy S1 25% of the total number of dwellings to be affordable on sites of 5 or more dwellings in the Severnside Settlements as identified in Policy S1 60% of the total number of dwellings to be affordable on sites of 3 or more dwellings in the Main Villages identified in Policy S1 Minor Villages: sites with capacity for 4 dwellings make provision for 3 to be affordable; and sites with capacity for 3 dwellings make provision for 2 to be affordable. 	Further investigation if the proportion of affordable housing achieved on development sites in each area falls below the requirement set out in Policy S4	JHLAS / planning applications database / S106 monitoring

Monitoring Aim / Outcome	Indicator	Target	Trigger for Further Investigation	Source Data / Monitoring Method
	Number of affordable dwellings permitted / built on Main Village sites as identified in Policy SAH11	Main Village sites to collectively deliver 20 affordable dwellings per annum 2014-2021	Further investigation if 10% less or greater than the target build rate for 2 consecutive years from 2014	JHLAS / planning applications database / S106 monitoring
	Number of affordable dwellings built through rural exception schemes	No target	None	JHLAS/ planning applications database
	Affordable housing percentage target in Policy S4	Target to reflect economic circumstances	Further investigation if average house prices increase by 5% above the base price of 2012 levels sustained over 2 quarters	Home Track / Land Registry

*Core Indicators

APPENDIX 6
Examples of Affordable Housing Financial Contribution Calculations

APPENDIX 6

Examples of Affordable Housing Financial Contribution Calculations

i) For a two dwelling scheme in a rural area with a 35% affordable housing requirement, the financial contribution to meet a standard need for a 4 person 2 bed dwelling would be calculated as follows:

Two dwellings at 35% = 0.70

Toolkit calculates a financial contribution of the equivalent of 0.70 of a 4 person 2 bed dwelling for social rent using the assumptions of:

- an open market value for a 4 person 2 bed dwelling of £180,000
- or £138,600 when the developer return (20%) and marketing costs (3%) are taken into account
- an ACG band 5 rate of £175,500
- an RSL contribution to the developer of 42% of ACG (£73,710)
- this would have resulted in a subsidy from the developer if one affordable home was being provided of £64,890 (£138,600 minus £73,710)
- a financial contribution equivalent to 0.70 of the developer subsidy for one affordable home gives an overall financial contribution of £45,423 from the whole development.

ii) For a four dwelling scheme in Severnside with a 25% affordable housing requirement, the financial contribution to meet a standard need for a 4 person 2 bed dwelling would be calculated as follows:

Four dwellings at 25% = 1.00

Toolkit calculates 1.00 of a 4 person 2 bed dwelling for social rent using the assumptions of:

- an open market value for a 4 person 2 bed dwelling of £140,000
- or £107,800 when the developer return (20%) and marketing costs (3%) are taken into account
- an ACG band 4 rate of £161,600
- a RSL contribution to the developer of 42% of ACG (£67,872)
- this would result in a subsidy from the developer if one affordable home was being provided of £39,928 (£107,800 minus £67,872)
- a financial contribution equivalent to 1.0 of the development subsidy for one affordable home gives an overall financial contribution of £39,928 from the whole development

iii) For a 4 dwelling scheme in a Main Town with a 35% affordable housing requirement, the financial contribution to meet a standard need for a 5 person 3 bed dwelling would be calculated as follows:

Four dwellings at 35% = 1.40

Toolkit calculates 1.40 of a 5 person 3 bed dwelling for social rent in ACG Band 5 using the assumptions of:

- an open market value for a 5-person 3-bed dwelling of £190,000

- or £146,300 when the developer return (20%) and marketing costs (3%) are taken into account
- an ACG band 5 rate of £194,200
- an RSL contribution to the developer of 42% of ACG (£81,564)
- this would result in a subsidy from the developer if one affordable home was being provided of £64,736 (£146,300 minus £81,564)
- a financial contribution equivalent to 1.40 of the developer subsidy for one affordable home gives an overall financial contribution of £90,630 from the whole development

APPENDIX 7
Checklist for Assessing Affordable Housing Requirements

A. Policy S4: Checklist for assessing affordable housing requirements in Main Towns, Rural Secondary Settlements and Severnside Settlements

A1. Establish the net site area and calculate the net capacity of the site based on an assumed achievable density of 30 dwellings per hectare.



A2. THE CAPACITY OF THE SITE MEETS THE THRESHOLD OF 5 OR MORE. Affordable housing should be provided on site at a rate of 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside Settlements, subject to **A.2.a)** and **A.2.b)** below.

A3. THE CAPACITY OF THE SITE DOES NOT MEET THE THRESHOLD OF 5 OR MORE. A financial contribution will be required towards affordable housing in the housing market in which the site is located. (See Section B).



A.2.a) Does the development achieve 30 dwellings per hectare?

A.2.b) Does applying the proportion of affordable housing required to the total number of dwellings result in a whole number?



YES
Percentage of affordable housing required will be based on the number of dwellings proposed in the planning application.

NO (and there is not a material non-compliance with Policy DES1 i), which generally requires a density of 30 dwellings per hectare).
Percentage of affordable housing required will be based on the agreed capacity of the site rather than a theoretical capacity of 30 dwellings per hectare.

NO
The figure will be rounded to the nearest whole number (where half rounds up).

B. Policy S4: Checklist for providing a financial contribution where the affordable housing threshold is not met.

B.1. Does the capacity of the site fall below the threshold at which affordable housing is required?

i.e. 5 or more dwellings in Main Towns, Rural Secondary Settlements and Severnside Settlements.

3 or more dwellings in Main or Minor Villages, or, Conversion schemes in the Open Countryside.

YES

Prior to obtaining planning permission the applicant will need to enter into a S106 agreement (see Appendix 4 for standard agreement) to pay a financial contribution towards affordable housing in the housing market in which the site is located (**subject to B.2. below**). The required contribution will be established by using the Affordable Housing Contribution Calculator and can be obtained from the Council's Housing Strategy Officer. The affordable housing contribution will be liable to be paid on completion and prior to occupation of each dwelling to which the payment relates.

NO

Go to Section A.

B.2. Is the development to be carried out by a 'self-builder'?

See definition in Appendix 4.

YES

The developer will need to apply prior to the completion and occupation of the dwelling to which the payment relates for the S106 agreement to be amended to give an exemption from the affordable housing contribution.

NO

The affordable housing contribution will be liable to be paid on completion and prior to occupation of each dwelling to which the payment relates.

C. Policy S4: Checklist for assessing affordable housing requirements in Main Villages

C.1. Is the site allocated under LDP Policy SAH11 with the specific purposes of providing affordable housing?

YES. A minimum of 60% affordable housing must be provided on site.

NO. C.2. Other sites in Main Villages.

C.2.a) Establish the area of the site and calculate its capacity based on an assumed achievable net density of 30 dwellings per hectare.

THE CAPACITY OF THE SITE MEETS THE THRESHOLD OF 3 OR MORE.

Affordable housing should be provided on site at a rate of 60% subject to **C.2.b)** and **C.2.c)** below.

THE CAPACITY OF THE SITE IS LESS THAN 3 DWELLINGS.

A financial contribution will be required towards affordable housing in the housing market in which the site is located to be set at the equivalent of 35% of the agreed capacity of the site. (See Section B).

C.2.b) Would the provision of affordable housing at a rate of 60% together with achieving an overall density of 30 dwellings per hectare result in a density of development that is out of keeping with its surroundings and non-compliance with Policy DES1 I)?

YES The **number** of affordable houses required will be based at 35% of the theoretical capacity of the site at 30 dwellings per hectare, subject to **C.2.c)** below and subject to viability considerations and the effect of the development on the character and appearance of the area.

NO Affordable housing should be provided on site at a rate of 60%

C. Policy S4: Checklist for assessing affordable housing requirements in Main Villages (Continued)

C.2.c) Is the site too small or restricted to achieve an acceptable standard of design and layout if the affordable housing was provided on site?

YES
A financial contribution will required towards affordable housing in the housing market area in which the site is located, to be set at the equivalent of 35% of the agreed capacity of the site.

NO
Affordable housing should be provided on site at a rate of 35% of the theoretical capacity of the site at 30 dwellings per hectare.

C.2.d) If the proposal relates to the conversion of existing buildings or sub-division of existing dwellings is it impracticable to provide affordable housing within the scheme?

YES
A financial contribution will required towards affordable housing in the housing market area in which the site is located, to be set at the equivalent of 35% of the agreed capacity of the site.

NO
Affordable housing should be provided on site at a rate of 35% of the agreed capacity of the site.

D. Checklist for assessing affordable housing requirements in Minor Villages

How does the proposal comply with LDP Policy H3?

D.1. Minor infill of 1 or 2 dwellings.

A financial contribution will be required towards affordable housing in the housing market in which the site is located to be set at the equivalent of 35% of the agreed capacity of the site. (See Section B).

D.2. An 'exceptional' infill site of 3 or 4 dwellings.

Affordable housing should be provided on site.

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

D.2.b) Development sites with a capacity for 3 dwellings will make provision for 2 dwellings to be affordable.

E. Checklist for assessing affordable housing requirements in the Open Countryside

E.1. If the proposal relates to the conversion of existing buildings or sub-division of existing dwellings is it impracticable to provide affordable housing within the scheme?



YES

A financial contribution will be required towards affordable housing in the housing market area in which the site is located, to be set at the equivalent of 35% of the agreed capacity of the site.

NO

Affordable housing should be provided on site at a rate of 35% of the agreed capacity of the site

E.2. Is the proposal in the open countryside but considered to be an acceptable 'Departure' application?



YES

Affordable housing should be provided on site at a rate of 35% or a financial contribution will be required towards affordable housing in the housing market area in which the site is located, to be set at the equivalent of 35% of the agreed capacity of the site.

E.3. Is the proposal for a development that complies with Rural Exceptions Policy H7, i.e. in a location outside a recognised settlement where residential would not normally be allowed.



YES

Affordable housing should be provided on site at a rate of 100%.

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Future Generations Evaluation (includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer completing the evaluation Martin Davies</p> <p>Phone no: 01633 644826 E-mail: martin.davies33@btinternet.com</p>	<p>Please give a brief description of the aims of the proposal The Local Development Plan (LDP), which was adopted on 27 February 2014, sets out the Council’s vision and objectives for the development and use of land in Monmouthshire, together with the policies and proposals to implement them over the ten year period to 2021. Supplementary Planning Guidance (SPG) sets out guidance on the way in which the policies of the LDP will be applied. The Affordable Housing SPG specifically sets out guidance to support LDP Policies S4 and H7.</p>
<p>Name of Service Planning Policy</p>	<p>Date Future Generations Evaluation form completed 15/11/15</p>

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1. **Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.


Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Positive contribution: Promoting affordable housing assists in achieving overall prosperity of communities and their residents.</p> <p>Negative contribution: None. The development industry could be adversely affected if affordable housing requirements were excessive but the affordable housing policy has been established</p>	<p>Better contribute to positive impacts: Ensure that the policies set out in the SPG are implemented fully and that their effectiveness is monitored on an annual basis</p> <p>Mitigate any negative impacts: The affordable housing requirements are subject to appropriate viability testing as set out in LDP Policy S4. Care</p>




Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	following extensive viability testing to ensure that the viability of development is not adversely affected.	will be taken therefore to ensure that the viability of development is not adversely affected.
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>Negative contribution: (a) There will be some general environmental impact from housing development through loss of green fields, encroachment on the countryside etc.</p> <p>(b) A limited number of allocated housing sites are located in rural areas where there is limited public transport and likely to be reliant on the use of the private car.</p>	<p>Mitigate any negative impacts: (a) It will be ensured that biodiversity, landscape interests etc. are appropriately considered in assessing any planning application and that good standards of design, landscaping etc. are achieved.</p> <p>(b) The LDP policies themselves limit the potential negative impacts by including strict limits on the number of houses allowable in rural villages. This avoids excessive unsustainable travel patterns. The car usage likely to result from the rural allocations policy is considered to be justified because the primary aim of this policy is to provide affordable housing to enable local people in rural areas to remain in their communities.</p>
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>Positive contribution: Providing appropriate housing can assist in promoting good health, independence and well-being and in bringing forward additional units of housing to meet the specific housing needs of vulnerable groups.</p> <p>Negative contribution: None</p>	<p>Better contribute to positive impacts: Ensure that the policies set out in the SPG are implemented fully and that their effectiveness is monitored on an annual basis</p>
<p>A Wales of cohesive communities Communities are attractive, viable, safe and well connected</p>	<p>Positive contribution: Affordable housing makes an important contribution to the sustainability and cohesiveness of our towns and villages by</p>	<p>Better contribute to positive impacts: Ensure that the policies set out in the SPG are implemented fully and that their effectiveness is monitored on an</p>


Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<p>providing homes that local people on low incomes can afford to live in.</p> <p>Negative contribution: None</p>	annual basis
<p>A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>The SPG supports the implementation of the Affordable Housing policies of the LDP, which has been subject to a Sustainability Appraisal and Strategic Environmental Assessment to ensure that social, economic and environmental objectives are met, thereby contributing to sustainable development and global well-being.</p>	<p>Ensure that any LDP revision is subject to appropriate Sustainability Appraisal and Strategic Environmental Assessment testing.</p>
<p>Thriving Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>The SPG has a neutral impact on culture, heritage and language, although in general terms affordable housing makes an important contribution to the sustainability and cohesiveness of our towns and villages by providing homes that local people on low incomes can afford to live in.</p>	N/A
<p>A more equal Wales People can fulfil their potential no matter what their background or circumstances</p>	<p>Positive Contribution: The Affordable Housing SPG should bring positive benefits to Monmouthshire's residents, particularly through increasing the supply of affordable housing in the County. Affordable housing makes an important contribution to the sustainability of our towns and villages by providing homes that local people on low incomes can afford to live in. It also a means of providing low cost homes for first time buyers. A commuted sum also has the potential to bring</p>	<p>Ensure that the policies set out in the SPG are implemented fully and that their effectiveness is monitored on an annual basis</p>

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<p>forward additional units of housing to meet the specific housing needs of vulnerable groups. Affordable Housing policies and residential site allocation policies, as with all LDP policies, have been subject to a Sustainability Appraisal that measures their performance against sustainability objectives.</p> <p>Negative contribution: None</p>	

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Balancing short term need with long term and planning for the future</p>	<p>The LDP covers the period 2011-21. The SPG supports the implementation of the LDP. By its nature, therefore, it cannot look beyond the next five year period but the SA/SEA of the LDP would have ensured consideration of the impact on future generations.</p> <p>The requirement for affordable housing seeks to balance the short term need for housing development and viability issues with the longer term need to create balanced and sustainable communities with an appropriate proportion of affordable housing.</p>	<p>Ensure that the LDP and its policies have been subject to SA/SEA.</p>

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Working together with other partners to deliver objectives</p>	<p>The Draft SPG has been subject to a public consultation, targeted to those who are considered to have a specific interest in the topic but also including all town and community councils, notices in the press. Individuals and organisations currently on the LDP consultation data base have been given the opportunity to request to be notified of the SPG should they wish.</p>	<p>The SPG sets out broad policies that implement LDP policies and do not have specific local impacts in themselves. The housing allocations set out in the LDP, however, were subject to extensive community consultation including notifications to town and community councils and to residents living near the site, who then had the opportunity to make representations to the Council and also to an independent inspector who examined the LDP.</p>
 <p>Involving those with an interest and seeking their views</p>	<p>The Draft SPG has been subject to a public consultation, targeted to those who are considered to have a specific interest in the topic but also including all town and community councils, notices in the press. Individuals and organisations currently on the LDP consultation data base have been given the opportunity to request to be notified of the SPG should they wish.</p>	<p>The SPG sets out broad policies that implement LDP policies and do not have a specific local impacts in themselves. The housing allocations set out in the LDP, however, were subject to extensive community consultation including notifications to town and community councils and to residents living near the site, who then had the opportunity to make representations to the Council and also to an independent inspector who examined the LDP.</p> <p>The Development Industry, in particular, will be affected by the implementation the affordable housing policies and its observations have been addressed individually, as set out in the Report of Consultation and wherever possible and reasonable appropriate adjustments made.</p>
 <p>Putting resources into preventing problems occurring or getting worse</p>	<p>N/A</p>	<p>N/A</p>

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p data-bbox="143 347 284 375">Integration</p> <p data-bbox="315 212 499 438">Positively impacting on people, economy and environment and trying to benefit all three</p>	<p data-bbox="533 212 1328 320">The SPG supports the implementation of the LDP which has been subject to a Sustainability Assessment that balances the impacts on Social, Economic and Environmental factors.</p>	<p data-bbox="1350 212 2085 343">The SPG supports the implementation of the LDP which has been subject to a Sustainability Assessment that balances the impacts on Social, Economic and Environmental factors.</p>

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	See below	None	See below
Disability	See below	None	See below
Gender reassignment	See below	None	See below
Marriage or civil partnership	See below	None	See below
Race	See below	None	See below
Religion or Belief	See below	None	See below
Sex	See below	None	See below
Sexual Orientation	See below	None	See below
Welsh Language	See below	None	See below

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 264</p>	<p>Potential Positive Impact: The Affordable Housing SPG should bring positive benefits to Monmouthshire's residents, particularly through increasing the supply of affordable housing in the County. Affordable housing makes an important contribution to the sustainability of our towns and villages by providing homes that local people on low incomes can afford to live in. It also a means of providing low cost homes for first time buyers. A commuted sum also has the potential to bring forward additional units of housing to meet the specific housing needs of vulnerable groups.</p> <p>Affordable Housing policies and residential site allocation policies, as with all LDP policies, have been subject to a Sustainability Appraisal that measures their performance against sustainability objectives.</p>		<p>Ensure that the policies set out in the SPG are implemented fully and that their effectiveness is monitored on an annual basis</p>

4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities? For more information please see the guidance <http://hub/corporatedocs/Democratic%20Services/Safeguarding%20Guidance.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	N/A	N/A	N/A
Corporate Parenting	N/A	N/A	N/A

5. What evidence and data has informed the development of your proposal?

An extensive evidence base was established to support the LDP.
 The evidence included a number of studies that have informed the LDP affordable housing policies. The LDP has been subject to a Sustainability Appraisal/Strategic Environmental Assessment at every main stage.
 More recently the viability implications of the Affordable Housing policies set out in the LDP and SPG have been subject to testing in the following reports:

- 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)
- Monmouthshire County Council CIL Viability Assessment - Updated Viability Evidence for Development of a Community Infrastructure Levy Charging Schedule (Three Dragons, December 2015).

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6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The positive impact of this proposal is that affordable housing makes an important contribution to the sustainability and cohesiveness of our towns and villages by providing homes that local people on low incomes can afford to live in.

Potentially there may be some negative sustainability impacts particularly in rural areas, where there will be increased car use and effects on landscape etc. but in terms of achieving a balance between social, economic and environmental sustainability objectives these impacts are considered to be justified because the the primary aim of this policy is to provide affordable housing to enable local people in rural areas to remain in their communities.

7. Actions. As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable. N/A

What are you going to do	When are you going to do it?	Who is responsible	Progress
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8. Monitoring: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	A regular basis in the LDP Annual Monitoring Report, which will be made to Council, Welsh Government and be publicly available.
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SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN: COMMUNITY INFRASTRUCTURE LEVY
MEETING: CABINET
DATE: 3 FEBRUARY 2016
DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

- 1.1 The purpose of this report is to advise Cabinet of the results of the recent consultation on a Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule (PDCS) and to seek endorsement of a Draft Charging Schedule (DCS), with a view to issuing for consultation purposes and to recommend to Council accordingly.

2. RECOMMENDATIONS:

- 2.1 Cabinet notes the contents of this report and endorses the DCS, with a view to issuing for consultation purposes and to recommend to Council accordingly.

3. KEY ISSUES:

3.1 Background.

Council endorsed a CIL PDCS to be issued for consultation purposes on 22 January 2015. The report to Council (which was rearranged from 18 December 2014) is attached as **Appendix A**.

- 3.2 The consultation took place for a period of 6 weeks from Thursday 12th February 2015 to Thursday 26th March 2015. A notice was placed in the Monmouthshire Free Press on 11 February 2015 and 384 individual notifications were sent out to:

- Specific (including Town and Community Councils), General and Other consultees, as identified in the LDP Community Involvement Scheme (207) ;
- Residents who were on the LDP consultation data base and had specifically requested to be notified of proposals for CIL (71);
- Agents/developers who work in the Council area (106).

- 3.3 17 replies were received. These have been split into 44 representations that are summarised, together with the suggested Council response, in the Draft Report of Consultation provided as **Appendix B**.

- 3.4 An issue raised by one of the respondents, the Home Builders Federation, had already been identified by officers and the Council's consultants and has resulted in a need to carry out further viability testing. Draft Affordable Housing Supplementary Planning Guidance (SPG) was consulted on in February and March 2015. The SPG sets out enhanced space standards to meet Welsh Government Design Quality Requirements, a revised housing mix and changes to percentage payments to developers for the transfer of affordable housing to Registered Social Landlords compared with what was tested in the initial CIL viability report on which the charges set out in the PDCS were based. In carrying out the additional viability testing the opportunity has been taken to update build costs and house values (as requested by some of the representors) and refine the strategic sites case studies based on additional information that has come to light. Further case studies have also been added to test the impact of 'rounding up' in establishing affordable housing requirements. The consultants' report on this revised residential viability testing (excluding annexes) is attached as **Appendix C**.

3.4.1 Results of Revised Residential Viability Testing.

The updated viability evidence has not indicated any adverse impacts on viability resulting from the policies set out in the Draft Affordable Housing SPG. In fact, viability has generally improved. Comparing the results from the current viability study with those of a year ago, the strengthening market and payment for affordable housing based on ACGs has had a bigger impact on the residual values calculated than the changes in build costs and use of DQR for the affordable housing over the same period. The consultants have recommended, therefore, slight increases in the CIL rate, as set out in Table 5-1 of the updated report (Appendix C). In summary, the new charges would be:

- A standard CIL charge of £80/sq. m for strategic sites generally plus non-strategic development of 3 dwellings or more in Severnside, except for:
- Deri Farm, with a CIL of £60/sq. m;
- Fairfield Mabey, sites of less than 3 dwellings, affordable housing lead schemes in villages and rural areas and retirement housing which are all £0 rated;
- Any other non-strategic development of 3 dwellings or more elsewhere in Monmouthshire which is £120/sq. m. (except for Monmouth which is £100/sq.m.)

3.4.2 The reason for the lower rate for Deri Farm is the high cost of undergrounding the existing overhead cables, which affects overall viability. Developments of less than 3 dwellings have had to be exempted from CIL because recent work on build costs have indicated higher relative costs for smaller developments making it unviable to charge CIL. The improvement in house prices has meant that it is now feasible to charge CIL on the former Sudbrook Paper Mill strategic site, whereas previously it had a zero rate. The Fairfield Mabey strategic site is now proposed as a zero rate as costs have increased to reflect the transfer of a cost item from CIL to Section 106 and increased cost estimates for other items.

3.5 The original CIL Viability assessment report also tested non-residential development in order to assess its potential for supporting a CIL charge. This testing was carried out in May 2014. It has been necessary, therefore, to update the cost and value assumptions used for non-residential development in a similar manner as for residential development. In addition, two extra development types were tested in order to address a consultation response from the Monmouth and District Chamber of Trade, which expressed concern that the proposed CIL charges did not include A3 uses (with specific reference to the proposed Dixon Roundabout development in Monmouth). The new typologies test A3 units (restaurants, cafes, takeaways etc.), one located in a town centre and the other in out of town locations. The consultants' report on this revised non-residential development testing is attached as **Appendix D**.

3.5.1 Results of Revised Non-Residential Viability Testing.

The report advises that the CIL rates set out in the original viability report remain applicable, i.e. £200 per square metre for out of centre retail uses and £0 per square metre for all other non-residential development. There has been some refining of the proposed charges to clarify that supermarkets will be liable to pay CIL even if they are located within a town centre (previously it was only proposed to charge for out-of-centre retail, which was contrary to the finding that supermarkets achieve good viability irrespective of location). A3 uses were found not to generate sufficient revenue to charge a levy.

3.6 An amended charging schedule (excluding maps), incorporating the results of the revised viability testing is attached as **Appendix E**. This will form the basis for next formal stage in the CIL preparation process – the consultation on the Draft Charging Schedule (DCS). The consultants referred to above will also have to be

published as part of the consultation to give consultees the opportunity to interrogate the assumptions used in the viability testing.

3.7 The other main issues arising from the consultation and/or still remaining to be resolved are set out below:

3.7.1 Detailed technical issues are raised that are claimed to result in CIL rates that are too high – these include such matters as the level of the benchmark land value, differences between residential and non-residential land values, developers' profits and margins, site opening up costs, provision of garages within building cost estimates, distinguishing between gross and net densities.

Response: These matters have been addressed by the Council's consultants and responses are given in the Report of Consultation and the updated viability report. It is considered that a rigorous process has been followed in establishing the proposed CIL rate and that this can be defended at Examination.

3.7.2 Inadequacies in the Council's Regulation 123 List and associated Infrastructure Plan (IP).

Response: The 'Regulation 123 list' identifies items on which the Council intends to spend CIL funding. It was being suggested that the Reg.123 list (as set out in the PDCS) included sustainable transport improvements, upgrade/provision of broadband connectivity, town centre improvements, education, strategic sports/adult recreation facilities and strategic green infrastructure. It is appropriate to set out broad categories of development to be funded by CIL in this way but the list has to be supported by an Infrastructure Plan that identifies the potential projects that fall within these broad types of infrastructure. A draft list of potential 'place-making' and other proposals by settlements to be funded through CIL was provided in Annex 2 of the Draft IP produced in July 2013 as part of the Local Development Plan (LDP) process. Further work was needed to this list and this has been achieved by preparing an Addendum to the 2013 IP that is attached as **Appendix F**.

The purpose of the IP addendum is three-fold:

- To update the Council's 2013 IP by providing an overview of what categories/types of infrastructure identified in the IP fall within the remit of CIL and what infrastructure will continue to be addressed through other funding sources, including S106 planning obligations. This is set out in Section 2 of the Addendum.
- To recommend which categories of infrastructure will be included in the Reg. 123 List. The Reg. 123 List can be published and revised at any time after the Council has adopted CIL. If an infrastructure category/scheme is included in the Reg. 123 List a S106 cannot be negotiated to contribute towards that infrastructure. If an infrastructure category/scheme is not included in the Reg. 123 List, up to five S106 planning obligations entered into since April 2010 may be pooled to contribute towards its cost. This is to ensure that double charging of developers for infrastructure through using both CIL and S106 is avoided. The recommendations also set out those site-specific infrastructure categories where S106 contributions are likely to be the funding mechanism in order to provide transparency on those matters where S106 contributions will continue to be sought.
- To provide an updated list of indicative infrastructure schemes (based on the most up-to-date information available) that would support development proposed in the LDP that could be funded, partly or wholly, through CIL. The timing/phasing, estimated costs, delivery/funding sources, available funding and subsequent funding gap is identified for each scheme where possible. The draft list of CIL eligible infrastructure schemes which fall within the Regulation 123

List categories is set out in Section 3 of the Addendum. The infrastructure schemes identified are based on a variety of sources

While the Reg.123 List and supporting Infrastructure Plan will not specifically be examined by an inspector, it is necessary to be able to demonstrate at Examination that there is a need for infrastructure in the County that cannot be financed by other sources (the 'funding gap'). The charging authority needs to set out a draft list of the projects or types of infrastructure that are to be funded in whole or in part by the levy, together with any known site-specific matters for which section 106 contributions may continue to be sought. The Reg.123 list and Infrastructure Plan can be varied over time according to Council priorities and is very much an initial rough draft at the present time that requires further refinement. There will be plenty of opportunity for any further projects that may be identified to be added at a future date. The infrastructure planning process would include, for example, links with Whole Place Plans, Town Teams etc. to determine what matters to communities in terms of infrastructure provision. Some of those projects would be funded via the 15% of CIL receipts that are passed to the Community Council where the new development is within their area, but other more strategic projects should be included on the infrastructure plan. In this respect, further reports will be made to Members in order to establish the procedures for allocating CIL monies and determining priorities for spending. It can be seen, in fact, that the 'funding gap' identified to date is far in excess of any finance that can be raised through CIL itself and it will be necessary to focus on a small number of schemes from the extensive list currently provided in the Addendum or to utilise CIL to 'top up' infrastructure funding that has been obtained from other sources.

The detailed work that has been carried out has necessitated some changes to the precise wording of the Reg. 123 list that was previously provided in the PDCS. These have been incorporated into the DCS that has been reproduced as **Appendix E**.

3.7.3 Lack of detail on processes for liaising and consulting with local communities and deciding on spending priorities.

Response: The Regulations set out that 15% of the CIL monies raised in a locality will be allocated to the town or community council in which the development takes place, provided that it meets the requirement to 'support the development of the area'. This is not to say that additional money will not be spent in that town or community council area. The amount to be spent in a locality will depend on the Council's priorities as set out in its Infrastructure Plan, which will be finalised in consultation with local communities. It would be hoped that the County Council and town and community councils would be able to align their priorities to ensure that the best use is made of available resources. A protocol for liaising and consulting with local communities and deciding on spending priorities will be developed as CIL is progressed. One option might be to enter into a formal agreement with a town or community Council. One of the advantages of such agreements is that the expertise of County Council officers could be utilised to make best use of resources, e.g. by assisting in drawing down match funding for community projects. Prior to the adoption of CIL, a protocol for liaising and consulting with local communities and deciding on spending priorities will be established. Further reports will be made to Members to seek agreement on the form of this protocol.

3.7.4 A need for the Council to set out its approach to CIL relief.

Response: The CIL Regulations make a number of provisions for charging authorities to give relief from the levy. Some of these exemptions are mandatory, including development for charitable purposes and social housing. Discretionary relief can be offered in exceptional circumstances where a specific scheme cannot afford to pay the levy. The powers to offer relief can be activated and deactivated at any point after the charging schedule is approved. At present, it is not intended to offer exceptional circumstances relief. It is considered that a rigorous process has been followed in

establishing the proposed CIL rate and if developers disagree with the proposed rates they will have the opportunity to challenge them at Examination.

3.8 Next steps.

3.8.1 It is intended to report the DCS, together with the results of the consultation and the revised viability testing, to Council, with a view to seeking endorsement of the DCS to issue for consultation purposes. The next stage will then be to submit the DCS for Examination, together with any representations received in order that they can be considered by an independent inspector.

3.8.2 The Affordable Housing SPG referred to above also needs to be reported to Planning Committee, Cabinet and Council in order to seek the formal adoption of the document as SPG to support the Monmouthshire LDP. This SPG was not put forward for adoption at an earlier date in order to await the results of the revised CIL viability testing to enable Members to be made fully aware of the SPG's implications for CIL (and potentially the percentage of affordable housing that can be achieved under LDP policy). In this respect, the revised viability testing has not indicated any adverse impacts on viability arising from the policies set out in the SPG.

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 through 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 will 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 These were considered in the report that was presented to Council on 22 January 2015 (rearranged from 18 December 2014) and which is attached as **Appendix A**.

6.2 A Future Generations Evaluation is attached.

7. **CONSULTEES**

- Head of Planning
- Section 106 Working Party
- Economy & Development Select (15 October 2015 and 26 November 2015)
- Cabinet
- SLT
- Planning Committee (2 February 2016)

8. **BACKGROUND PAPERS:**

- Monmouthshire Adopted LDP (February 2014)
- Monmouthshire County Council (MCC) Draft Infrastructure Plan (March 2013)
- MCC Draft CIL Guidance Note (September 2014)
- MCC CIL PDCS and Draft Regulation 123 List (September 2014)

- MCC CIL Viability Assessment (Three Dragons with Peter Brett Associates) (July 2014)

9. AUTHOR & 10. CONTACT DETAILS:

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APPENDIX A

SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN: COMMUNITY INFRASTRUCTURE LEVY
MEETING: FULL COUNCIL
DATE: 18 DECEMBER 2014
DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

- 1.1 The purpose of this report is to advise Council of progress made on preparatory work for a Community Infrastructure Levy (CIL) and to seek endorsement of a Preliminary Draft Charging Schedule (PDCS), with a view to issuing for consultation purposes.

2. RECOMMENDATIONS:

- 2.1 Council notes the contents of this report on the preparatory work being undertaken on CIL and endorses the PDCS, with a view to issuing for consultation purposes.

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 PDCS (attached as **Appendix B**) has been prepared for consultation purposes. 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 September 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 strategic green infrastructure, but this is for the Council to establish according to its priorities. At examination the charging authority should set out a draft list of projects or types of infrastructure that are to be funded in part in whole or in part by the levy. Any amendments to this list after examination will need to be consulted upon. Provided there is agreement on the broad categories of infrastructure to be supported by CIL prior to examination then it should be possible to refine a list of specific projects within these categories as part of an infrastructure planning process that includes, for example, links with Whole Place Plans, Town Teams etc. to determine what matters to communities in terms of infrastructure provision. In this respect, further reports will be made to Members in order to establish the procedures for allocating CIL monies and determining priorities for spending.

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.

3.7 'Meaningful amount' for local communities.

The Localism Act 2011 introduced a power to require local authorities in England and Wales to pass a 'meaningful' proportion of the CIL receipts to neighbourhoods. Contained within the 2011 Act was a definition of neighbourhoods, which applies to England only. In Wales the Welsh Government issued a letter on 8 April 2013 stating that for the purposes of receiving a proportion of CIL receipts, the equivalent definition is a Community Council. In terms of defining a 'meaningful' amount the letter states that 15% of CIL revenues 'should be passed to Community Councils'. The letter goes on to state that 'where the community council does not have the capacity to identify, spend and account for the receipt of such funds, the charging authority [the County Council] will retain the funds but will be required through statutory guidance to engage with community councils where development has taken place to agree how best to spend the funding'. The relevant regulation states 'In Wales, where all or part of a chargeable development is within the area of a community council, then ... the

charging authority must pass 15 per cent of the relevant CIL receipts to that community council'. The part of the levy that is passed to a community council must be spent to 'support the development of the area'. Guidance on this matter recommends that once the levy is in place town and community councils 'should work closely with their neighbouring councils and the charging authority to agree on infrastructure spending priorities'. The guidance also indicates that if the town or community council 'shares the priorities of the charging authority, they may agree that the charging authority should retain the neighbourhood funding to spend on that infrastructure', also suggesting that this infrastructure (e.g. a school) may not necessarily be in the town or community council area but will support the development of the area.

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. CONSULTEES

- Head of Planning
- Section 106 Working Party
- Economy and Development Select (16 October 2014)
- Cabinet

- SLT
- Planning Committee (4 November 2014)

Consultation Responses

The minutes of the Economy and Development Select meeting on 16 October 2014 were not available at the time of the preparation of this report. Two main points of concern, however, appeared to be the lack of clarity at this stage on the processes that would be followed in allocating CIL monies and determining priorities for spending and on the way in which the 15% funding for community councils would be dealt with. In order to address these points, additional sentences have been added to the end of paragraph 3.5 and an additional paragraph 3.7 added entitled ‘Meaningful amount’ for local communities’.

8. BACKGROUND PAPERS:

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

8. AUTHOR & 10. CONTACT DETAILS:

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Community Infrastructure Levy Preliminary Draft Charging Schedule Draft Report of Consultation - October 2015

Respondent Number	10	Representation Number	1
Respondent Name	Mr Roy Nicholas, Clerk/Proper Officer		
Respondent Organisation	Llangattock Vibon Avel Community Council		
Summary of Response	Answered 'Yes' to questions on representation form, indicating agreement with approach taken.		
Requested Change	N/A		
LPA Response	Agreement noted.		
Recommendation	No change necessary.		

Respondent Number	113	Representation Number	1
Respondent Name	Henry Hodges (Secretary)		
Respondent Organisation	The Chepstow Society		
Summary of Response	No objection with the methodology or the charges proposed. However, concern that there is no proposal to consult on how the funds would be used and shared with authorities / community bodies. Nor does there seem to be any mechanism proposed to explain why one particular scheme or development is preferred to another. The arbitrary use of S106 funds has been controversial in the past and these new regulations do not offer any solution.		
Requested Change	Clarification sought on the issues raised.		
LPA Response	The Regulations set out that 15% of the CIL monies raised in a locality will be allocated to the town or community council in which the development takes place, provided that it meets the requirement to 'support the development of the area'. This is not to say that additional money will not be spent in that town or community council area. The amount to be spent in a locality will depend on the Council's priorities as set out in its Infrastructure Plan, which will be prepared in consultation with local communities. It would be hoped that the County Council and Town and Community Councils would be able to align their priorities to ensure that the best use is made of available resources. A protocol for liaising and consulting with local communities and deciding on spending priorities will be developed as CIL is progressed.		
Recommendation	Prior to the adoption of CIL, develop a protocol for liaising and consulting with local communities and deciding on spending priorities.		

Respondent Number	117	Representation Number	1
Respondent Name	Rachael Bust		
Respondent Organisation	The Coal Authority		
Summary of Response	No specific comments.		
Requested Change	N/A		
LPA Response	Noted.		
Recommendation	No change necessary.		

Respondent Number	144	Representation Number	1
Respondent Name	Shirely Rance		
Respondent Organisation	HSE		
Summary of Response	No comments at this stage.		
Requested Change	N/A		
LPA Response	Noted.		
Recommendation	No change necessary.		

Respondent Number	148	Representation Number	1
Respondent Name	David Cummings (Chairman)		
Respondent Organisation	Monmouth and District Chamber of Trade and Commerce		
Summary of Response	<p>Concern that the proposed CIL rates for commercial development do not cover A3 uses at all (only A1 uses in out-of-centre locations), with specific reference to the proposed Dixton Roundabout development in Monmouth. The Chamber is a business organisation and has no views on the proposed CIL rates for residential development.</p>		
Requested Change	<p>Consider that the same rules and levy should apply to A3 uses outside the defined town centre retail area. Although this should not apply to restaurants which are an integral part of a new hotel.</p>		
LPA Response	<p>Two extra development types have been tested in order to address the issue raised in this representation. The new typologies tested A3 units (restaurants, cafes, takeaways etc.), one located in a town centre and the other in out of town locations. The results of this testing (as set out in the Non-Residential Addendum, September 2015) show that A3 uses would not be viable with the proposed retail rate for out of centre uses and it is therefore seeking to reclassify the retail CIL charges. The proposed CIL rate for retail development out of centre will only apply to A1 and this will be made clear in the charging schedule. All other forms of retail development will be zero rated.</p>		
Recommendation	No change required.		

Respondent Number	154	Representation Number	1
Respondent Name	Lisa Bullock		
Respondent Organisation	Network Rail		
Summary of Response	<p>Response not a 'duly made' representation as received outside the consultation period. The following comments, however, have been noted: Network Rail believes that developments on the railway infrastructure should be exempt from CIL or that its development should at least be classified as payments in-kind.</p> <p>Network Rail would like to seek a clear definition of buildings in the draft charging schedule. Railway stations are open-ended gateways to railway infrastructure and should not be treated as buildings. Likewise lineside infrastructure used to operate the railway (such as sheds, depot buildings etc) should be classed as railway infrastructure and not treated as buildings for the purposes of the charging schedule.</p> <p>Network Rail would like confirmation that its developments over 100sqm undertaken using our Permitted Development Rights will not be CIL chargeable.</p> <p>We consider that imposing a charge on one infrastructure project to pay for another in an inefficient way of securing funding</p> <p>A requirement for development contributions to deliver improvements to the rail network where appropriate.</p> <p>A requirement for Transport Assessments to take cognisance of impacts to existing rail infrastructure to allow any necessary developer contributions towards rail to be calculated.</p> <p>A commitment to consult Network Rail where development may impact on the rail network and may require rail infrastructure improvements. In order to be reasonable these improvements would be restricted to a local level and would be necessary to make the development acceptable. We would not seek contributions towards major enhancement projects which are already programmed as part of Network Rail's remit.</p>		
Requested Change	N/A		
LPA Response	<p>Comments noted. There is no intention to charge CIL on railway infrastructure buildings. These are 'sui generis' uses not appropriate for viability testing. Consultation with Network Rail is carried out on an application by application basis and any implications for its infrastructure etc. taken into account. Network Rail is also a consultee on the Local Development Plan. There is potential for some railway related infrastructure to be funded through CIL as sustainable transport measures (e.g. railway stations, park and ride facilities etc.) and this can be taken into consideration in the preparation of the Regulation 123 List and Infrastructure Plan.</p>		
Recommendation	No change necessary.		

Respondent Number	196	Representation Number	1
Respondent Name	Sacha Rossi		
Respondent Organisation	NATS Ltd (Safeguarding Office)		
Summary of Response	No comments.		
Requested Change	N/A		
LPA Response	Noted.		
Recommendation	No change necessary.		

Respondent Number	200	Representation Number	1
Respondent Name	Scott Caldwell (Savills)		
Respondent Organisation	Home Builders Federation and Consortium of Housebuilders		
Summary of Response	<p>Concerned that the viability evidence which has informed the PDCS is not founded on 'appropriate available evidence' as required under Section 211(7a) of the Planning Act. Disagree with certain assumptions in the viability report. Although content that for testing purposes it is appropriate to adopt a notional 1 hectare site, the appraisals must consider likely costs associated with delivery of larger site to ensure the assessment adequately reflects current practice. Tested a number of the notional 1 hectare site and consider that the maximum level of CIL in each case is approximately half the maximum figure identified within the viability report for each typology prior to the application of any viability buffer. Also concerned that adopting higher density scenarios of 40/50 dph in the testing is unrealistic and 'inflates' the overall results within the assessment. Note that 6 of the 7 Severnside typologies tested are unable to support CIL rate of £60 per sq m which suggests that a significant proportion of development in Severnside will be unviable with £60 per sq m CIL rate.</p>		
Requested Change	Proposed CIL rate in Severnside needs to be reviewed to ensure that development in this location can be supported.		
LPA Response	<p>Viability testing uses notional 1 ha sites to explore differences between densities and value areas. This testing identifies a range of development types (not in conflict with LDP policy) that would be viable. Testing also includes case studies based on the strategic sites identified in the LDP, including the known costs associated with them. Some development may be higher density and therefore it is appropriate to test a range of densities. In the July 2014 testing, the report explained that some Severnside small case studies based on a standard mix of dwellings were not able to support the PCDS CIL rate, although alternative dwelling mixes with only detached houses were able to support the proposed CIL rates. The revised viability report has identified that sites in Severnside can support a CIL rate so the change requested by the representor is no longer needed.</p>		
Recommendation	Consider the findings of the updated viability report.		

Respondent Number	200	Representation Number	2
Respondent Name	Scott Caldwell (Savills)		
Respondent Organisation	Home Builders Federation and Consortium of Housebuilders		
Summary of Response	Affordable Housing - inconsistent approach between the viability assessment and Draft Affordable Housing SPG which could potentially impact on the outcomes of the viability of the tested scenarios. i.e. the viability reported calculates the value of affordable housing based on a capitalisation of the social rent/intermediate rent receivable whereas the SPG is based on Acceptable Cost Guidance.		
Requested Change			
LPA Response	The inconsistency between the assumptions used in the initial viability testing and the policies set out in the Draft Affordable Housing SPG is acknowledged. Revised viability testing has been carried out to remedy this.		
Recommendation	Take into account the results of the revised viability testing in preparing the Draft Charging Schedule.		

Respondent Number	200	Representation Number	3
Respondent Name	Scott Caldwell (Savills)		
Respondent Organisation	Home Builders Federation and Consortium of Housebuilders		
Summary of Response	Residential Sales Values: Content that the assessment of market value is broadly representative of MV in the locations where development is likely to take place. However, there is significant value differential between 3 bedroom detached and 4 bedroom detached dwellings. Also question the premium of 25% to properties with good river views, the basis of which is untested - no local evidence to support this premium e.g. Chepstow		
Requested Change	Recommend that any appropriate mix includes a further 4 bedroom smaller detached category with a net sales area in the order of 1,250 sq ft.		
LPA Response	House prices have been reviewed as part of the September 2015 Refresh. This has used a greater emphasis on £/sq m, which addresses the issue of variations in size within different dwelling types. The principle of a waterside premium is well established, with recent evidence set out in the Knight Frank report cited in the report. The CIL viability testing has used a very conservative interpretation of this research, with about half the suggested up lift applied to 25% of the site. In addition, the asking prices on the adjacent Severn Quays waterside site demonstrate a premium over standard Chepstow values.		
Recommendation	No change.		

Respondent Number 200 Representation Number 4

Respondent Name Scott Caldwell (Savills)

Respondent Organisation Home Builders Federation and Consortium of Housebuilders

Summary of Response Benchmark Land Values:

(1) Concern that the viability report does not distinguish between small scale and large scale development sites. Developments of scale will have significant infrastructure requirements and greater delivery risks/complications than smaller scale developments and this will be reflected in land value. However, distinguishing between brownfield and greenfield sites is less appropriate in most circumstances as the costs of bringing services/infrastructure to greenfield developments and dealing with ground treatment are mostly similar in terms of cost to the demolition/remediation associated with brownfield opportunities.

(2) Also consider benchmark land values used in the report to be low especially for greenfield sites. A multiplier of 20 times agricultural value is too low as confirmed in a recent planning appeal decision. Evidence is provided on recent land sales to support representor's position.

Requested Change (1) Need to distinguish between large strategic development opportunities and those smaller development opportunities in assessing benchmark land values.

(2) Market value should be used as the basis of benchmark land values wherever possible. Greenfield benchmark land values should be revised to £500,000 per hectare.

LPA Response It is not correct to state that the Viability Report does not distinguish between large and small sites. The viability testing includes case studies from 3 to 450 dwellings. Larger case studies (representing strategic sites) are considered in detail and used land value benchmarks appropriate for these sites. The testing of strategic sites case studies includes estimates of additional opening up costs as well as site specific infrastructure costs. The additional opening up costs are applied to both brownfield and greenfield sites to reflect the different requirements for different types of site i.e. servicing greenfield sites or standard site preparation for brownfield sites. Extraordinary site costs beyond these allowances and outside s106/policy requirements are expected to be revealed as part of due diligence and factored into site specific land price negotiations. The appeal referred to is Pinn Court Farm. Appeals are determined on the basis of the evidence specific to the appeal and findings do not necessarily apply in other situations. For example, in that case the Secretary of State suggested a minimum value for the land concerned, yet the appellants' own viability study showed that less than half the amount was considered acceptable.

The uplift from agricultural values is in line with guidance and the setting of the benchmarks also included a review of land values research, consultation with the development industry and Land Registry information. The benchmark land values used for Monmouthshire are higher than those found sound in Caerphilly and Merthyr Tydfil. The representor has provided evidence of land values in Newport and for schemes with no affordable housing which we do not consider provide more appropriate evidence than that provided by Land Registry for Monmouthshire. It is difficult to comment on the land value for the one Monmouthshire scheme shown (Table 3,

Monmouth) but it is not considered this one site should be used to set a local authority wide threshold. Furthermore, in addition to the 2012 Local Housing Delivery Group guidance on using a premium over existing use, the recent RICS research (Financial Viability Appraisal in Planning Decisions: Theory and Practice, 2015) firmly advises against the use of market value as a mechanism for estimating benchmarks.

Recommendation No change.

Respondent Number 200 Representation Number 5

Respondent Name Scott Caldwell (Savills)

Respondent Organisation Home Builders Federation and Consortium of Housebuilders

Summary of Response Build Costs:

(1) Agree with use of BCIS cost data in assessing build costs but costs have increased since July 2014 and information should be updated.

(2) No allowance for circulation space within flats i.e. additional 17-18% of the GIA to which CIL would be applicable. Also no allowance for garages in either the build costs or floorspace. This is important as CIL is chargeable on GIA which includes garages - failure to include this could result in over-estimation of site's capacity to support CIL.

Requested Change (1) Update build cost information in the viability report with the latest BCIS cost data.

(2) Confirm what allowance has been made for circulation space within flats and for the provision of garages.

LPA Response (1) Agreed. Retesting has been carried using updated BCIS data. The revised viability testing includes updated BCIS data. Guidance requires the use of current values and costs, with no opportunity to utilise forecasts.
 (2) The September 2015 refreshed testing also includes circulation for flats at 10%. This is an appropriate proportion for 1-2 storey flats. It should be noted that there is no policy requirement for garages and that there is an expressed preference for car ports instead (MCC, 2013, Domestic Garages SPG). However, the relatively generous build costs provided by BCIS together with the allowance for external works will encompass the cost of providing garages on a proportion of dwellings if developers choose to make this provision.

Recommendation Take into account the results of the revised viability testing in preparing the Draft Charging Schedule.

Respondent Number	200	Representation Number	6
Respondent Name	Scott Caldwell (Savills)		
Respondent Organisation	Home Builders Federation and Consortium of Housebuilders		
Summary of Response	<p>Site Opening Up Costs: Opening up costs are applicable to all development sites - not just strategic sites. Allowance for strategic infrastructure and utility costs as set out in the advice note for planning practitioners by the Local Housing Delivery Group chaired by Sir John Harman is typically in the order of £17-23k per plot. Dispute the opening up costs used in the report (£100,000 per hectare and 15% allowance on BCIS costs for external works) as being significantly lower than is appropriate based on the evidence provided (A table is provided giving recent evidence of site opening up costs).</p>		
Requested Change	<p>An allowance of £500,000 per hectare or £15,000 per plot is more reflective of average opening up costs.</p>		
LPA Response	<p>The ""opening up cost"" examples provided by the representor relates to items that the viability testing includes within external works, opening up costs and site specific infrastructure, and therefore a like for like comparison cannot be made. Instead the following should be considered:</p> <p>The testing includes an allowance for external works at 15% of build cost. For a 'typical' 95 sq m dwelling this is c.£14,150. This is to cover standard site preparation and the provision of services within the site to the build plots, as well as frontage roads and landscaping etc. For larger sites it is recognised that additional costs may be incurred and additional costs of £100,000/net ha are allowed for. At 30 dph this is £3,300 per dwelling. Taken with the £14,150 above, the combined amount of c.£17,450 is in excess of the suggested £15,000 per dwelling. The additional opening up costs are applied to both brownfield and greenfield sites to reflect the different requirements for different types of site i.e. servicing greenfield sites or standard site preparation for brownfield sites. In addition site specific infrastructure was included in the testing such as £17,000/dwelling for SAH1 Deri Farm (taking the total to £33,840/dwelling), £10,300/dwelling for SAH3 Fairfield Mabey (taking the total to £27,140/dwelling) and so on. Therefore both the standard and strategic sites case studies include a generous allowance for items described by the representor as ""opening up costs".</p> <p>Extraordinary site costs beyond these allowances and outside s106/policy requirements are expected to be revealed as part of due diligence and factored into site specific land price negotiations. "Opening up cost" examples provided by Savills include items such as mine workings and demolition/asbestos, which clearly are items to factor into land price negotiations, not opening up costs.</p>		
Recommendation	No change.		

Respondent Number	200	Representation Number	7
Respondent Name	Scott Caldwell (Savills)		
Respondent Organisation	Home Builders Federation and Consortium of Housebuilders		
Summary of Response	Developer Profit: question the developer operating and gross margin figures used in the report (a range of supporting evidence is provided). Note that a minimum developer margin of 20% of GDV was supported in a number of appeal decisions (The Manor, Shinfield, Lydney)		
Requested Change	Minimum profit level used within viability testing should be a blended rate of 20% on GDV plus 25% Return on Capital Employed (ROCE) across all tenures, subject to consideration of the risk profile of the scheme. The reference to ROCE is particularly important on large capital intensive schemes - in these cases the relevant rate for site specific appraisal is an Internal Rate of Return (IRR) of at least 25%.		
LPA Response	<p>The developer returns of 20% for market housing and 6% for affordable housing were discussed in the developer workshop in March 2014. This discussion also noted that Savills had agreed 6% return for affordable housing as a statement of common ground for the Caerphilly CIL and it is unclear why this should be different in Monmouthshire. 20% return for market housing and 6% return for affordable are commonly accepted at recent CIL examinations e.g. Wigan August 2015, Southend on Sea April 2015. The issue for profit benchmarks is determining an acceptable return for the likely risk, which is why a higher rate is required for market housing than the affordable housing, with sale agreed before construction. This required return against risk should not be conflated with the justifiable but entirely separate consideration of developers maximising returns for investors. It should be noted that BCIS figures for build cost also include a contractor return, which in effect pushes up the overall return beyond the 20% and 6% used here. We note that the house builders operating returns have generally been below 20% since before the recession. The use of IRR as a measure instead of profit on GDV has been discussed at a number of forums (e.g. RICS seminar on Development Viability Appraisal, September 2015) but has not been accepted as the preferred measure. Generally, IRR is a corporate finance tool used to compare the attractiveness of different projects with different timings of investment and return. In its standard form it does not produce a useful output for a residual land value appraisal, partly as land price is an input, not an output. Issues with IRR include no accepted benchmarks for acceptable IRR (Savills have provided no justification for requiring a 25% IRR), sensitivity to small changes in assumed inputs, lack of agreed information on inputs, lack of transparency and an impression of spurious accuracy. Three Dragons has undertaken separate consultation with housebuilders in 2012/13 about the use of IRR as a measure and this failed to show any compelling case to use it against the more widely understood return on value. Importantly, the Three Dragons Toolkit used for undertaking the viability appraisals in Monmouthshire includes a discounted cash flow function, and this is already used for the testing of the larger case studies. This explicitly takes account of investment and returns over time within the framework of a residual land appraisal.</p>		
Recommendation	No change.		

Respondent Number	200	Representation Number	8
Respondent Name	Scott Caldwell (Savills)		
Respondent Organisation	Home Builders Federation and Consortium of Housebuilders		
Summary of Response	CIL Regulations outline that the offer of relief is discretionary on the charging authority - consider it imperative that MCC make relief available when CIL is adopted. This will ensure that the overall delivery of housing including affordable housing provision is not compromised by CIL		
Requested Change	The Council should clearly outline its approach to CIL relief in conformity with the Regulations.		
LPA Response	The CIL Regulations make a number of provisions for charging authorities to give relief from the levy. Some of these exemptions are mandatory, including development for charitable purposes and social housing. Discretionary relief can be offered in exceptional circumstances where a specific scheme cannot afford to pay the levy. The powers to offer relief can be activated and deactivated at any point after the charging schedule is approved. At present, it is not intended to offer exceptional circumstances relief. It is considered that a rigorous process has been followed in establishing the proposed CIL rate and if developers disagree with the proposed rates they will have the opportunity to challenge them at Examination.		
Recommendation	No change.		

Respondent Number	206	Representation Number	1
Respondent Name	Ross Anthony		
Respondent Organisation	The Theatres Trust		
Summary of Response	Support the setting of a nil rate for all other uses as many D1, D2 and some sui generis uses such as theatres, often do not generate sufficient income streams to cover their costs. Consequently, this type of facility is very unlikely to be built by the private sector.		
Requested Change	No change.		
LPA Response	Support noted.		
Recommendation	No change necessary.		

Respondent Number	333	Representation Number	1
Respondent Name	Mr John Young		
Respondent Organisation	N/A		
Summary of Response	Concern that there is only a reference to the charge per square metre, but nothing on how the number of square metres is calculated. The method of calculation could potentially affect the density at which housing is built, the choice between single and multi-storey building etc.		
Requested Change	The basis of the calculation should be made explicit within the regulation (document) and not reliant on antecedent knowledge of other guidance and regulation.		
LPA Response	The way in which CIL is calculated is set out in the Regulations. Paragraphs 3.2 to 3.6 of the Council's CIL Guidance Note (September 2014 at http://www.monmouthshire.gov.uk/app/uploads/2015/07/CIL-Guidance-Note.pdf) offers an explanation. CIL will be charged on the net additional gross internal floor area of a development.		
Recommendation	No change.		

Respondent Number	342	Representation Number	1
Respondent Name	Simon Tofts (Planning Manager)		
Respondent Organisation	Blue Cedar Homes		
Summary of Response	Welcome the proposed zero CIL charge on all retirement housing in the County. This should assist in bringing forward this form of development.		
Requested Change	The Council should set out in full the definition of retirement housing. Blue Cedar Homes attach a restrictive covenant on each house they sell requiring the purchaser to be over 55 years of age.		
LPA Response	It is agreed that a full definition of retirement housing would be useful to provide clarity.		
Recommendation	Give further consideration to providing a full definition of retirement housing.		

Respondent Number	378	Representation Number	1
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Response	Concern as to whether or how the development costs information submitted for the Fairfield Mabey site has informed the content of the viability report. Note that further information on development costs can be supplied to the Council.		
Requested Change	Clarify how the development costs information has been assessed, accepted and applied, albeit recognising the need for confidentiality. Discuss the implications of the further development costs information.		
LPA Response	The original CIL viability study made use of information provided by the developers but was unable to demonstrate how because of confidentiality concerns from the scheme promoters. Discussions have been held with the representor who has provided updated costs information that has been taken into account in the revised viability testing report.		
Recommendation	Consider the implications of the revised viability testing for the Draft Charging Schedule.		

Respondent Number	378	Representation Number	2
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Response	Benchmark land values for urban sites are much too low. A comparison with Merthyr and Caerphilly is not valid given the distance (both geographical and commercial) between these areas. Note that is inappropriate to record in the report that the development industry workshop broadly agreed with the rates / failed to provide alternatives.		
Requested Change			
LPA Response	<p>Note that the land value benchmarks are the estimated lowest values that a landowner may sell for, not the highest values that may be achieved.</p> <p>Fairfield Mabey site is in industrial use and the testing applies the benchmark for urban sites, which is a premium of more than 60% over the industrial land value benchmark. Premium over existing use value is in line with the guidance in the Local Housing Delivery Group's 2012 "Viability testing local plans". These benchmarks do not preclude the possibility that sites may change hands at higher values than the benchmarks, assuming that the development is able to support it, but recent RICS research (Financial Viability Appraisal in Planning Decisions: Theory and Practice, 2015) firmly advises against the use of market value as a mechanism for estimating benchmarks.</p>		
Recommendation	No change.		

Respondent Number	378	Representation Number	3
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Response	Opening up costs are very low. £40,000 per acre does not reflect recent experience of greenfield/brownfield development. Note it is inappropriate to connect discussion at the development industry workshop with agreement of this figure.		
Requested Change	Welcome discussion on with the Council on this matter.		
LPA Response	<p>The additional £100,000/net ha (£40,470/acre) allowance for opening up costs is applied to both brownfield and greenfield strategic sites to reflect the different requirements for different types of site i.e. servicing greenfield sites or standard site preparation for brownfield sites. The reference to "opening up cost" by the representor relates to items that the viability testing includes within external works, opening up costs and site specific infrastructure, and therefore a like for like comparison cannot be made. Instead the following should be considered:</p> <p>The testing includes an allowance for external works at 15% of build cost. For a 'typical' 95 sq m dwelling this is c.£12,030. This is to cover standard site preparation and the provision of services within the site to the build plots, as well as frontage roads and landscaping etc. For larger sites it is recognised that additional costs may be incurred and additional costs of £100,000/net ha are allowed for. At 30 dph this is £3,300 per dwelling. This combines to c.£15,330/dwelling. In addition site specific infrastructure was included at £10,300/dwelling for SAH3 Fairfield Mabey (taking the total to £25,630/dwelling), with an additional scenario adding a further £4,800/dwelling taking the total to £30,430/dwelling. On an area basis these costs are approximately £0.77m and £0.9m/ha respectively (at 30 dph).</p> <p>Extraordinary site costs beyond these allowances and outside s106/policy requirements are expected to be revealed as part of due diligence and factored into site specific land price negotiations.</p> <p>Further discussions have taken place with the representor and revised information included in the updated viability testing.</p>		
Recommendation	Consider the implications of the revised viability testing for the Draft Charging Schedule.		

Respondent Number	378	Representation Number	4
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Response	<p>Figures used for the average cost of a S106 payment mask substantial variation either looking backwards (towards agreements completed) or forwards to the sites likely to come forward. Question how the £1,000 assumed per unit plus the CIL charge and low costs set out in Annex 1 of the report can add up to the total costs associated with the Fairfield Mabey site.</p>		
Requested Change	Welcome discussion on this matter before further progress is made with CIL.		
LPA Response	<p>The CIL viability testing has assumed a standard Section 106 contribution of £1k per dwelling, equivalent to the current contribution for provision of children's play space that is generally provided on-site. Other current Section 106 contributions such as adult recreation and education would be expected to be replaced by CIL. It is recognised that the Mabey Bridge site does have additional site specific development requirements that would not fit comfortably into the CIL approach (e.g. the proposed riverside walk that will contribute substantially to adult recreation facilities in Chepstow and is necessary for Green Infrastructure/Biodiversity purposes to bring forward development of the site). Following discussions with the representor, the potential Section 106 requirements have been reviewed for the updated viability testing.</p>		
Recommendation	Consider the implications of the revised viability testing for the Draft Charging Schedule.		

Respondent Number	378	Representation Number	5
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Response	<p>Proposal to add a waterside value premium is not support by evidence relied on because: unconventional waterside views; evidence from nearby Severn Quays does not support the premium; all sites have special characteristics and inappropriate to single out Fairfield Mabey.</p>		
Requested Change			
LPA Response	<p>The principle of a waterside premium is well established, with recent evidence set out in the Knight Frank report cited in the viability report. The CIL viability testing has used a very conservative interpretation of this research, with about half the suggested up lift applied to 25% of the site. In addition, the asking prices on the adjacent Severn Quays waterside site demonstrate a premium over standard Chepstow values. Discussion with the site promoters suggests that there may be some house price premium although no site specific value assumptions have been made available by the site promoters.</p>		
Recommendation	No change.		

Respondent Number 378 Representation Number 6

Respondent Name Tim Gent (Savills)

Respondent Organisation Mabey Bridge

Summary of Response Question the CIL rate proposed for the Fairfield Mabey site. Even on the assumptions made in the report, if the £1.7 million used for the High Beach roundabout scheme is added to cost or lost from value then zero CIL can be afforded. Concern that this is likely given that sites are charged with delivering specific obligations outside CIL and then CIL is used to fund some unspecific /limited improvements to generic and strategic infrastructure. The Regulation 123 list has narrow focus and there is little expansion in the schedule of what will be included and given the proposals for the site it is clear that:

- a) there will be a significant overlap between what is proposed and what CIL could be used for (especially in terms of strategic green infrastructure)
- b) the sustainable transport improvements in the schedule will not be used for highway and transportation improvements associated with the scheme - these will therefore fall to the site
- c) the site has excellent accessibility credentials - contributing to a general fund for sustainable transport for an otherwise rural authority is not warranted.
- d) the scheme will trigger an improvement to the town centre. No competing retail space is proposed on the site and spending / footfall in the town centre will increase
- e) there is significant capacity within the primary and secondary schools in Chepstow
- f) proposals for the site will also make substantial provision for open space (sport and recreation)

Accordingly, there is need for caution when approaching the concept of CIL and the rates to be applied to the individual sites. Note that CIL may not be the right vehicle for Monmouthshire (as pooling rules are unlikely to be relevant) but if it is pursued specific rates can be identified for each strategic site.

Requested Change If CIL is pursued, a zero rate should be applied to Fairfield Mabey (without this adjustment CIL could adversely affect the viability of the site).

LPA Response The CIL viability testing has assumed a standard Section 106 contribution of £1k per dwelling, equivalent to the current contribution for provision of children's play space that is generally provided on-site. Other current Section 106 contributions such as adult recreation and education would be expected to be replaced by CIL. It is recognised that the Mabey Bridge site does have additional site specific development requirements that would not fit comfortably into the CIL approach (e.g. the proposed riverside walk that will contribute substantially to adult recreation facilities in Chepstow and is necessary for Green Infrastructure/Biodiversity purposes to bring forward development of the site). Following discussions with the representor, the potential Section 106 requirements have been reviewed for the updated viability testing.

The Welsh Government's requirements for highway works on the A48 (T) road are awaited. It is not possible, therefore, to achieve any precision in estimating potential transport infrastructure costs. Two scenarios have been tested in the revised viability report - the second including the full cost of

improvements to High Beech roundabout.

Recommendation Consider the implications of the revised viability testing for the Draft Charging Schedule.

Respondent Number 378 Representation Number 7

Respondent Name Tim Gent (Savills)

Respondent Organisation Mabey Bridge

Summary of Response A small convenience store could be appropriate at the Fairfield Mabey site. This would not perform like the models tested in the viability report and in the short term at least overall viability may be a key issue.

Requested Change May be appropriate to waive the charge on A1 out-of-centre stores proposed of (or below) a certain size or which are proposed to be part of the larger strategic sites.

LPA Response The CIL Regulations exempt development with a gross internal floor area of less than 100 sq. m. from payment of the levy. It is likely, therefore, that a small retail unit of the type referred to would be exempt from a CIL charge.

Recommendation No change.

Respondent Number 378 Representation Number 8

Respondent Name Tim Gent (Savills)

Respondent Organisation Mabey Bridge

Summary of Response Concerns that CIL is too blunt a tool generally and if pursued in the manner proposed will negatively affect proposals for the site.

Requested Change Welcome a meeting to explain this point and to share technical/ commercial information about the site.

LPA Response The CIL viability testing has assumed a standard Section 106 contribution of £1k per dwelling, equivalent to the current contribution for provision of children's play space that is generally provided on-site. Other current Section 106 contributions such as adult recreation and education would be expected to be replaced by CIL. It is recognised that the Mabey Bridge site does have additional site specific development requirements that would not fit comfortably into the CIL approach (e.g. the proposed riverside walk that will contribute substantially to adult recreation facilities in Chepstow and is necessary for Green Infrastructure/Biodiversity purposes to bring forward development of the site). Following discussions with the representor, the potential Section 106 requirements have been reviewed for the updated viability testing.

Recommendation Consider the implications of the revised viability testing for the Draft Charging Schedule.

Respondent Number	381	Representation Number	1
Respondent Name	Mr D Addams-Williams		
Respondent Organisation	Llangibby Estate		
Summary of Response	£110 per square metre charge will discourage new development.		
Requested Change	Category (2) Table 1 of the PDCS should be broken down into sub-categories.		
LPA Response	No evidence is provided in support of the representation, neither is it explained how it is felt Category (2) (Non-strategic sites in the Main Towns of Abergavenny, Chepstow and Monmouth and the Rural Rest of Monmouthshire) should be broken down into sub-categories. The viability testing has attempted to ensure that residential development will not be discouraged from coming forward. Sites in rural areas in Main and Minor Villages, as categorised in the LDP, that are required to provide above 35% affordable housing are exempt from the CIL charge.		
Recommendation	No change.		

Respondent Number	457	Representation Number	1
Respondent Name	Alistair Macdonald (RPS)		
Respondent Organisation	Bovis Homes Ltd		
Summary of Response	CIL guidance has been updated since February 2014 - accordingly the viability report should be reviewed and updated in light of the latest version of the guidance (June 2014).		
Requested Change	Review / update the viability report in line with the latest CIL guidance.		
LPA Response	The viability report has been updated and includes up to date CIL guidance.		
Recommendation	Consider the findings of the updated viability report.		

Respondent Number	457	Representation Number	2
Respondent Name	Alistair Macdonald (RPS)		
Respondent Organisation	Bovis Homes Ltd		
Summary of Response	<p>Benchmark values used in the viability report are too low. These figures were disputed at the Development Industry Workshop and it is not sufficient to dismiss these views by saying that no specific alternative land value was put forward. Further evidence should be gathered by the Council to justify its proposed land values or identify alternative values which align more closely with the experience of the development industry representatives. Bovis would be happy to assist the Council in this regard.</p>		
Requested Change	<p>Council to provide further evidence to justify proposed land values or identify alternative land values.</p>		
LPA Response	<p>Available information (research reports dealing with land values, consultation with the development industry and data from Land Registry) has been reviewed. Standard benchmark land value found sound as part of Local Development Plan examination. Greenfield benchmark developed in line with Local Housing Delivery Group and HCA guidance. April 2015 RICS research (Financial Viability Appraisal in Planning Decisions: Theory and Practice) strongly advises against the use of market values in setting benchmarks.</p>		
Recommendation	<p>No change.</p>		

Respondent Number	457	Representation Number	3
Respondent Name	Alistair Macdonald (RPS)		
Respondent Organisation	Bovis Homes Ltd		
Summary of Response	<p>Land value assumptions for non-residential development are typically considerably higher than those for residential development. The same land value is applied to both town centre offices and out of centre retail warehouse, despite the likelihood that town centre uses would involve redevelopment of brownfield land and out of town retail would likely occupy greenfield land. The Council is therefore inconsistent in its assumptions for residential and non-residential development, applying higher development costs for non-residential development than comparable residential sites. Bovis cannot therefore support the assumptions / methodology within the viability assessment. The land value figures for residential sites are considered to be an understimation of land value, particularly when compared with the values for non-residential sites.</p>		
Requested Change	<p>Adopt a consistent approach between land values for residential and non-residential sites - this will enable a fair comparison between the development costs of all schemes and their ability to contribute towards strategic infrastructure costs through CIL.</p>		
LPA Response	<p>It is common for land values for different uses to vary, reflecting the value of the uses. There is no inconsistency in this approach.</p>		
Recommendation	<p>No change.</p>		

Respondent Number 457 Representation Number 4

Respondent Name Alistair Macdonald (RPS)

Respondent Organisation Bovis Homes Ltd

Summary of Response PDCS fails to provide sufficient evidence to support the proposed CIL rates:

(1) This is contrary to government guidance. Paragraph 16 of DCLG guidance is clear that 'charging authorities should focus on providing evidence of an aggregate funding gap that demonstrates the need to put in place the levy'. Paragraph 28 of the guidance advises that the PDCS should be based on evidence of the infrastructure needs of the area and the ability of development in that area to fund that infrastructure in whole or in part. It is good practice for the charging authority to publish its draft infrastructure list and proposed policy for scaling back Section 106 agreements at PDCS stage to provide clarity on the financial burden that developers can expect to bear. There is a lack of evidence on strategic infrastructure needs. The 'Draft Infrastructure Plan' in Appendix 1 of the Adopted LDP only provides a list of the specific site infrastructure requirements for strategic sites. No indication is given of the total cost of infrastructure that the Council wishes to fund through the levy; the procedural requirements of the Regulation 123 list are not fulfilled.

(2) The 'Draft Infrastructure Plan' indicates that the majority of infrastructure will be developer funded and secured through Section 106 Agreements. The Draft Regulation 123 Schedule confirms that infrastructure associated with the LDP strategic sites identified in the Council's Draft Infrastructure Plan will be funded through Section 106 contributions. The evidence base appears not to have considered the viability implications of providing such major infrastructure through Section 106 agreements and the ability of development schemes to afford the identified CIL rates.

(3) In the absence of a sound evidence base there is no demonstrable need for CIL. The infrastructure requirements arising from the LDP are unknown and there is no evidence to whether the funds would be sufficient meet any gaps in funding or whether any funding sources are available to the Council. There is no evidence that the proposed CIL rates are necessary to deliver strategic infrastructure or provide adequate funding to ensure the timely delivery of planned development alongside infrastructure.

Requested Change Evidence base requires thorough re-examination and expansion to include a more detailed Regulation 123 list before any further progress can be made on the Council's proposals for CIL.

LPA Response (1) Paragraph 16 of the guidance does not require details of the 'funding gap' to be published at PDCS stage, although it is acknowledged that paragraph 28 of the guidance suggests that it is 'good practice' to provide as much detail as possible of infrastructure proposals to accompany the consultation. The Council did publish a draft Regulation 123 list with the PDCS, setting out the the categories of development that it is proposed to be funded through CIL. Appendix 1 of the LDP is not the 'Draft Infrastructure Plan' and only lists site specific infrastructure for the LDP strategic sites. A draft list of potential 'place-making' and other proposals by settlements to be funded through CIL was provided as Annex 2 of the Draft Infrastructure Plan produced in July 2013 as part of the LDP process. It is recognised that further work is needed

to refine the list and this will be carried out during the production of the Draft Charging Schedule in order to be in a position at Examination to set out 'a draft list of the projects or types of infrastructure that are to be funded in whole or in part by the levy' and 'any site-specific matters for which Section 106 contributions may continue to be sought' (paragraph 17 of guidance).

(2) As described in answer to (1) above, Appendix 1 of the LDP is not the whole Draft Infrastructure Plan, which is a separate document. It is acknowledged that the majority of the infrastructure provision for strategic sites is identified as being developer funded, although the Schedule will need amendment as it is intended that some items listed will be funded through CIL (e.g. off-site adult recreation). The CIL viability testing has attempted to take into account the exceptional costs associated with the strategic sites (where known) in order to ensure that a CIL rate can be charged that does not adversely affect their viability.

(3) It is not agreed that there is not a need for CIL, although it is recognised that further work is required on refining the list of infrastructure set out in the Draft Infrastructure Plan (which is not just Appendix 1 of the LDP), establishing the 'funding gap' and identifying the site specific infrastructure that will be funded through Section 106. In this respect, an addendum report will be provided to supplement the Draft Infrastructure Plan produced for the LDP in July 2013.

Recommendation

Carry out further work on refining the list of infrastructure set out in the Draft Infrastructure Plan (July 2013), establishing the 'funding gap' and identifying the site specific infrastructure that will be funded through Section 106.

Respondent Number	457	Representation Number	5
Respondent Name	Alistair Macdonald (RPS)		
Respondent Organisation	Bovis Homes Ltd		
Summary of Response	<p>Support separate categorisation of strategic LDP sites and application of lower CIL rate to reflect higher development costs associated with delivery of these sites. However, question whether strategic sites would continue to be viable if CIL is applied at rate of £60 per sqm. The viability testing has been based on gross rather than net density figures - given that some sites will not be capable of development of 100% of the site area, a lower density figure or gross to net density allowance should be applied. In the case of Wonastow Road the development capacity of the site is limited and the overall density of development reduces to 13dph based on the overall site area. Consequently, the site would be unable to support the level of infrastructure costs anticipated by Chart 3.1 even at the lowest density calculation.</p>		
Requested Change	A lower density figure or a gross to net density allowance should be applied.		
LPA Response	<p>The representation may have misunderstood the testing approach, which uses a net development density and then recognises that not all the site will be developed. Wonastow Road gross area (excluding the non-developable part of the allocation that is in flood plain) is 19.61ha and net is 16.46ha. LDP allows for 450 dwellings which is 27dph net or 22 dph gross.</p>		
Recommendation	No change.		

Respondent Number	457	Representation Number	6
Respondent Name	Alistair Macdonald (RPS)		
Respondent Organisation	Bovis Homes Ltd		
Summary of Response	<p>Strategic sites - information on Site specific infrastructure costs are only best estimates and are subject to change as projects advance through the planning and design stages. Additional costs vary considerably between the strategic sites. Given the significant variations in development yield, site specific infrastructure costs and existing land values, question whether it is realistic to apply a uniform rate of CIL to all strategic sites (with the exception of Sudbrook Paper Mill). Need to ensure that CIL will not remove incentive for landowners to release land for development, will not adversely affect the viability of development schemes and will not dissuade developers from investing in Monmouthshire. If the Council intends to apply a single CIL rate to all strategic sites a cautious approach must be adopted to ensure the CIL falls below the lowest maximum potential CIL and a buffer is applied to ensure viability. Agree with 30% buffer applied subject to a review of the maximum potential CIL figures.</p>		
Requested Change	Review maximum potential CIL figures for the reasons set out above.		
LPA Response	<p>CIL viability has been refreshed, to include new information on strategic sites where available. Delivery on strategic sites is important to the success of the LDP and CIL rates will be set so that policy compliant delivery is not compromised.</p>		
Recommendation	No change.		

Respondent Number	457	Representation Number	7
Respondent Name	Alistair Macdonald (RPS)		
Respondent Organisation	Bovis Homes Ltd		
Summary of Response	<p>Broadly supportive of the geographical charging zones for residential development. However, question the charging zones in the context of an extension to a strategic site. For example, an extension of the site allocation at Drewen Farm, Monmouth would be subject to a higher CIL charge of £110 per sq m which covers the rest of rural Monmouthshire. Further consideration needs to be given to the practical future application of CIL to ensure sufficient flexibility is allowed within the terms of the charging schedule to allow the Council to apply the CIL rate for strategic sites to any proposed extensions to those sites upon the grant of planning permission.</p>		
Requested Change	<p>Welcome further clarification on this point within the Draft Charging Schedule to ensure such proposals are not penalised through the application of higher CIL rate based on strict application of the geographical charging zones.</p>		
LPA Response	<p>The lower CIL rate proposed for LDP strategic site allocations reflects the additional infrastructure costs of bringing these sites forward. Should there be future proposals to extend the existing Wonastow Road allocation further onto Drewen Farm land through a departure application then it would be expected that if planning permission were to be granted any initial additional opening up costs would have been met in developing the original allocation. The viability testing of case study sites can only relate to sites that have been allocated through an adopted development plan. It is considered appropriate that should any sites come forward outside the development plan process that they should meet the general CIL charge based on the charging zone in which the site is located.</p>		
Recommendation	No change.		

Respondent Number	457	Representation Number	8
Respondent Name	Alistair Macdonald (RPS)		
Respondent Organisation	Bovis Homes Ltd		
Summary of Response	<p>Object to the proposed application of a zero CIL rate to non-residential uses across Monmouthshire. Question the land value assumptions for non-residential development which underpins these findings. The same land value is applied to both town centre offices and out of centre retail warehouse, despite the likelihood that town centre uses would involve redevelopment of brownfield land and out of town retail would likely occupy greenfield land. Non-residential land values are considerably higher than comparable site values for residential use meaning that the Council is inconsistent in its assumptions. Therefore unable to support the assumptions and methodology within the viability assessment. Where opportunities exist to secure strategic infrastructure funding through development, the Council should explore these in full and seek to spread the burden across all viable forms of development.</p>		
Requested Change	<p>Need for a consistent approach between non-residential and residential land values to enable a fair comparison between the development costs of all schemes and their ability to contribute towards the strategic infrastructure costs through CIL.</p>		
LPA Response	<p>It is common for land values for different uses to vary, reflecting the value of the uses. There is no inconsistency in this approach. There is not a zero rate for all non-residential development. A CIL rate of £200 per sqm is being proposed for out of centre A1 retail uses. In terms of a zero retail rate for other non-residential uses, this has little to do with land values – in most cases it is the values that are not sufficient to cover the costs of development, let alone cost of land. Of the 13 non-residential uses tested only the retail uses have a positive residual land value. This viability position in terms of negative residual values is demonstrated in the local market where there has been little activity in terms of non-residential uses coming forward on a speculative basis.</p>		
Recommendation	No change.		

Respondent Number	457	Representation Number	9
Respondent Name	Alistair Macdonald (RPS)		
Respondent Organisation	Bovis Homes Ltd		
Summary of Response	<p>(1) Unable to judge whether or not the Council has achieved an acceptable balance between infrastructure funding and economic viability in view of the failure of the Regulation 123 list to define strategic infrastructure requirements and the associated costs which justify CIL.</p> <p>(2) Also concern that if development costs are too prohibitive / fail to provide adequate return for developers sites may remain undeveloped.</p>		
Requested Change	Review and update the evidence base to enable a fair assessment as to whether the PDCS is appropriately balanced.		
LPA Response	<p>(1) It is recognised that further work is required on refining the Regulation 123 list and identifying strategic infrastructure projects.</p> <p>(2) The viability testing has been carried out to attempt to ensure that the CIL rate does not prevent development coming forward in the County. The 'balance' has been achieved through a thorough review of viability across a range of site types. Where necessary, the testing is being updated and refined to meet some of the concerns raised.</p>		
Recommendation	Carry out further work on refining the list of infrastructure set out in the Draft Infrastructure Plan (July 2013), establishing the 'funding gap' and identifying the site specific infrastructure that will be funded through Section 106.		

Respondent Number	458	Representation Number	1
Respondent Name	Huw Jones (Turley)		
Respondent Organisation	ALDI Stores Ltd		
Summary of Response	The application of CIL and the evidence base underpinning the Draft Charging Schedule should be in accordance with Government guidance and statutory provisions including PPW and CIL Regulations. We trust that the LPA has considered all relevant guidance in preparing their PDCS. It is important that the implemented Charging Schedule provides robust, clear and concise guidance.		
Requested Change	No change requested.		
LPA Response	Comment noted. It is considered that the CIL proposals have been prepared in accordance with the appropriate regulations, guidance etc.		
Recommendation	No change.		

Respondent Number	458	Representation Number	2
Respondent Name	Huw Jones (Turley)		
Respondent Organisation	ALDI Stores Ltd		
Summary of Response	<p>Concerns regarding the proposed A1 out of centre retail levy rate (£200 per sq m) and the use of five specific retail typologies. National food operators do not all operate the same business models - at present the proposed charges are not reflective of this (reference made to Examination of the Plymouth CC CIL Charging Schedule). ALDI operate a model based on high levels of efficiency and low overheads, providing accessible low-cost goods. A high CIL rate could impact on the viability of the business and deter future investment resulting in a loss of key discount retail provision within the County. If the LPA does not make a distinction between different sizes and categories of retail development, the CIL change must be made viable so as not to prejudice a particular retail use, irrespective of the size/type of retailer.</p>		
Requested Change	<p>Further justification is required regarding the proposed retail levy in terms of the intended amount and approach.</p>		
LPA Response	<p>The CIL rate cannot be set according to a specific operator's business model as this would provide a competitive advantage and would therefore be contrary to regulation and state aid rules. However, different sizes of store have been considered (small convenience store and small supermarket) in different locations. The small supermarket example is a very similar size to many larger Aldi stores and is therefore representative of this particular operator and more importantly of the type of stores most likely to come forward within Monmouthshire over the Plan period. The evidence used to provide values for supermarkets is across all operators and therefore to some degree the rental values and yields for Aldi are also already taken into account (as set out in the Non-Residential Addendum, September 2015). Therefore it is considered that an appropriate range of retail typologies have been tested and that the evidence that supports the rate is appropriate and robust.</p>		
Recommendation	<p>No change.</p>		

Respondent Number	458	Representation Number	3
Respondent Name	Huw Jones (Turley)		
Respondent Organisation	ALDI Stores Ltd		
Summary of Response	Monitoring/ Early Review: Trigger points whereby a review of CIL is required are not stated in the evidence presented. This is important in order to provide certainty to investors.		
Requested Change	Provide trigger points to indicate when a review of CIL would be required.		
LPA Response	<p>The CIL Guidance states that: 'Charging authorities must keep their charging schedules under review and should ensure that levy charges remain appropriate over time. For example charging schedules should take account of changes in market conditions, and remain relevant to the funding gap for the infrastructure needed to support the development of the area.'</p> <p>Government does not prescribe when reviews should take place. However, in addition to taking account of market conditions and infrastructure needs, charging authorities should also consider linking a review of their charging schedule to any substantive review of the evidence base for the relevant Plan. It seems, therefore, that it would be appropriate to carry out a review of CIL at the same time as the LDP is reviewed (generally to commence four years after adoption unless there are exceptional circumstances). It is difficult to see how precise 'trigger points' could be established for reviewing the CIL charge (and none are prescribed in government guidance) although land values and build costs will be kept under regular review. The LDP Annual Monitoring Report provides a vehicle for this and an annual report is also required on how CIL is spent.</p>		
Recommendation	No change.		

Respondent Number	458	Representation Number	4
Respondent Name	Huw Jones (Turley)		
Respondent Organisation	ALDI Stores Ltd		
Summary of Response	Lack of clarity on what basis additional S106 contributions would be sought for retail development following the adoption of CIL.		
Requested Change	Clarify what basis additional S106 contributions would be sought for retail development following adoption of CIL.		
LPA Response	Section 106 contributions will be established on a case by case basis depending on the infrastructure necessary to bring a development forward. The Draft Regulation 123 List indicates that sustainable transport improvements and town centre improvements (two items that commonly require contributions from retail developments) will be funded through CIL. If this is carried through to final Regulation 123 List then Section 106 contributions will no longer be required for such items. The viability testing has included a sufficient buffer (greater than 50% for both supermarkets and retail warehouses) to ensure that viability is not adversely impacted by the proposed CIL charge.		
Recommendation	No change required.		

Respondent Number	458	Representation Number	5
Respondent Name	Huw Jones (Turley)		
Respondent Organisation	ALDI Stores Ltd		
Summary of Response	Lack of detail on the intended administrative costs and processes.		
Requested Change	Helpful if the LPA could outline within the PDCS the intended administrative costs and processes.		
LPA Response	The CIL Regulations indicate that a charging authority can spend up to 5% of the total levy receipts on administrative expenses. The precise arrangements for administering CIL remain to be determined and it is not considered necessary to establish them at this stage. Charging authorities are required to publish an annual report on how CIL money has been spent. That would be the opportunity for scrutiny of any administrative costs that arise and it not considered necessary or appropriate to publish intended costs at the present time. Similarly, precise administrative processes have not yet been established. The amount to be spent in a locality will depend on the Council's priorities as set out in its Infrastructure Plan, which will be prepared in consultation with local communities. It would be hoped that the County Council and Town and Councils would be able to align their priorities to ensure that the best use is made of available resources. A protocol for liaising and consulting with local communities and deciding on spending priorities will be developed as CIL is progressed.		
Recommendation	Prior to the adoption of CIL, develop a protocol for liaising and consulting with local communities and deciding on spending priorities.		

Respondent Number	459	Representation Number	1
Respondent Name	Mrs Jeana Hall		
Respondent Organisation	N/A		
Summary of Response	No to wind turbines - uneconomical to build/run.		
Requested Change	No change.		
LPA Response	Comment noted. This is not a matter for the CIL process.		
Recommendation	No change necessary.		

Respondent Number	459	Representation Number	2
Respondent Name	Mrs Jeana Hall		
Respondent Organisation	N/A		
Summary of Response	Only concern is that just 15% of CIL money will go to the community involved. This is too low and very open ended.		
Requested Change	No change requested.		
LPA Response	The allocation of 15% of the CIL monies raised in a locality to the town or community council in which the development takes place is set out in the Regulations. This is not to say that additional money will not be spent in that town or community council area. The amount to spend in a locality will depend on the Council's priorities as set out in its Infrastructure Plan, which will be prepared in consultation with local communities.		
Recommendation	No change necessary.		

Respondent Number	460	Representation Number	1
Respondent Name	Glenn Evans (Strategic Support Manager)		
Respondent Organisation	Aneurin Bevan Health Board		
Summary of Response	Supports the proposals set out in the PDCS.		
Requested Change	N/A		
LPA Response	Support noted.		
Recommendation	No change necessary.		

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**MONMOUTHSHIRE
COUNTY COUNCIL –
CIL VIABILITY
ASSESSMENT**

**Updated viability
evidence for
development of a
Community
Infrastructure Levy
Charging Schedule**

Three Dragons
December 2015

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 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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ANNEXES

1. Benchmark Land Values
2. Testing Assumptions
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EXECUTIVE SUMMARY

1. The Monmouthshire County Council Viability Assessment update provides the Council with evidence to assist it in drawing up a draft Community Infrastructure Levy (CIL) charging schedule for examination. This update builds upon the July 2014 Viability Study used to inform the CIL Preliminary Draft Charging Schedule (PDCS) published in February 2015 and takes account of the changes in costs and values affecting development in Monmouthshire generally, as well as changes to specific infrastructure requirements for strategic sites. It also undertakes the viability testing on the affordable housing components on the same basis as the November 2014 Monmouthshire Affordable Housing SPG, which has been published in draft since the last viability study was undertaken.
2. This report should be read in conjunction with the separate viability testing update for non-residential uses undertaken by Peter Brett Associates.
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 now like to consider are:

Development	Recommended CIL rates
SAH1 Deri Farm, Abergavenny	£60
SAH2 Crick Road, Portskewett	£80
SAH3 Fairfield Mabey, Chepstow	£0
SAH4 Wonastow Road, Monmouth	£80
SAH5 Rockfield Farm, Undy	£80
SAH6 Vinegar Hill, Undy	£80
SAH7 Sudbrook Paper Mill	£80
Sites of less than 3 dwellings anywhere in Monmouthshire	£0
Non-strategic development of 3 or more dwellings in Severnside	£80
Non-strategic development of 3 or more dwellings in Monmouth	£100
Other non-strategic development of 3 or more dwellings elsewhere in Monmouthshire	£120
Main and minor village affordable housing-led schemes	£0
Retirement housing	£0

5. These rates provide a simple framework of charges and preserve a substantial buffer for the majority of strategic sites, which will help to ensure delivery. The proposed rates means the majority of development will be able to proceed.
6. On a 'typical' 85 sq m market 3 bed semi the proposed charges would be £6,800 where the £80/sq m rate applies and £10,200 where the £120/sq m rate applies. The equivalents will be £10,400 and £15,600 respectively for a 130 sq m four bed detached house. 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, indicating much of the development in Monmouthshire will be paying more under CIL than s106, particularly non-strategic development in higher value areas. Sites of less than 3 dwellings will be unaffected by CIL.
7. CIL will remain a small part of the development costs and value – e.g. Case study 70 with 10 dwellings in Abergavenny will have a CIL of £120/sq m totalling approximately £85,320 which is 5.2% of total scheme development cost (excluding land purchase) and 4.3% of gross development value.

1 INTRODUCTION

1.1 Three Dragons was commissioned by Monmouthshire County Council in 2015 to produce this updated 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.

1.2 This report should also be read with the separate Peter Brett Associates report on non-residential viability, which provides recommendations for non-residential CIL rates¹.

Purpose of the Economic Viability Assessment

1.3 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.

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

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

1.5 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. In July 2014, Three Dragons and Peter Brett Associates undertook residential and non-residential viability testing² and this was used to inform the Monmouthshire Preliminary Draft Charging Schedule (PDCS).

1.6 This updated viability evidence takes account of changes in values and costs since 2014 as well as the draft Affordable Housing SPG, which provides direction about the value of affordable housing to mixed tenure schemes.

The Community Infrastructure Levy (CIL)

1.7 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 geographically³. CIL is set out as £s /sq m for developments of 1

¹ PBA, 2015, Monmouthshire County Council Community Infrastructure Levy Viability Assessment Addendum – Update of Non-residential Viability Assessment.

² Three Dragons and Peter Brett Associates, 2014, Viability Evidence for development of a Community Infrastructure Levy Charging Schedule

³ Regulation 13

dwelling or more, or over 100 sq m additional non-residential floorspace. Exemptions include affordable housing, self-build and charities.

- 1.8 DCLG has provided Guidance for the Community Infrastructure Levy⁴, which was added to Planning Practice Guidance in June 2014. This guidance is applicable in Wales and England and explains that charging authorities should not set the rate at the margins of viability. A charging authority's proposed rate or rates should be reasonable, but there is no requirement for a proposed rate to exactly mirror the evidence (para 19). The Guidance has formalised the concept of a viability 'buffer' although it is not quantified (para 19).
- 1.9 The Guidance requires an area-based approach using a 'broad test of viability' using 'appropriate available' evidence (para 19). The testing should include an appropriate range of types of sites across its area, including strategic sites (para 19), with appropriate costs (para 20).
- 1.10 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 (para 21). Undue complexity and state aid should be avoided (para 21)
- 1.11 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
- 1.12 An allowance for residual s106 contributions have been included within the viability assessments.

Guidance on plan viability testing

- 1.13 Guidance has also been published to assist practitioners in undertaking viability studies for policy making purposes – “Viability Testing Local Plans - Advice for planning practitioners”⁵ (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.”

- 1.14 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:

⁴ Department for Communities and Local Government (DCLG) , February 2014, Community Infrastructure Levy Guidance,

⁵ 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.

“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)

1.15 This viability assessment has been undertaken in compliance with the CIL regulations and guidance.

Local Plan Policies

1.16 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.

1.17 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% 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. In the locations where 25% and 35% affordable housing is required, developments of below 5 dwellings may provide a commuted sum for offsite provision; and for developments of 5 or more dwellings the on-site affordable housing is rounded to the nearest unit⁶. Therefore the impacts of rounding are included in the modelling.
- 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

⁶ 0.5 of a unit and above round up, otherwise round down.

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.

1.18 In addition to these policies, the Council has advised that Rockfield Farm and Vinegar Hill may be required to provide sections of the Magor-Undy bypass (subject to the M4 relief road) and this has been included as part of the assessment.

Affordable Housing SPG

1.19 Monmouthshire County Council produced a draft Affordable Housing SPG in November 2014. This includes requirements that affordable housing floor areas meet DQR standards and that the provision of affordable housing through s106 on mixed schemes is undertaken at 42% of the Welsh Governments Acceptable Cost Guidance (ACG) values⁷. The viability testing takes this into account:

- Although there are no explicit space standards for DQR, Monmouthshire County Council has provided floor areas for DQR-compliant affordable housing; and these floor areas have been used in the testing.
- The affordable housing values used in the testing use 42% of the values set out in the 2015 ACG, based on the appropriate ACG geography band. The ACG bands are not coterminous with the value zones used in the rest of the testing and so where a value zone spans more than one ACG band, the lower ACG band is used.

Preliminary Draft Charging Schedule

1.20 The Monmouth CIL Preliminary Draft Charging Schedule was published in September 2014. This proposed the following 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

⁷ <http://gov.wales/docs/desh/publications/150401-acceptable-cost-guidance-en.pdf>

Category	Geographical Area	CIL rate per square metre
(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

Preliminary Draft Charging Schedule Representations

1.21 Monmouthshire County Council consulted on the CIL Preliminary Draft Charging Schedule in 2015. Representations mainly focused on aspects of the viability evidence and included:

- Concern that land value benchmarks are inconsistent or too low.
- Agreement with a 30% viability buffer.
- Viability testing inconsistent with the affordable housing value requirements in the Affordable Housing SPG.
- Concern that CIL rates are too high, with strategic sites and Severnside highlighted.
- Questioning the premium value attached to riverside housing in Chepstow.
- The need to include circulation space for flats and garages for houses.
- Opening up costs should be increased.
- Developer profit should be higher and internal rate of return (IRR) used as the profit measure.
- Use of the strategic site specific costs within the testing.
- Residual s106/278 of £1,000/dwelling is too low.
- CIL exemptions and lack of detail in the draft Regulation 123 list

1.22 This updated Viability Study responds to these representations as follows.

Land Value Benchmarks

1.23 The viability assessment continues to use a premium over existing use as the basis for establishing land value benchmarks, set within the context of appropriate comparables where these are available. It is important to note that the benchmarks represent the *lowest* price that land owners will release land for development, not the highest price (which is typically represented by unfiltered market values). Representations provide evidence of land values in Newport and for schemes with no affordable housing which we do not consider provide more appropriate evidence than that provided by Land Registry for Monmouthshire. Further discussion about the issues around setting a land value benchmark and the evidence used can be found in Section 2 of this report and in Annex 1.

Viability Buffer

- 1.24 The comment is noted and the buffer retained.

Affordable Housing SPG

- 1.25 The implications of the new SPG have been discussed with the Council and the updated testing includes values at 42% of ACG and DQR compliant affordable housing space standards, as in the SPG.

CIL rate recommendations

- 1.26 The basis of the comments about recommended CIL rates included some confusion about gross and net development areas, as well as an emphasis on whether a limited set of development typologies were viable in Severnside. However, the comments about CIL rates are noted and considered in the updated viability appraisals.

Waterside Premium in Chepstow

- 1.27 Further work has been undertaken in relation to asking prices on the Severn Quays waterside site. This indicates that there is a premium over 'standard' Chepstow values. Therefore the appraisals have continued to use a conservative uplift assumption (equivalent to a 6% uplift) for the Chepstow strategic waterside site (SAH3).

Circulation Space for Flats, and Garages

- 1.28 Updated testing includes 10% circulation for 1-2 story flats.
- 1.29 In relation to garages it should be noted that there is no policy requirement for garages and that there is an expressed preference for car ports instead (MCC, 2013, Domestic Garages SPG). However, the relatively generous build costs provided by BCIS together with the allowance for external works will encompass the cost of providing garages on a proportion of dwellings if developers choose to make this provision. Therefore no changes have been made in the appraisals in relation to garages.

Opening Up Costs

- 1.30 The allowances used for opening up costs are based on experience and review of scheme costs elsewhere, and discussed as part of the 2014 developer workshop. It is clear that the opening up costs referred to in the representations have a broader definition and also include costs already allowed for in the viability testing, such as external works, residual s106 and site specific infrastructure allowances. Taken together, these allowances are more generous than the amounts suggested in the representations. Therefore no changes have been made in the appraisals for opening up costs (except for some updated information on site specific infrastructure received from some scheme promoters).

Developer Return

- 1.31 In the representations Savills have argued for higher developer returns including a 20% return for affordable housing. The developer returns of 20% for market housing and 6% for affordable housing were discussed in the developer workshop in March 2014. This discussion also noted that Savills had agreed 20% for market housing and 6% return for affordable housing as a

statement of common ground for the Caerphilly CIL and it is unclear why this should be different in Monmouthshire.

- 1.32 A 20% return for market housing and 6% return are commonly accepted at recent CIL examinations⁸. The issue for profit benchmarks is determining an acceptable return for the likely risk, which is why a higher rate is required for market housing than the affordable housing, with lower risks resulting from sale agreed before construction. This required return against risk should not be conflated with the justifiable but entirely separate consideration of developers maximising returns for investors.
- 1.33 It should be noted that BCIS figures for build cost also include a contractor return, which in effect pushes up the overall return beyond the 20% and 6% used here. We note that the house builders' operating returns have generally been below 20% since before the recession.
- 1.34 The use of IRR⁹ as a measure instead of profit on GDV (as put forward in one representation on the PDCS) may have been discussed informally by practitioners forums but has not been accepted as the preferred measure either in the Local Housing Delivery Group Guidance, the Planning Practice Guidance, or in relation to CIL nor at recent examinations we are aware of.
- 1.35 Importantly, the Three Dragons Toolkit used for undertaking the viability appraisals in Monmouthshire includes a discounted cash flow function, and this is already used for the testing of the larger case studies. This explicitly takes account of investment and returns over time within the framework of a residual land appraisal.

Residual s106/278

- 1.36 The £1,000/dwelling estimate of the residual s106/278 has been provided by the Council as being a typical sum used to provide on-site children's' play and other minor requirements. This is based upon recent experience. Other items (such as education and sustainable transport) will be funded through CIL and therefore will not form part of s106/278.

Exemptions and R123 List

- 1.37 The decision to offer exemptions from CIL is up to the Council. The R123 list is outside the scope of this report and is being addressed separately by the Council.

Research evidence

- 1.38 The research which underpins the original and updated viability assessments includes:

⁸ e.g. Wigan August 2015, Southend on Sea April 2015

⁹ Generally, IRR is a corporate finance tool used to compare the attractiveness of different projects with different timings of investment and return. In its standard form it does not produce a useful output for a residual land value appraisal, partly as the amount available to pay for land is an input, not an output. Issues with IRR include no accepted benchmarks for acceptable IRR, sensitivity to small changes in assumed inputs, lack of agreed information on inputs, lack of transparency and therefore an impression of spurious accuracy when applied as part of an area wide viability analysis. Three Dragons has undertaken separate consultation with housebuilders in 2012/13 about the use of IRR as a measure and this failed to show any compelling case to use it against the more widely understood return on value.

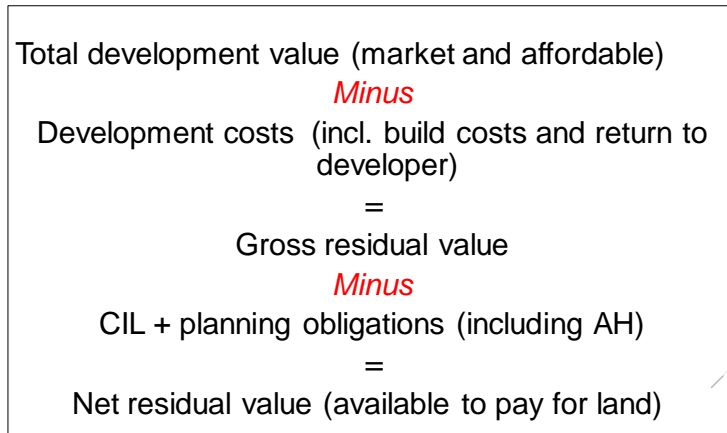
- An analysis of publicly available data to identify the range of values and costs needed for the viability assessment. This includes land registry price data up to April 2015 and build costs from BCIS in September 2015;
- Discussions with council officers from planning, estates and housing departments;
- 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;
- Further consultation on house prices in August/September 2015. March 2014 workshop attendees were contacted with updated house prices and telephone interviews were undertaken with estate agents active in Monmouthshire.
- Use of the Three Dragons Toolkit, adapted for Monmouthshire to analyse scheme viability for residential development.

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 guidance¹⁰ 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 of local land transactions, 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 notional 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

¹⁰ Welsh Government, 2011, Community Infrastructure Levy Preparation of a Charging Schedule,

threshold land 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 Tydfil¹¹ (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 more recent discussion about house prices in August/September 2015 as part of the updating process. The updating process has also taken into account further information now available for the strategic sites, as well updated build costs based on BCIS.

Table 2-1 Development Costs

Item	Rate	Notes
Build costs - Flats (1-2 storeys)	£1,097/sq m	Includes 15% for external works. BCIS with Gwent location weighting ¹² , 5 year median
Build costs - Houses (2 storeys)	£981/sq m	Includes 15% for external works. BCIS with Gwent location weighting, 5 year median
Build costs - Bungalows	£1,125/sq m	Includes 15% for external works. BCIS with Gwent location weighting, 5 year median

¹¹ 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.

¹² 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
Small sites build cost ¹³ <ul style="list-style-type: none"> - 2-3 dwellings – houses - 2-3 dwellings – flats - 2-3 dwellings - bungalows - Single dwellings - house 	£1,079/sq m £1,208/sq m (2 storey) £1,238/sq m £1,607/sq m	Single dwelling development costs based on the BCIS values for 'one-off developments'; 2 and 3 dwelling developments based on standard BCIS build costs + 10%. A 15% allowance for external works has been added.
Retirement housing	£1,168	Based on BCIS 5 year median 2 storey sheltered housing; includes 15% for external works.
Professional fees	12% of build costs for 1-3 dwellings; 10% of build costs for 4-50 dwellings 8% of build costs for 51+ dwellings	
Finance	6% of development costs	
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 is in addition to the 15% allowance for external works to cover standard site preparation and the

¹³ FSB published a report on build costs for small sites (BCIS, 2015, Housing development: the economics of small sites). Three Dragons has reviewed this work and has agreed with BCIS that the build cost issues with smaller sites primarily relate to single dwelling developments and that 2-5 dwelling developments have costs close to the overall average build costs. Therefore single dwelling build costs are based upon the 'One off development' build costs provided by BCIS while 2 and 3 dwelling developments use 10% above standard build costs, which is the approach used in the 2014 Viability Study.

provision of services within the site to the build plots, as well as frontage roads and landscaping etc.

- 2.9 Expressed on a per dwelling basis, for a 'typical' 95 sq m dwelling the external works is c.£11,880¹⁴, and at 30 dph the opening up costs are £3,300 per dwelling¹⁵, producing a combined total of £15,180/dwelling for costs on larger sites. Added to this will be the site specific infrastructure costs for development on the strategic sites. This will vary depending on the information made available about the sites.
- 2.10 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 (and is in addition to the build costs, external works and, where applicable, opening up costs). 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 these¹⁶ have been included within the modelling for each of the sites.
- 2.11 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.
- 2.12 In addition to having a separate build cost, retirement housing has 6% marketing costs and £120,000 empty property costs, sales are spread over three years and 25% of the GIA is communal space (i.e. non saleable). Affordable housing assumptions are the same as for general housing i.e. 42% of ACG. Retirement housing is assumed to have 18 months until first sale, with sales then spread over the next three years.
- 2.13 The general build cost figures from BCIS have decreased slightly since the 2014 viability testing (except for the single dwelling sites). This confirms anecdotal evidence from around England and Wales that the immediate peak in build costs has passed.

Development Values

Market Housing Values

- 2.14 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

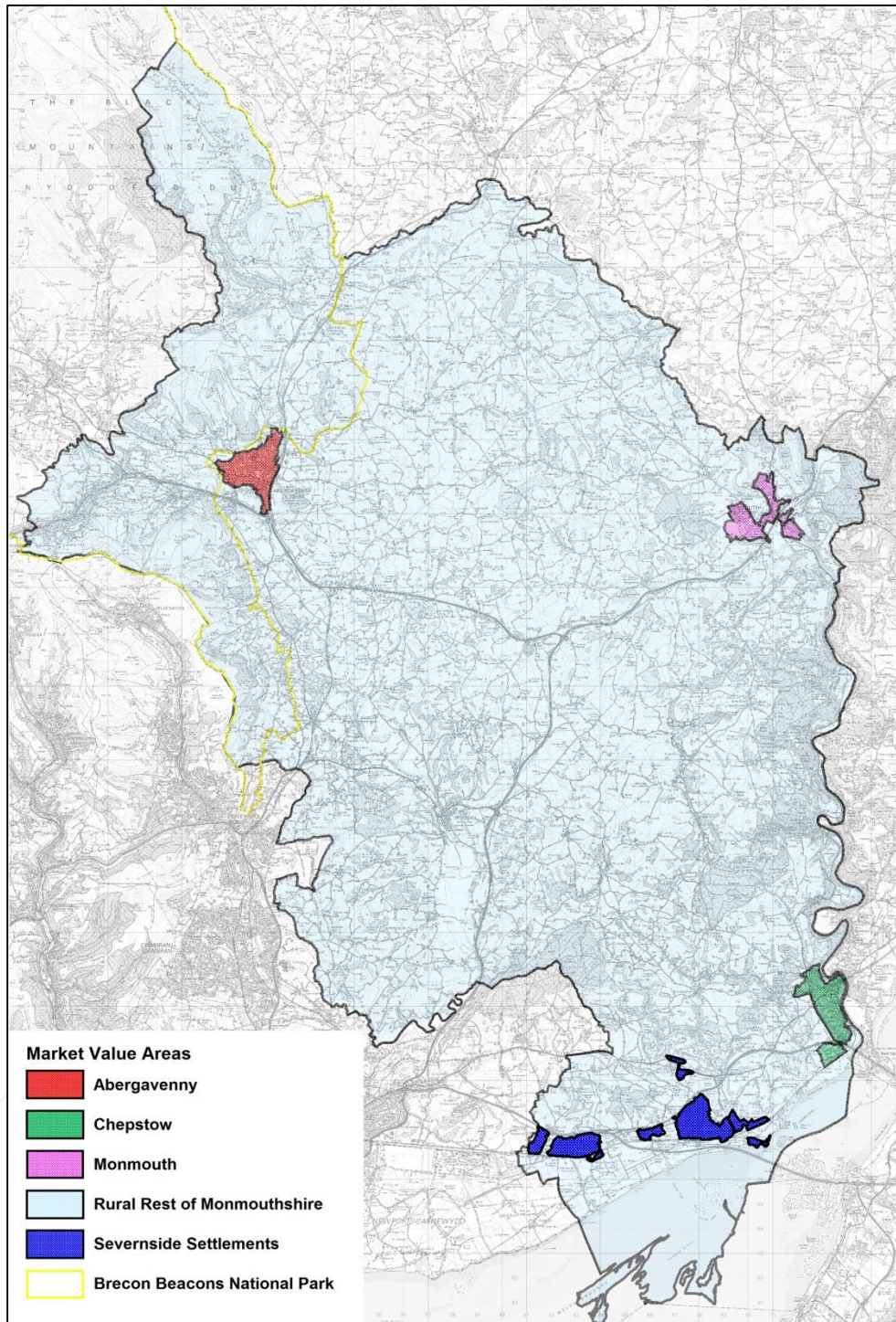
¹⁴ The external works allowance is £125/dwelling sq m, multiplied by 95 sq m

¹⁵ £100,000 divided by 30

¹⁶ 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.

price analysis undertaken in 2014 and now in 2015 confirms that there are value variations between these areas.

Figure 2.2 House Price Areas in Monmouthshire



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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.

2.15 The house prices used for this 2015 update take into account the values used in 2014 and assess recent data to determine whether they need to change. The process included the following tasks:

- Review of Land Registry price paid data for new build development in 2014 and 2015, plus 2013 for some locations where there was a particular paucity of data. The values were reviewed both at their original values and taking into account subsequent changes in the market (Land Registry’s House price index records an increase of 7% between January 2013 and June 2015, and an increase of 3% from June 2014 to June 2015).
- The Land Registry data was also assessed on a £/sq m basis in order to ensure that difference in dwelling sizes did not skew the estimates.
- House prices for new build dwellings currently for sale in Monmouthshire were reviewed against the data from Land Registry. Taking into account a discount from asking to achieved prices (estimated at 4%), this provides an up to date indication about prices as well as extending the range of data.
- The development industry was consulted about the proposed house prices to be used in the assessments. This process included circulation of a briefing paper to attendees of the 2014 workshop and telephone interviews with agents active in Monmouthshire¹⁷. Adjustments were made to the prices in response to the feedback about new build values.

2.16 Therefore the house prices used in this viability study update are based upon professional judgement informed by recent achieved new build prices, current new build dwellings for sale and the views of property professionals active in the area. The house price estimates are presented below. Clearly, individual dwellings may sell above or below these averages depending on their size and specific location.

Table 2-2a House prices for Monmouthshire Value Areas – per dwelling

Revised Dwelling Prices	Abergavenny	Chepstow	Monmouth	Severnside	Rural rest of Monmouthshire
1 bed flat	£115,000	£125,000	£125,000	£100,000	£115,000
2 bed flat	£130,000	£146,000	£140,000	£120,000	£130,000
2 bed terrace	£170,000	£175,000	£165,000	£140,000	£179,000
3 bed terrace	£195,000	£210,000	£195,000	£170,000	£200,000
3 bed semi	£210,000	£215,000	£200,000	£194,000	£210,000
3 bed detached	£215,000	£220,000	£210,000	£200,000	£224,000
4 bed detached	£310,000	£315,000	£302,000	£290,000	£343,000

¹⁷ Responses were received from 7 agents active in Monmouthshire

Revised Dwelling Prices	Abergavenny	Chepstow	Monmouth	Sevenside	Rural rest of Monmouthshire
5 bed detached	£375,000	£380,000	£333,000	£325,000	£395,000

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

Table 2-2b House prices for Monmouthshire Value Areas – £/sq m

£/sq m	Abergavenny	Chepstow	Monmouth	Sevenside	Rural rest of Monmouthshire
1 bed flat	£2,556	£2,778	£2,778	£2,222	£2,556
2 bed flat	£2,364	£2,655	£2,545	£2,182	£2,364
2 bed terrace	£2,615	£2,692	£2,538	£2,154	£2,754
3 bed terrace	£2,438	£2,625	£2,438	£2,125	£2,500
3 bed semi	£2,471	£2,529	£2,353	£2,282	£2,471
3 bed detached	£2,529	£2,588	£2,471	£2,353	£2,635
4 bed detached	£2,385	£2,423	£2,323	£2,231	£2,638
5 bed detached	£2,419	£2,452	£2,148	£2,097	£2,548

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

- 2.17 Compared to the values used in 2014, house prices have generally increased slightly, which also accords with the rise in the overall Land Registry house price index for Monmouthshire. The increase is not uniform and will apply to different dwelling types in different areas. Some dwelling types have seen no change and a minority have decreased in price.
- 2.18 Waterfront developments are known to create higher than average values. 2012 research¹⁸ 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 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 asking prices for the adjacent Severn Quays waterside site have been reviewed and these also indicate a premium over ‘standard’ Chepstow values. 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.
- 2.19 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

¹⁸ Knight Frank, 2012, How do waterfront locations affect prices?

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. The single dwelling development has also been sensitivity tested at 20% premium, recognising that many single dwellings are bespoke developments able to benefit from a mature environment.

2.20 The values used for modelling the retirement housing are in Table 2.3 below. These have been estimated using the guidance provided by the Retirement Housing Group¹⁹ as there is little current evidence.

Table 2.3 Retirement Housing Values

	Abergavenny	Chepstow	Monmouth	Severnside	Rural rest of Monmouthshire
1 bed flat	£157,500	£161,250	£150,000	£145,500	£157,500
2 bed flat	£210,000	£215,000	£200,000	£194,000	£210,000

Affordable Housing

2.21 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

2.22 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.

2.23 The affordable housing is modelled using 42% of the values in the Welsh Government’s Acceptable Cost Guidance²⁰, in line with Monmouthshire County Council’s draft Affordable Housing SPG. The Acceptable Cost Guidance figures used are presented in Table 2.4 below.

¹⁹ Retirement Housing Group, 2013, Community Infrastructure Levy and Sheltered Housing/Extra Care Developments briefing note

²⁰ Welsh Government, 2015, Acceptable Cost Guidance/On Costs for use with Social Housing Grant Funded Housing in Wales.

Table 2-4 Acceptable Cost Guidance 2015.

	<i>Abergavenny, Severnside, Rural</i>	<i>Monmouth, Chepstow</i>
Unit Type	Band 4	Band 5
2P1B Flat	£101,900	£108,000
3P2B Flat	£126,600	£133,500
3P2B Bungalow	£157,700	£174,700
4P2B House	£161,600	£175,500
5P3B House	£179,400	£194,200
6P4B House	£209,000	£226,000

Source Welsh Government.

Types of testing

2.24 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 45 case studies ranging in size from 1 to 450 dwellings.

2.25 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 mix at a recent scheme. 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%		

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

	Proportion of affordable dwellings
1 bed flat	22%
2 bed bungalow	3%
2 bed terrace	45%
3 bed terrace	25%
4 bed terrace	5%
Total	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, allowance for external works, 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).

3.8 Note that the figures presented are the *theoretical maximum CIL* that might be supported. In practice a buffer will need to be included, as required by the CIL guidance.

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



3.9 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 have the strongest viability 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 in each value area that shows a potential CIL of over £200 per sq m.
- Severnside value area (which already has a lower affordable housing requirement – at 25%) shows a reduced potential for CIL. At most, this is £170 per sq m with the 30 dph development mix.

3.10 The PDCS proposed CIL rates for non-strategic sites of £110/sq m in Abergavenny, Chepstow and Monmouth and the Rural Rest of Monmouthshire (with the exception of development proposing over 35% affordable housing or retirement housing). It also proposes a CIL rate of £60/sq m for non-strategic sites in Severnside settlements. On the basis of this updated 1ha tile testing, both these rates remain sound and there is arguably some scope to increase them, subject to an appropriate buffer and the evidence of infrastructure funding requirements. However it is important to consider the other case studies before coming to a final view on this issue.

4 RESIDENTIAL VIABILITY TESTING – CASE STUDY SITES

Introduction

- 4.1 The Council has identified 45 case studies, varying in size from 1 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.
- 4.2 Understanding the role of different site typologies is useful in assessing the importance of the viability results. The following is an extract from the LDP which highlights for dwellings yet to be built or otherwise committed:
- The significant contribution from new site allocations (about 73% of total dwellings).
 - 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 (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

4.3 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)

4.4 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

4.5 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.). As discussed earlier this approximates to just over £12,000 per dwelling or in the order of £360,000 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 £12,000 above takes the total cost per dwelling to well over £15,000.
- 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. Amongst other factors, this takes account of rates of sale and the timings of costs and revenues.

4.6 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). Where an issue is required by policy we have included it within the viability appraisal, such as the undergrounding of power cables in Deri Farm. Some sites have costs associated with making the site suitable for development (e.g. decontamination of brownfield land) and where these might reasonably be judged to form part of any due diligence we have assumed that they will feature in any negotiations about purchasing the land and the price adjusted accordingly – i.e. a cost to the landowner not a cost to the development or the community. For example this would include decontamination and site clearance costs for the brownfield strategic sites at Sudbrook Mill and Fairfield Mabey.

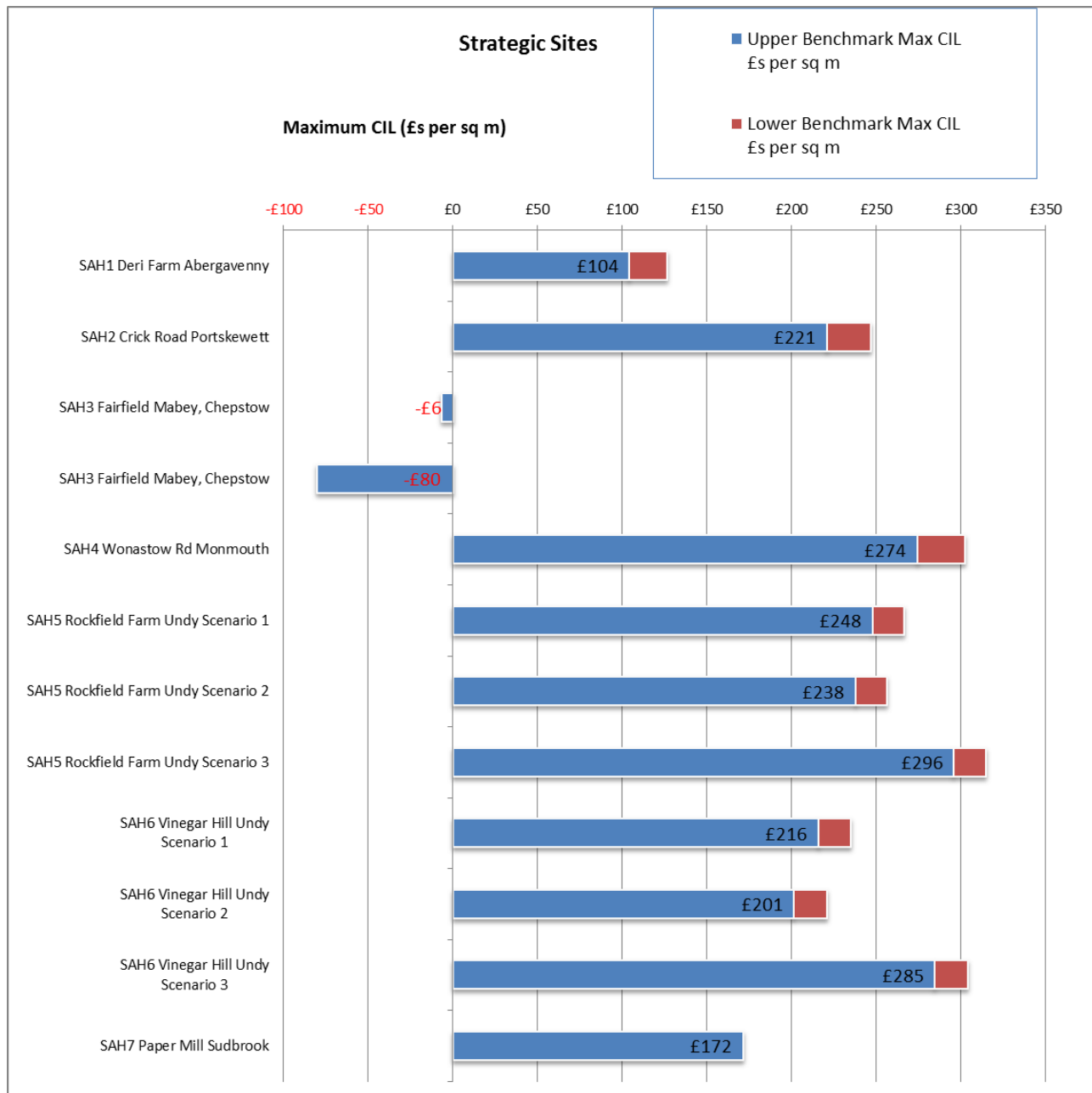
- 4.7 To obtain the best estimates for all these requirements we have consulted the Council who, in turn, wrote to all the scheme promoters following the development industry workshop in 2014 and more recently as part of this update in 2015. Where we have not been provided with up to date information, 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.
- 4.8 The Council has advised on changes to the costs borne by some strategic sites:
- SAH1 Deri Farm requires undergrounding/moving the overhead power lines across the site. Costs for undertaking this have increased from the £4m estimated in 2014 to £5m in this work.
 - 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 *Scenario 1* and *Scenario 2* respectively. The Council has advised that it is *probable* that the roundabout improvements will not be required and therefore this is a sensitivity test rather than the anticipated outcome. The other site specific costs for Fairfield Mabey have increased to reflect the transfer of a cost item from CIL to s106 and increased cost estimates for other items.
 - SAH5 Rockfield Farm and the adjacent SAH6 Vinegar Hill continue to be 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 *Scenario 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 *Scenario 2* for both of these sites.
 - Route safeguarded – adjustment to gross to net only and no direct cost for road construction. This is *Scenario 3* for both of these sites.
- The Council has advised that it is probable that a by-pass will not be required (as the M4 relief road consultation is now taking place) and so a non-frontage road is the most likely requirement (Scenario 1).
- There have been minor changes to the cost of the ecology infrastructure required for SAH7 Sudbrook Mill.
- 4.9 SAH4 Wonastow Road is now partly consented. However it is not clear how the infrastructure costs are split between the consented and unconsented sections of the site and so the whole site is tested, with the assumption that the overall site will continue to provide the 450 dwellings set out in the LDP.
- 4.10 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

Name	Dwgs	gross ha	net ha	gross to net	dph	What mix?	market value area	% AH	BLV	delivery pa (starting 2015/16)	Opening up costs	Strategic Sites specific costs
SAH1 Deri Farm Abergavenny	250	8.7	7.7	89%	32	30 dph	Abergavenny	35%	£250,000	20pa in yr 1, 40 pa after	£100,000/net ha	£5,250,000
SAH2 Crick Road, Portskewett (Severnside)	285	9.95	7.7	77%	37	40 dph	Severnside	25%	£250,000	55pa	£100,000/net ha	£120,000
SAH3 Fairfield Mabey, Chepstow	350	13.1	9.50	73%	37	40 dph	Chepstow	35%	£650,000	45pa in yr 1, 90 pa after	£100,000/net ha	Two scenarios £5.55m/ £7.24m
SAH4 Wonastow Road, Monmouth	450	19.61	16.46	84%	31	30 dph	Monmouth	35%	£250,000	62pa in yr 1, 100 pa after	£100,000/net ha	£420,000
SAH5 Rockfield Farm, Undy (Severnside)	270	9	8.20	91%	33	30 dph	Severnside	25%	£250,000	55pa	£100,000/net ha	Three scenarios £1.7m/£1.97m/ /£0.4m
SAH6 Vinegar Hill, Undy (Severnside)	225	7.81	7.81	100%	29	30 dph	Severnside	25%	£250,000	50pa	£100,000/net ha	Three scenarios £2.0m/£2.32m/ /£0.45m
SAH7 Paper Mill, Sudbrook, (Severnside)	190	6.6	6.6	100%	29	30 dph	Severnside	25%	£650,000	50pa	£100,000/net ha	£34,200

- 4.11 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.
- 4.12 Again we model sites in Severnside with a lower affordable housing requirement than elsewhere (25% compared to 35%).
- 4.13 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. Again, it is important to note that the figures presented are the *theoretical maximum CIL* that might be supported.

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



- 4.14 All the strategic sites except SAH3 Fairfield Mabey 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 of £274/sq m against the higher greenfield land benchmark.

- ii. SAH2 Crick Road, SAH5 Rockfield Farm (scenario 1 – non-frontage road) and SAH6 Vinegar Hill (scenario 1 non-frontage road) all have a potential maximum CIL of between £216-£248/sq m against the higher land value.
- 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). The testing includes significant additional costs and as a result the site is marginally viable and unable to support a CIL. If the development also has to fund High Beech Roundabout improvements then the residual value will fall significantly below the benchmark.
- 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 maximum potential CIL of £172 / sq m. When Sudbrook Mill was tested in 2014 the viability was not strong enough to support a CIL, even though relatively little site specific infrastructure was required as part of policy SAH7²¹ and the site provides less affordable housing than the other strategic sites. However, the values are now estimated to have risen in Severnside and this has strengthened the viability to the extent that it is able to support a CIL.
- v. SAH1 Deri Farm is able to support a potential maximum CIL of £104/sq m against the higher land value.

4.15 The PDCS proposed CIL rates for strategic sites of £60/sq m except for Sudbrook Mill, which was proposed to have a CIL of £0. On the basis of this updated strategic site testing, the rates will require some amendment:

- Significant additional costs have been identified for Fairfield Mabey and as a result this site will no longer be able to support a CIL. Some of the additional costs result from infrastructure being paid for by s106 rather than CIL, as agreed with Monmouthshire County Council.
- The general cost and value changes for Sudbrook Mill has meant that the site can now support a CIL, with a theoretical maximum comparable to other strategic sites.
- The £60/sq m rate proposed in the PDCS remains achievable for the other strategic sites and there is some scope to increase it, subject to an appropriate buffer and the evidence of infrastructure funding requirements. However, it should be noted that the viability at Deri Farm is less strong in relative terms (as a result of the additional undergrounding costs) and for this site the scope for increases is limited.

Small Case Study Sites (Case Studies 8 - 85)

4.16 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

²¹ Only ecological mitigation totalling £34,700 for the whole site.

case studies vary in size from 1 to 35 dwellings. The choice of small case studies reflects a number of factors:

- Build costs vary between single dwelling developments and developments of two/three dwellings. Build costs also vary between developments of two/three dwellings and four or more dwellings²².
- Values differ between 1-3 dwelling developments and 4 or more dwellings²³.
- Policy S4 requires that on developments of 5 or more dwellings where 35%/25% affordable housing is required, the number of units is rounded, with ½ unit rounding up. In practice this means that the affordable housing requirement will vary around the 35%/25% headline rates. The effect is most pronounced for the smaller sites (below 25 dwellings). Above 30 dwellings the effect is de minimis and has been ignored for 35 dwelling case study testing.

Case Studies 8-76

- 4.17 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 range from single dwellings to 35 dwellings in the market towns and Severnside. Different development sizes are tested in Severnside and in the market towns to ensure that the testing takes account of the instances where the requirement is above the headline rate because of rounding up of affordable units.
- 4.18 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.
- 4.19 Tables 4-3 and 4-4 below set 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.
- 4.20 The 1, 2 and 3 dwelling case studies are tested using higher build costs, as referred to above and discussed in section 2. The impact of these higher build costs are particularly evident for the single dwelling developments²⁴. These smaller sites are also tested with 10% higher values, reflecting the likely premium over estate housing. The single dwelling case study is also tested at 20% premium as a sensitivity test.
- 4.21 Tables 4-3 and 4-4 also note the unrounded affordable dwellings required by the headline policy and the rounded figures used for the testing.

²² See section 2 for the details of build costs used

²³ See section 2 for details of the dwelling values used

²⁴ Although this does not preclude the possibility that single development may come forward at costs similar to the 2 and 3 dwelling developments.

Table 4-3 Severnside Small Case Study Characteristics

Dwgs	Gross ha	Policy target AH dwgs	Rounded AH dwgs used for testing	Actual AH %	Dwelling Mix
35	1.17	8.75	8.75	25.00%	30 dph blended mix of terrace/semi/detached
34	1.14	8.50	9.00	26.47%	30 dph blended mix of terrace/semi/detached
30	1.03	7.50	8.00	26.67%	30 dph blended mix of terrace/semi/detached
26	0.87	6.50	7.00	26.92%	30 dph blended mix of terrace/semi/detached
23	0.77	5.75	6.00	26.09%	30 dph blended mix of terrace/semi/detached
22	0.74	5.50	6.00	27.27%	30 dph blended mix of terrace/semi/detached
19	0.64	4.75	5.00	26.32%	30 dph blended mix of terrace/semi/detached
18	0.60	4.50	5.00	27.78%	30 dph blended mix of terrace/semi/detached
15	0.50	3.75	4.00	26.67%	30 dph blended mix of terrace/semi/detached
14	0.47	3.50	4.00	28.57%	30 dph blended mix of terrace/semi/detached
11	0.37	2.75	3.00	27.27%	30 dph blended mix of terrace/semi/detached
10	0.33	2.50	3.00	30.00%	30 dph blended mix of terrace/semi/detached
7	0.23	1.75	2.00	28.57%	30 dph blended mix of terrace/semi/detached
6	0.20	1.50	2.00	33.33%	30 dph blended mix of terrace/semi/detached
4	0.13	1.00	1.00	25.00%	30 dph blended mix of terrace/semi/detached
3	0.10	0.75	0.75	25.00%	30 dph blended mix of terrace/semi/detached
2	0.07	0.50	0.50	25.00%	Two 4 bed detached houses
1	0.03	0.25	0.25	25.00%	One 4 bed detached house

Table 4-4 Market Towns Small Case Study Characteristics

Dwgs	Gross ha	Policy target AH dwgs	Rounded AH dwgs used for testing	AH %	Dwelling Mix
35	1.17	12.25	12.25	35.00%	30 dph blended mix of terrace/semi/detached
33	1.10	11.55	12.00	36.36%	30 dph blended mix of terrace/semi/detached
30	1.00	10.50	11.00	36.67%	30 dph blended mix of terrace/semi/detached
25	0.84	8.75	9.00	36.00%	30 dph blended mix of terrace/semi/detached
22	0.74	7.70	8.00	36.36%	30 dph blended mix of terrace/semi/detached
19	0.64	6.65	7.00	36.84%	30 dph blended mix of terrace/semi/detached

Dwgs	Gross ha	Policy target AH dwgs	Rounded AH dwgs used for testing	AH %	Dwelling Mix
16	0.54	5.60	6.00	37.50%	30 dph blended mix of terrace/semi/detached
13	0.44	4.55	5.00	38.46%	30 dph blended mix of terrace/semi/detached
11	0.37	3.85	4.00	36.36%	30 dph blended mix of terrace/semi/detached
10	0.33	3.50	4.00	40.00%	30 dph blended mix of terrace/semi/detached
8	0.26	2.80	3.00	37.50%	30 dph blended mix of terrace/semi/detached
5	0.17	1.75	2.00	40.00%	30 dph blended mix of terrace/semi/detached
4	0.13	1.40	1.40	35.00%	30 dph blended mix of terrace/semi/detached
3	0.10	1.05	1.05	35.00%	30 dph blended mix of terrace/semi/detached
2	0.07	0.70	0.70	35.00%	Two 4 bed detached houses
1	0.03	0.35	0.35	35.00%	One 4 bed detached house

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

Figure 4-2 Severnside Small Site Case Studies 8 - 25 Maximum Potential CIL

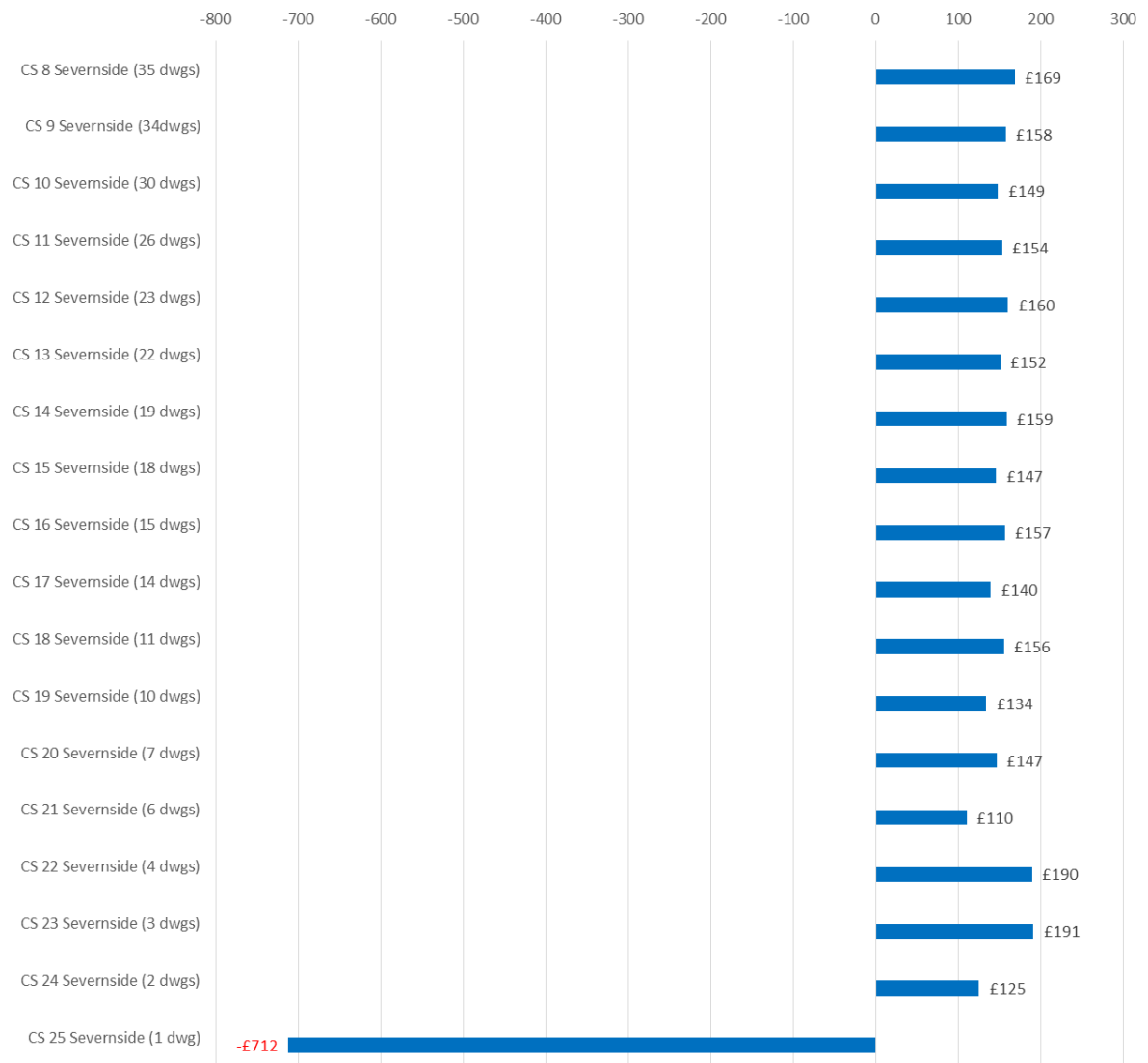


Figure 4-3 Monmouth Small Site Case Studies 26-42 Maximum Potential CIL

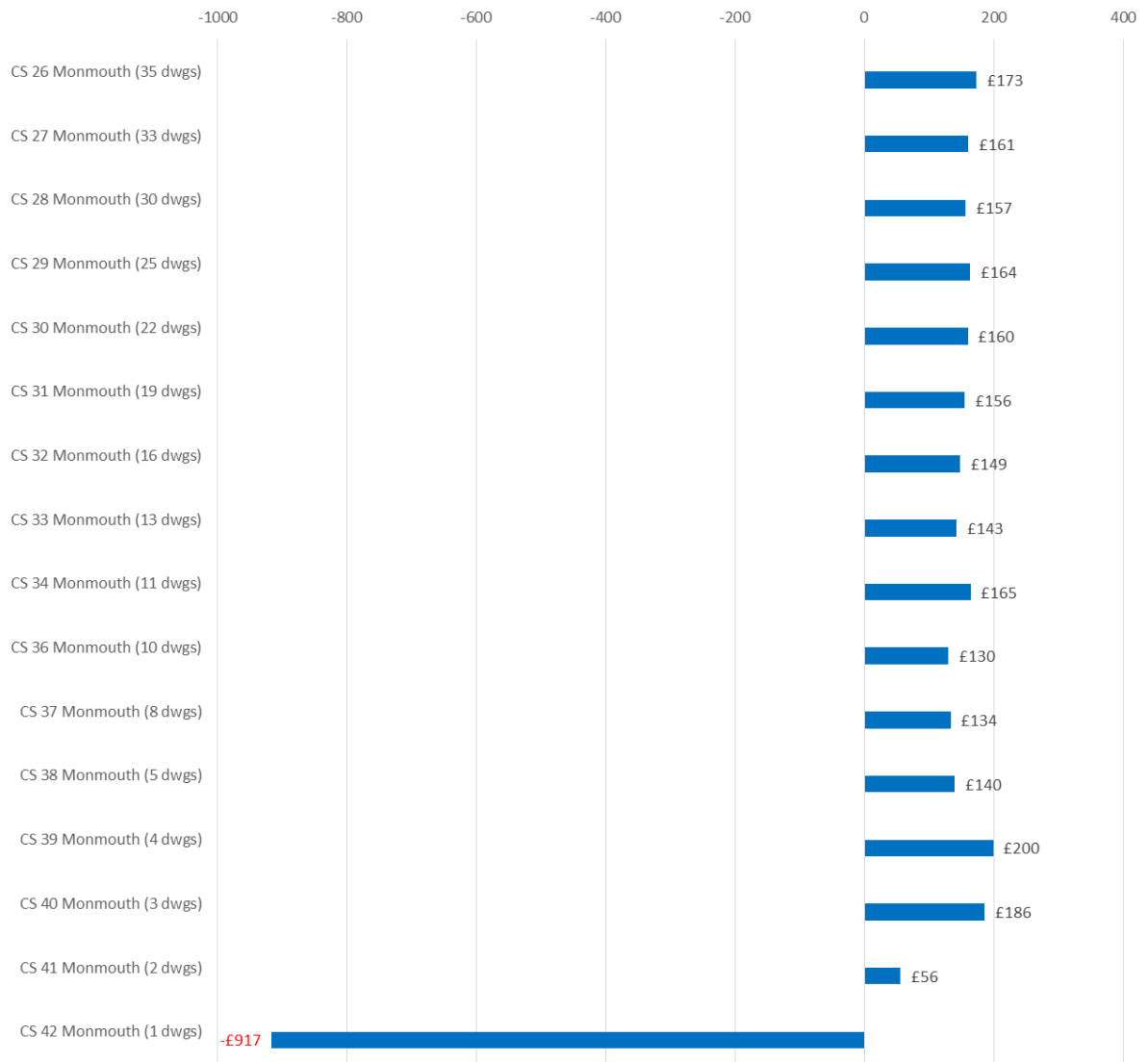


Figure 4-4 Chepstow Small Site Case Studies 43 - 59 Maximum Potential CIL

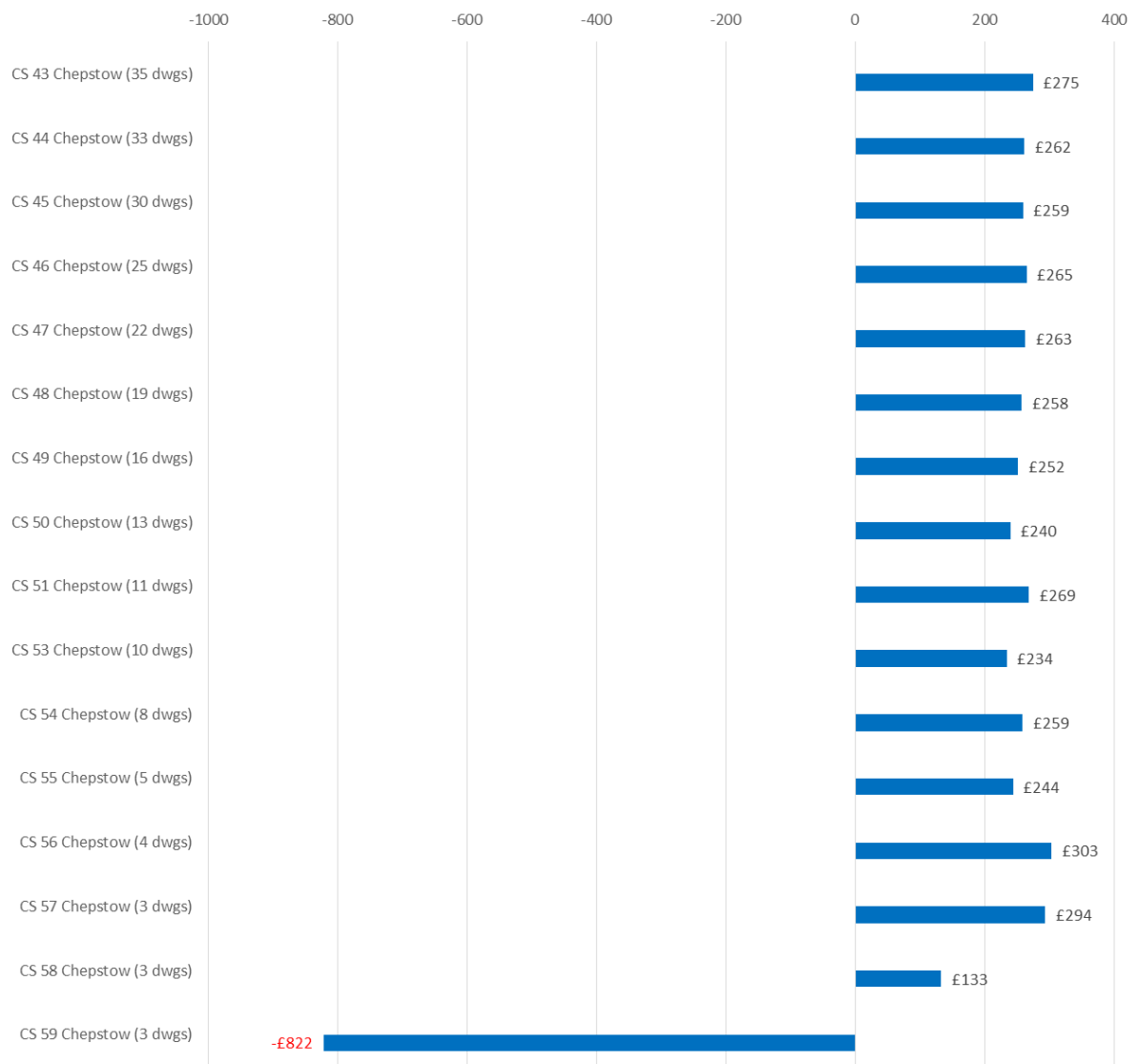
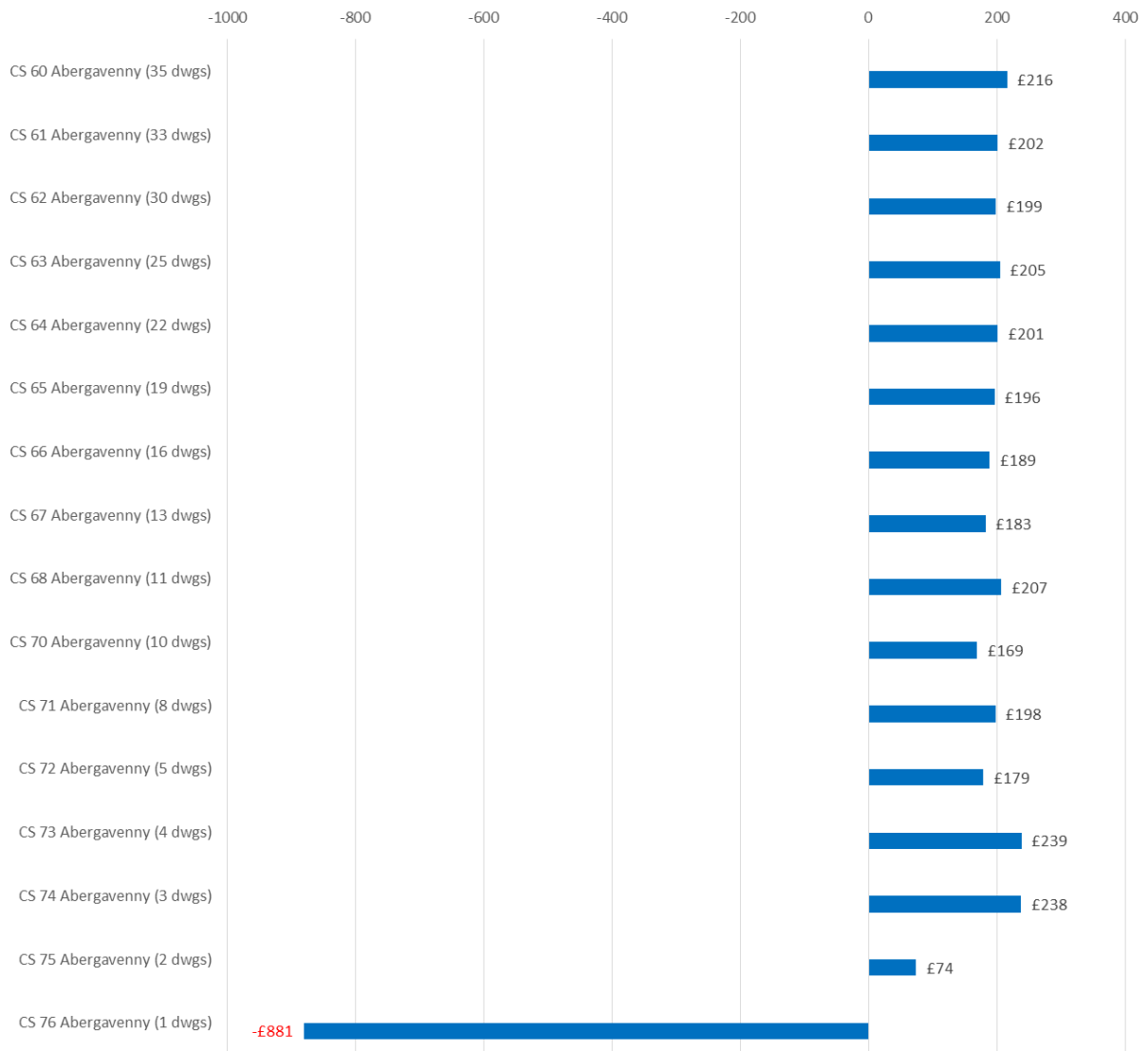


Figure 4-4 Abergavenny Small Site Case Studies 60 - 76 Maximum Potential CIL



- 4.23 Most of the case studies 8 to 76 all generate residual values over the land value benchmark and therefore can potentially make some level of CIL payment. The main issue with these smaller case studies is the single dwelling sites, where despite the value premium, the considerably higher build costs result in much poorer viability.
- 4.24 The two dwelling case studies comprise two 4-bed houses and these are viable, although at a lower maximum potential CIL. Along with the poor viability for the single dwelling sites, the relatively weak viability for the two dwelling sites is the main difference between the various case studies and is apparent across the different value areas tested. The three dwelling case studies (which use the standard 30 dph mix of house types) are more viable, and demonstrate similar viability to the rest of the case studies. This suggests that while a pair of four bed

detached houses on a site is very plausible, other dwelling mixes may provide better viability where the site is suitable²⁵.

- 4.25 There is relatively little difference between the viability of the larger of these small case studies within each value zone. The differences between value zones reflect the lower values in Severnside and the higher values in Chepstow, with Abergavenny and Monmouth falling between them. Note that the extent of the difference in value zones between Severnside and the market towns is masked by the lower proportions of affordable housing built into the Severnside modelling.
- 4.26 The single dwelling schemes have also been modelled with a 20% premium in values as a sensitivity test as single dwellings may attract considerably higher values than estate housing in some circumstances. While this strengthened the viability, it still failed to compensate for the higher build costs²⁶. Therefore, even with this premium single dwelling developments are unable to support a CIL.
- 4.27 The conclusions about the CIL that might be supported by these types of site are:
- Single dwelling sites have little ability to pay CIL
 - Other small sites of two or three dwellings can support a CIL payment. The detail of the dwelling mix will have an impact on viability and the two dwelling sites modelled have a poorer viability than the three dwelling sites. The two dwelling sites can support a theoretical maximum CIL of between £56/sq m and £115/sq m; and the three dwelling case studies can support a theoretical maximum CIL of between £186/sq m to £294/sq m.
 - Four to 35 dwelling sites may be able to support a theoretical maximum CIL of between £110/sq m and £303/sq m, depending on the value area.
- 4.28 The PCDS proposed a CIL of £60/sq m for non-strategic sites in Severnside and £110/sq m for non-strategic sites elsewhere (except for developments providing more than 35% affordable housing). The findings from these small sites case studies suggests that this needs to change, with single dwelling sites not able to pay CIL and some two dwelling developments only able to support a lower CIL. Apart from that, the other proposed charges of £60/sq m for non-strategic sites in Severnside and £110/sq m for non-strategic sites elsewhere can be supported and if necessary, increased. However, this would result in some two dwelling sites being unviable if they were included in these CIL charges.

Case Studies 77-85

- 4.29 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.

²⁵ Sensitivity testing with alternative dwelling mixes for the 2 dwelling case studies added 13% to the residual value in Severnside and 42% to the residual value in Abergavenny.

²⁶ The additional values sensitivity tests added c.£200/sq m on the residual values.

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.

4.30 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.

4.31 The following table sets out the characteristics of the sites, which includes one larger scheme at 15 dwellings and different schemes of 1, 2, 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. Case studies 78-82 relate to the *Main Villages* and case studies 83 to 86 relate to the *Minor Villages*.

Table 4-4 Details of Case Studies 77 to 85

Case Study	Scheme	MVA	Gross ha	Development Period	Market %	AH %
77	Main villages (4 dwgs)	Rural	0.13	1 year	40%	60%
78	Main villages (3 dwgs)	Rural	0.10	1 year	40%	60%
79	Main villages (2 dwgs)	Rural	0.07	1 year	40%	60%
80	Main villages (1 dwgs)	Rural	0.03	1 year	40%	60%
81	Main Villages (15dwgs)	Rural	0.50	1 year	40%	60%
82	Minor Village (4 dwgs)	Rural	0.13	1 year	25%	75%
83	Minor Village (3 dwgs)	Rural	0.10	1 year	33%	67%

Case Study	Scheme	MVA	Gross ha	Development Period	Market %	AH %
84	Minor Village Small (2 dwgs)	Rural	0.07	1 year	33%	67%
85	Minor Village Small (1 dwg)	Rural	0.03	1 year	33%	67%

- 4.32 The residual values generated by the schemes are set out in Table 4.5 below. This demonstrates that the *Main Village* three and four dwelling case studies and 15 dwelling schemes generate a value well in excess of agricultural land values at 60% affordable housing (although less than the standard urban benchmark), while the *Main Village* two and single dwelling schemes are not viable. Again, the higher build costs (especially for the single dwelling scheme) and the impact of the dwelling mix are the main reasons for the poorer viability for the single and two dwelling schemes compared to the larger exception sites.
- 4.33 At higher proportions of affordable housing in *Minor villages* viability is weaker although the three and four dwelling schemes are stronger than the single and two dwelling schemes. The relative lack of viability means that most of these schemes are only likely to proceed if values are higher or costs lower than those modelled here.
- 4.34 Delivery of the Local Development Plan is not dependent on these affordable-led schemes and the Council acknowledges that they will only proceed where the specific format of a scheme and local circumstances generate sufficient value above the costs of development. It is clear that overall the emphasis for these sites is providing affordable housing and there is no opportunity to charge CIL on these exception sites.

Table 4-5 Residual Value for Case Studies 77 to 85 – Exception Sites

Case Study	Scheme	MVA	AH %	Residual Value	Residual Value/gross ha	Residual Value/plot
77	Main villages (4 dwgs)	Rural	60%	£72,000	£553,846	£18,000
78	Main villages (3 dwgs)	Rural	60%	£46,000	£460,000	£15,333
79	Main villages (2 dwgs)	Rural	60%	-£12,000	-£179,104	-£6,000
80	Main villages (1 dwgs)	Rural	60%	-£89,000	-£2,696,970	-£89,000
81	Main Villages (15dwgs)	Rural	60%	£263,000	£526,000	£17,533
82	Minor Village (4 dwgs)	Rural	75%	-£5,000	-£38,462	-£1,250
83	Minor Village (3 dwgs)	Rural	67%	£17,000	£170,000	£5,667
84	Minor Village (2 dwgs)	Rural	67%	-£41,000	-£611,940	-£20,500
85	Minor Village (1 dwg)	Rural	67%	-£105,000	-£3,181,818	-£105,000

Case studies 86-90 Retirement Housing

4.35 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. The retirement schemes were not viable in any of the value zones at policy compliant affordable housing. It remains possible that retirement schemes will come forward, perhaps on the basis of negotiated affordable housing. However, it would be prudent to exempt all retirement housing from CIL.

Other Housing

4.36 Care homes are considered under the separate non-residential viability testing.

4.37 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

4.38 The CIL rates in the PCDS will need to be amended to take account of the updated costs and values tested for the current study. This includes changes to the specific costs associated with

the strategic sites as well as the general costs and values. The higher build costs associated with smaller sites has had an impact on the CIL that may be raised from this scale of development although, build costs for schemes of 2 or 3 dwellings are less than for single dwelling developments.

- 4.39 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 £274/sq m, the majority of the rest of the strategic sites are able to support a theoretical maximum CIL of between £170/sq m to £238/sq m. The clear exception to this is SAH3 Fairfield Mabey which is marginal and unable to support any CIL, and also SAH1 Deri Farm which has to bear relatively high infrastructure costs and can only support a theoretical maximum CIL of £104/sq m.
- 4.40 Small sites in the market towns and Severnside show relatively strong viability, with theoretical maximum CIL rates of £110/sq m to £303/sq m – except for the smallest sites.
- The two dwelling schemes modelled are less viable than developments with three or more dwellings.
 - Single dwellings are modelled using particularly high build costs in line with BCIS. These are not viable at this level of cost, even with premium values. They are not able to support any CIL.
- 4.41 All the above rates are theoretical maximum rates and should take into account the need to introduce a viability buffer.
- 4.42 Village schemes required to provide a high percentage of affordable housing are very varied in the residual values they generate. It is unlikely that they can make any CIL payments and remain viable.
- 4.43 Retirement housing is unable to support a CIL.

5 RESIDENTIAL VIABILITY CONCLUSIONS

Introduction

- 5.1 This viability study has been undertaken to update the viability findings in order to consider whether the CIL rates proposed in the PDCS remain sound or need to be changed.
- 5.2 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 in delivering the adopted Local Development Plan.
- 5.3 Comparing the results from the current viability study with those of a year ago, the strengthening market and payment for affordable housing based on ACGs has had a bigger impact on the residual values calculated than the changes in build costs and use of DQR for the affordable housing over the same period. For some of the strategic sites, the changes in the site specific infrastructure required have also changed the viability. The variations in the viability demonstrate the impact of changes in the testing assumptions, and it would be prudent to take a conservative view about the potential changes to CIL.
- 5.4 However the difference in values in different parts of Monmouthshire remains, with values in Severnside remaining lower than other parts of the area. Set against this in terms of setting a CIL rate is the lower affordable housing proportion required in Severnside.
- 5.5 The testing using the 1ha tiles and the smaller case studies shows that the PDCS proposed £60/sq m for non-strategic development in Severnside and £110/sq m for non-strategic development in the main towns and rural Monmouthshire remains broadly sound, with the proviso that single dwelling developments could be set at £0 CIL as a precaution against the higher build costs. Some two dwelling schemes are below this level, and it may be necessary to set a lower or £0 CIL for these. However other schemes are able to support a significantly higher CIL charge. As discussed in section 4, the village affordable-led schemes and the retirement housing schemes are not able to support a CIL.
- 5.6 For the strategic sites, Sudbrook Mill is now able to support a CIL while Fairfield Mabey is no longer able to support CIL. Apart from Fairfield Mabey, all of the strategic sites can support the £60/sq m in the PCDS and apart from Deri Farm and Fairfield Mabey, most of the strategic sites could afford considerably more. Taking this into account, the revised CIL rates in Table 5-1 are proposed.
- 5.7 These rates take account of a 30% buffer applied to the theoretical maximum CIL rates discussed earlier, as well as reflecting the CIL guidance preference for simplicity. This also preserves a substantial buffer for the majority of strategic sites, which will help to ensure delivery is less susceptible to future adverse cost or value changes.
- 5.8 Non-strategic development in Monmouth is able to meet the proposed £120/sq m rate although the buffer is considerably less than 30% in some cases. Therefore the £100/sq m rate is proposed in order to maintain a suitable buffer in this location.
- 5.9 The proposed rate of £120/sq m for non-strategic development (£80/sq m in Severnside) may render some two dwelling sites unviable, although it is likely that different dwelling mixes will

improve viability for some development. However on a precautionary basis a zero rate is recommended for two dwelling developments.

Table 5-1 Recommended CIL Rates

Development	Recommended CIL rates
SAH1 Deri Farm, Abergavenny	£60
SAH2 Crick Road, Portskewett	£80
SAH3 Fairfield Mabey, Chepstow	£0
SAH4 Wonastow Road, Monmouth	£80
SAH5 Rockfield Farm, Undy	£80
SAH6 Vinegar Hill, Undy	£80
SAH7 Sudbrook Paper Mill	£80
Sites of less than 3 dwellings anywhere in Monmouthshire	£0
Non-strategic development of 3 or more dwellings in Severnside	£80
Non-strategic development of 3 or more dwellings in Monmouth	£100
Other non-strategic development of 3 or more dwellings elsewhere in Monmouthshire	£120
Main and minor village affordable housing-led schemes	£0
Retirement housing	£0

- 5.10 On a ‘typical’ 85 sq m market 3 bed semi the proposed charges would be £6,800 where the £80/sq m rate applies and £10,200 where the £120/sq m rate applies. The equivalents will be £10,400 and £15,600 respectively for a 130 sq m four bed detached house. 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, indicating much of the development in Monmouthshire will be paying more under CIL than s106, particularly non-strategic development in higher value areas. Sites of less than 3 dwellings will be unaffected by CIL. CIL will remain a small part of the development costs and value – e.g. Case study 70 with 10 dwellings in Abergavenny will have a CIL of £120/sq m totalling approximately £85,320 which is 5.2% of total scheme development cost (excluding land purchase) and 4.3% of gross development value.
- 5.11 It is likely that most of the single dwelling developments will be classified as custom or self-build, which are exempt from CIL. As a result having a £0 CIL rate for single dwellings will probably not make much difference to the CIL revenue available to pay for infrastructure.

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Monmouthshire County Council Community Infrastructure Levy Viability Assessment

Addendum – Update of Non-Residential Viability Assessment

On behalf of **Monmouthshire County Council**

Project Ref: 29225 | Rev: AA | Date: September 2015



Document Control Sheet

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1 Introduction

1.1 Introduction and requirement for further testing

- 1.1.1 In May 2014, Three Dragons and Peter Brett Associates were jointly commissioned to undertake an Economic Viability Assessment of development within Monmouthshire County Council to provide the Council with evidence to assist in drawing up a Community Infrastructure Levy (CIL).
- 1.1.2 Residential developments were analysed by Three Dragons whilst the Non Residential uses were analysed by Peter Brett Associates. The results of which were set out in the document titled **Monmouthshire County Council – Community Infrastructure Levy Viability Assessment**.
- 1.1.3 In order to provide information regarding these decisions it is important, and set out in planning guidance, that relevant, up-to-date costs and values are used as part of the testing.
- 1.1.4 The purpose of this addendum report is to update the cost and value assumptions as set out in the original report (**Monmouthshire County Council – Community Infrastructure Levy Viability Assessment**) for non-residential uses. It is intended that that this addendum is read in conjunction with the original report as the same approach to testing has been undertaken and many of the assumptions used in testing are also the same. Where a different approach is taken it will be highlighted in following chapters.
- 1.1.5 The remainder of the document is separated into 4 sections:
- Non-Residential Assumptions
 - Results of Non-Residential assessments
 - Recommendations
 - Appendices

2 Non-Residential Assumptions

2.1 Typologies

2.1.1 PBA re-consulted with Monmouthshire County Council in order to determine whether there was a requirement to test any further development types. It was decided that the typologies tested in the original study remained representative of the type of development expected. However, as a result of previous consultation, it was also requested that the viability assessment included two extra typologies. The new typologies test A3 units (restaurants, café's etc), one located in a town centre and the other in an out of town locations, and are numbered 12 and 13 respectively in table 2.1 below. To be clear about the retail typologies, a definition is included within Appendix B. In terms of setting any CIL rates it is recommended that the Charging Authority include definitions within the schedule to make clear as to how any charges will be applied. Table 2.1 also identifies the gross internal area (in square metres) of each typology and overall site area (in hectares) for each of the developments, which are unchanged since the previous report.

Table 2.1: Typologies, Gross Internal area (GIA) and Site area (hectares)

Type	GIA sq.m	Site Area
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	0.33
11: Town Centre Retail (Convenience)	250	0.03
12: Restaurant and Café uses (A3) In Centre	500	0.05
13: Restaurant and Café uses (A3) Out of Centre	500	0.05

2.2 Build Costs

2.2.1 It is well documented that non-residential build costs have gone up over recent years, including since the last report in May 2014. Whilst there is a suggestion that these costs may fall again, the guidance requires the use of current costs and values. In addition to the costs in the Table 2.2, we also apply an increase of 10% to allow for externals. .

Table 2.2: Build Costs (per square metre)

Type	Build cost (per sq.m)
1: Town Centre Office	£1,281
2: Business Park	£1,332
3: Industrial	£733
4: Warehouse	£534
5: Local Store - Out of centre (Convenience)	£1,041
6: Supermarket (Convenience)	£1,325
7: Out of centre Retail Warehouse (Comparison)	£619
8: Town Centre Retail (Comparison)	£1,130
9: Hotel	£1,177
10: Carehomes	£1,192
11: Town Centre Retail (Convenience)	£1,183
12: Restaurant and Café uses (A3) In Centre	£1,412
13: Restaurant and Café uses (A3) Out of Centre	£1,412

2.3 Sales values and Yields

2.3.1 PBA have conducted further research in order to ensure that the most up to date rent and yield values are used for this study. Similar to the original report these are taken from

- Analysis of COSTAR data and EGI, which are databases containing transactions for commercial properties;
- Data of units currently advertised through websites such as Estates Gazette, Completely Retail and RightMove. Examples of which are set out in Appendix A.
- Discussions with the local development industry.

2.3.2 Following this research PBA have arrived at the rental values and yields set out in Table 2.3.

Table 2.3: Rental values (per square metre per annum) and yields used

Type	Rent	Yield
1: Town Centre Office	£95	8.00%
2: Business Park	£90	8.00%
3: Industrial	£55	12.00%
4: Warehouse	£40	12.00%
5: Local Store - Out of centre (Convenience)	£145	7.50%
6: Supermarket (Convenience)	£185	5.50%
7: Out of centre Retail Warehouse (Comparison)	£140	7.50%

8: Town Centre Retail (Comparison)	£165	8.00%
9: Hotel	£140	7.25%
10: Carehomes	£3,700	7.00%
11: Town Centre Retail (Convenience)	£165	7.50%
12: Restaurant and Café uses (A3) In Centre	£175	7.00%
13: Restaurant and Café uses (A3) Out of Centre	£155	7.00%

2.4 Land Values

- 2.4.1 Through analysis of sites such as Right Move, Focus Costar and EGI, along with consultation with various agents, PBA have updated the land values used in the assessment, as outlined in table 2.4.

Table 2.4: Land Values (per net hectare)

Type	Land Values (£ per hectare)
1: Town Centre Office	£800,000
2: Business Park	£600,000
3: Industrial	£400,000
4: Warehouse	£400,000
5: Local Store - Out of centre (Convenience)	£800,000
6: Supermarket (Convenience)	£1,200,000
7: Out of centre Retail Warehouse (Comparison)	£1,000,000
8: Town Centre Retail (Comparison)	£1,000,000
9: Hotel	£800,000
10: Carehomes	£500,000
11: Town Centre Retail (Convenience)	£1,000,000
12: Restaurant and Café uses (A3) In Centre	£1,000,000
13: Restaurant and Café uses (A3) Out of Centre	£800,000

2.5 Other assumptions used

- 2.5.1 Table 2.5 sets out the assumptions that are used in the assessment. The majority of the assumptions used in the study are identical to the ones used in the original, with the exception of the assumption for the consideration of S106/S278 costs. Although it is acknowledged that developer contributions have an impact on the viability of a project, rather than including a specific figure within the appraisal, a larger buffer is used to take into account any scope for S106/S278.

Table 2.5: Other assumptions used

Cost	Description	% used in appraisal
Allowance for externals	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.	10% calculated as a percentage of build costs
Professional fees	In this particular study professional fees are based upon that used previously to be consistent but it is acknowledged that these are highly conservative in the current market and could be lower.	12% calculated as a percentage of build costs.
Contingency	Contingency is based upon the risk associated with each site	5% calculated as a percentage of construction cost.
Sale costs	This is an allowance for legal, surveyor and marketing fees and based on industry accepted scales.	4% Calculated as a percentage of gross development value
Finance costs	Based upon the likely cost of development finance we have used current market rates of interest.	6.5%
Profit	Gross development profit (includes overheads)	20% as a percentage of total development costs
Professional fees on land purchase	This input represents the fees associated with the land purchase and are based upon the following industry standards	1% for surveyors and 0.75% for legal costs as a percentage of the Residual land value
Stamp duty	A Stamp Duty Land Tax is payable by a developer when acquiring development land.	Standard variable rates set out by HMRC (0% – 4%) depending on size of the Residual land value

3 Results of Non-Residential Assessment

3.1 Introduction

- 3.1.1 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.
- 3.1.2 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

- 3.1.3 Consistent with the findings from the original report, and in line with findings from analysis of other locations in both England and Wales, commercial B-class development remains unviable. The four typologies associated with B-class uses, town centre offices, business parks, industrial units and warehouses all demonstrated low rental values, and as such were unable to generate sufficient value to justify a CIL charge.

Table 3.1: Non Residential viability results – B-class uses

	1: Town Centre Office	2: Business Park	3: Industrial	4: Warehouse
B class uses	-£798	-£935	-£671	-£511

Retail

- 3.1.4 As identified in the original report, there remains a clear difference in viability between the uses with supermarkets and retail warehouses compared to the rest, demonstrating scope for a levy for these types of developments. These sectors continue to perform the best both locally and at the national level.
- 3.1.5 In terms of the other three typologies; Town centre retail (convenience), Town centre (comparison) and Local store (convenience) - whilst all considered viable (albeit to a much smaller degree than supermarkets and retail warehouses), the overall picture is noticeably varied. Convenience retail, both in and out of centre, is considered more viable than town centre comparison units where viability is only seen as marginal. As the appraisal does not account for s106 costs it is advisable that little or no levy is considered for small scale convenience (5 and 11) and in centre comparison (8).

Table 3.2: Non Residential viability results – Retail uses

	5: Local Store - Out of centre (Convenience)	6: Supermarket (Convenience)	7: Out of centre Retail Warehouse (Comparison)	8: Town Centre Retail (Comparison)	11: Town Centre Retail (Convenience)
Retail uses	£57	£605	£415	£31	£43

A3 uses

- 3.1.6 PBA’s viability testing shows a clear difference between A3 units located within the centre and out of the centre. Despite this, both have considerable build costs involved and neither generate sufficient revenue to charge a levy.

Table 3.3: Non Residential viability results – A3 uses

	12: Restaurant and Café uses (A3) In centre	13: Restaurant and Café uses (A3) Out of centre
A3 uses	£5	-£197

Hotel development

- 3.1.7 As discussed in the original report, the hotel market within Monmouthshire still does not realise sufficient residual value to warrant a positive levy charge.

Table 3.4: Non Residential viability results – Hotel

	9: Hotel
Hotel	-£140

Care homes

- 3.1.8 Similarly, care homes continue to struggle with in Monmouthshire in viability terms. These developments often have considerably high build costs, and coupled with relatively low development values, fail to generate a headroom in which to charge a levy.

Table 3.5: Non Residential viability results – Care homes

	10: Carehomes
Care homes	-£939

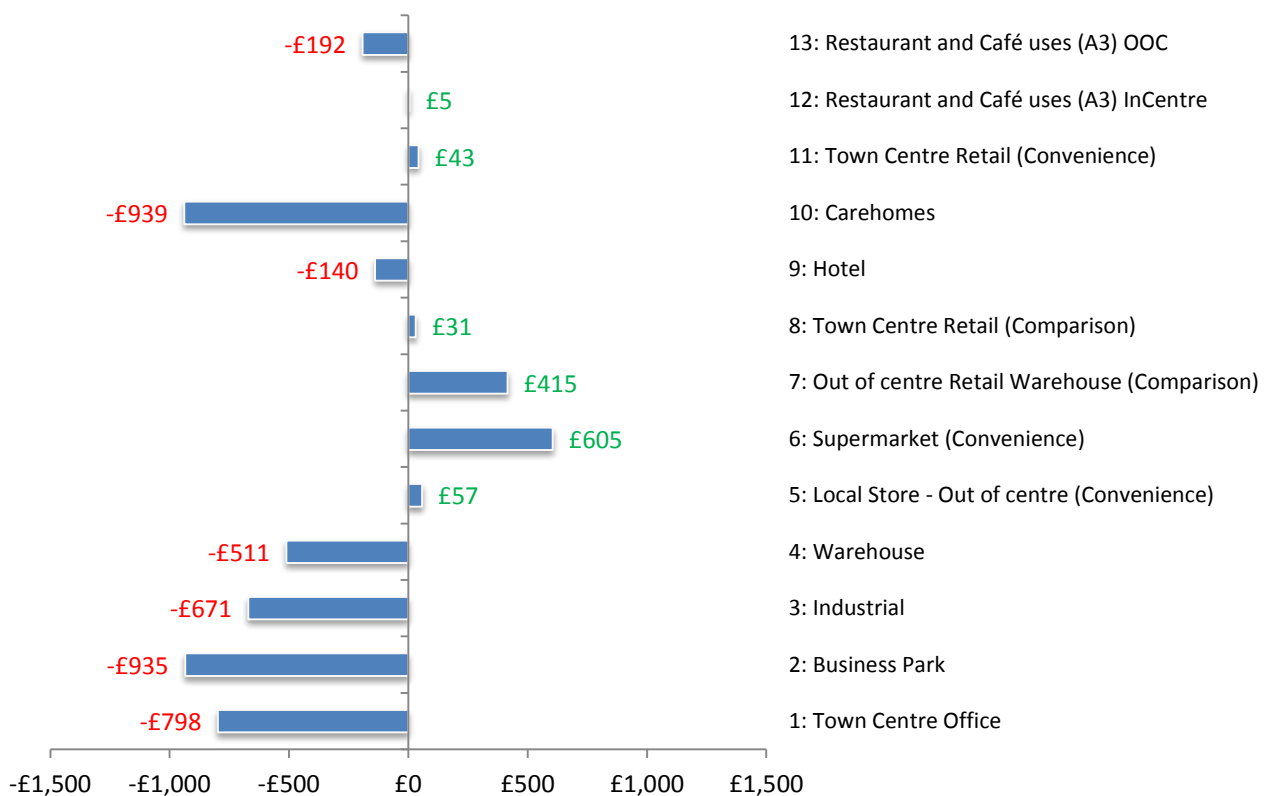
4 Recommendations

4.1 Scope for CIL

4.1.1 Figure 4.1 illustrates the maximum headroom available to charge on each scheme. As discussed in the previous section there is scope to charge CIL for Supermarkets and Retail warehouses. In terms of supermarkets, the testing identifies a headroom of £605 for supermarkets and a maximum headroom of £415 for retail warehouses.

4.1.2 The evidence suggests that aside from these uses there is little or no scope to charge a rate.

Figure 4.1: Summary of headroom for each use – maximum CIL per sq m



4.1.3 PBA would therefore advise that the rate's set out below remain applicable in this instance:

- £200 per square metre for out of centre comparison uses
- £200 per square metres for convenience retail over 280 sq. m
- £0 for all other non-residential development

4.1.4 It is considered that at this level a sufficient buffer is present (greater than 50% for both supermarkets and retail warehouses) to ensure viability is not adversely impacted. A considerable buffer has been implemented, in order to take into consideration the fact that S106/S278 costs were not included in the appraisal.

4.2 Sensitivity testing

4.2.1 In order to inform the council's decision making on the levy, PBA have also conducted sensitivity testing in order to show how various changes in the development climate affect the headroom available for CIL.

4.2.2 The two key factors that have in recent years had considerable effects on the viability are changes in build costs and changes in sales values. It is important that these forecasts act as a guide to show what would happen at various rental increases rather than relied on as fact. Rental and build costs are open to a number of factors and, as with many forecasts, the actual rental values may differ significantly. As such, the purpose of the testing is for this to act as a signal whereby the local authority may wish to review the viability evidence if there are concerns that costs have increased greater than sales values.

Changes in build costs

4.2.3 In addition to providing current build costs per square metre, BCIS also provides a forecast of these figures for future years. For the Monmouthshire region, BCIS estimate that build costs may increase by 4.7% in the next year and 9.8% in the next two years.

Changes in sales values

4.2.4 Forecasts for likely changes in rental values in the commercial market are significantly harder to determine. Rental values are considered as much more dependent on very localised characteristics, and as such very few commentators have published forecasts for likely future changes.

4.2.5 The Investment Property Forum published research in February 2015 that provided five year forecasts (between 2015 and 2019) of all-property rental increase of 2.6% per annum. We have therefore based our sensitivity analysis on a rental increase of 2.6% in this year and by 5.27% in the next two years.

4.3 Results of sensitivity testing

1 year forecast

4.3.1 Table 4.1 shows the results of the appraisal set out previously, alongside the effects of various changes in assumptions, namely, when build costs increase by 4.7%, sales values increase by 2.6% and finally when both build costs and sales values increase by 4.7% and 2.6% respectively.

4.3.2 The sensitivity suggests:

- B class uses remain unviable at any of these changes.
- Similarly, Hotel, Care homes and A3 uses remain unviable.
- There is sufficient headroom for both Supermarket and Out of town Retail Warehouse typologies to accommodate a £200 CIL Levy, even when build costs increase and sales values remain constant.
- For small scale out of centre convenience stores and town centre convenience stores, an increase in sales values accompanied with constant build costs would provide greater scope for charging a levy.

Table 4.1: Sensitivity testing: 1 year

	Current	Build costs 1 year increase (4.7%)	Sales Values 1 year increase (2.6%)	Build costs 1 year increase (4.7%) and Sales Values 1 year increase (2.6%)
1: Town Centre Office	-£798	-£876	-£774	-£852
2: Business Park	-£935	-£1,016	-£913	-£993
3: Industrial	-£671	-£716	-£662	-£706
4: Warehouse	-£511	-£544	-£504	-£537
5: Local Store - Out of centre (Convenience)	£57	-£5	£95	£33
6: Supermarket (Convenience)	£605	£526	£670	£591
7: Out of centre Retail Warehouse (Comparison)	£415	£379	£451	£415
8: Town Centre Retail (Comparison)	£31	-£36	£72	£4
9: Hotel	-£140	-£210	-£102	-£172
10: Carehomes	-£939	-£1,011	-£921	-£993
11: Town Centre Retail (Convenience)	£43	-£26	£85	£16
12: Restaurant and Café uses (A3) In centre	£5	-£79	£55	-£30
13: Restaurant and Café uses (A3) Out of centre	-£192	-£277	-£148	-£233

2 year forecast

4.3.3 In terms of a 2 year forecast, Table 4.2 shows what the likely results would be given an increase in build costs increase by 9.8%, sales values increase by 5.27% and finally when both build costs and sales values increase by 9.8% and 5.27% respectively.

4.3.4 The sensitivity suggests:

- Again, B class uses remain unviable at any of these changes. Similarly, so do Hotel and Care homes.
- A3 uses in the centre may be viable if sales values increase (by greater than 5%) if build costs remain the same. However, it would be unlikely that the headroom would be sufficient to charge a levy.
- There is sufficient headroom for both Supermarket and Out of town Retail Warehouse typologies to accommodate a £200 CIL Levy, even when build costs increase significantly and sales values remain constant. The 2 year forecast of a 9.8% increase in build costs suggest that even if sales values remained the same, there would still be a buffer of 55% for Supermarkets and 41% for Retail Warehouses.

- An increase in sales values of 5.27% with no increase in build costs would provide scope for a CIL charge on both out of centre and town centre convenience stores, and Town centre retail comparison stores.

Table 4.2: Sensitivity testing: 2 year

	Current	Build costs 2 year increase (9.8%)	Sales Values 2 year increase (5.27%)	Build costs 2 year increase (9.8%) Sales Values 2 year increase (5.27%)
1: Town Centre Office	-£798	-£960	-£750	-£911
2: Business Park	-£935	-£1,103	-£890	-£1,058
3: Industrial	-£671	-£764	-£653	-£745
4: Warehouse	-£511	-£579	-£498	-£565
5: Local Store - Out of centre (Convenience)	£57	-£72	£135	£5
6: Supermarket (Convenience)	£605	£441	£737	£573
7: Out of centre Retail Warehouse (Comparison)	£415	£339	£489	£412
8: Town Centre Retail (Comparison)	£31	-£109	£114	-£27
9: Hotel	-£140	-£286	-£64	-£209
10: Carehomes	-£939	-£1,089	-£904	-£1,054
11: Town Centre Retail (Convenience)	£43	-£101	£129	-£16
12: Restaurant and Café uses (A3) In centre	£5	-£171	£105	-£70
13: Restaurant and Café uses (A3) Out of centre	-£192	-£369	-£103	-£280

Appendix A Evidence of rents and yields used

Research on High Street stores, Local centre retail units, A3 units and Retail Parks

Scheme	Location	Size	Rent (p.a.) per sq.m
High Street units	Cibi Walk Shopping centre	245	£176
High Street units	Cross Street, Abergavenny	126	£139
High Street units	Monnow Street, Monmouth	192	£226
High Street units	Baker Street Abergavenny	83	£145
High Street units	Thomas Street Arcade, Chepstow (Convenience unit)	1,917	£146
High Street units	Frogmore Street	111	£206
High Street units	Monnow Street, Monmouth	111	£215
Out of centre A3	Newport Rd	418	£89
In centre A3	The Oldway centre, Monmouth	141	£152
In centre A3	Beaufort square, Chepstow	171	£181
In centre A3	Church Street, Monmouth	56	£134
Out of town retail parks	Usk Way, Newport	1,700	£70
Out of town retail parks	Discovery Retail Park, Newport (Unit 1)	2,653	£129
Out of town retail parks	Discovery Retail Park, Newport (Unit 2)	1,159	£138

Research on Supermarkets

Store Operator	Location	Rent (sqm)	Yield	New store Date?	Date ??
Morrisons	South Shields	£137	5.25%	Jun-10	Morrisons
Waitrose	Rickmansworth	£211	4%	Oct-10	Waitrose
M&S Simply Food	Maldon	£197	5.58%	Jun-08	M&S Simply Food
Waitrose	Hornchurch	£186	4.43%	Unknown	Waitrose
Sainsbury's	Tooting	£253	4.50%	Mar-11	Sainsbury's

Tesco	Welling	£232	4.75%	Nov-10	Tesco
Waitrose	Clerkenwell	£226	4.20%	Nov-09	Waitrose
ASDA	Bangor	£204	5%	Jun-11	ASDA
Tesco Extra	Coventry	£168	4.11%	Unknown	Tesco Extra
Waitrose	Crowborough	£192	5.04%	Unknown	Waitrose
Waitrose	Wantage	£172	4.50%	Unknown	Waitrose
Tesco	Wembley	£317	5.50%	Sep-12	Tesco
Tesco	Congleton	-	4.90%	Jun-12	Tesco
Tesco	Glastonbury	-	4.50%	Apr-12	Tesco
Tesco	St Ives	-	4.90%	Jan-12	Tesco
Tesco	Tiptree	£236	4.90%	Jan-12	Tesco
Tesco	Coventry	-	4.57%	Sep-11	Tesco
Tesco	Keynsham	-	4.96%	Aug-11	Tesco
Tesco	Ruthin	£161	4.96%	Aug-11	Tesco
Tesco	Welling	-	5%	Jul-11	Tesco
Tesco	Cardiff	-	4.50%	Feb-11	Tesco
Tesco	Chatteris	-	5%	Sep-12	Tesco
Tesco	Gosport	£215	5%	Apr-12	Tesco
Tesco	Corby	£215	4.60%	Oct-11	Tesco
Tesco	Welling	£232	4.75%	Jun-11	Tesco
Sainsbury's	Putney	£273	4%	Current	Sainsbury's
Sainsbury's	Sale	£242	4.10%	Aug-13	Sainsbury's
Sainsbury's	Hythe	£226	4.10%	Aug-03	Sainsbury's
Sainsbury's	Ashford	£248	4.10%	Aug-13	Sainsbury's
Morrisons	Milton Keynes	£242	4.25%	Jul-13	Morrisons
Morrisons	Edgware Road, London	£286	4.60%	Jan-13	Morrisons
Sainsbury's	Harrow Manor Way, London	£237	4.50%	Jan-13	Sainsbury's
Sainsbury's	March	£194	4.76%	Jul-13	Sainsbury's
Morrisons	Aldershot	£224	4.25%	Apr-13	Morrisons

Sainsbury's	Hayes	£331	4.19%	Apr-13	Sainsbury's
Tesco	Oldham	£181	5.28%	Current	Tesco
Tesco	Bedford	£54	-	Jul-11	Tesco
Waitrose	North Walsham	£161	-	Oct-12	Waitrose
Sainsbury's	Ballymena	£172	-	Feb-13	Sainsbury's
Sainsbury's	Londonderry	£172	-	Jun-12	Sainsbury's
Tesco Plc	Newry	£183	-	May-13	Tesco Plc
Waitrose Ltd	Worcester	£192	-	Dec-14	Waitrose Ltd
Tesco Plc	Lisburn	£194	-	Mar-12	Tesco Plc
Waitrose	Alton	£215	-	Apr-12	Waitrose
Asda	Isleworth	£221	-	Jul-10	Asda
Tesco	Derby	£236	-	Feb-12	Tesco
Tesco	Stroud	£270	-	Mar-13	Tesco
Waitrose	New Malden	£315	-	Nov-13	Waitrose
Waitrose	South Croydon	-	4.23%	Jan-11	Waitrose
Waitrose	York	-	4.45%	Dec-10	Waitrose
Tesco	Braintree	-	4.85%	Jan-12	Tesco
Tesco	St Ives	-	4.90%	Jan-12	Tesco
Tesco	Keynsham	-	4.96%	Aug-11	Tesco
Tesco	Keynsham	-	5.30%	Oct-10	Tesco
Tesco	Bristol	-	6.62%	Sep-11	Tesco

Research on Smaller Supermarkets (rents)

Broad Location	Tenant	Achieved rent per sqm	Transaction date
Bath	Tesco	140	2014
West Midlands	Aldi Ltd	147	2013
Merseyside	Aldi	152	2011
London	Lidl Ltd	161	2008
Nottinghamshire	ALDI, Inc.	171	2006
Suffolk	ALDI, Inc.	175	2013

Cheshire	Aldi Stores Ltd	191	2009
Essex	Lidl Ltd	191	2008
Preston	Sainsbury's	160	2014
Market Harborough	Tesco	156	2011
Guildford	Morrisons	173	2013
Twickenham	Tesco	310	2012
Hampshire	Lidl Ltd	279	2010

Research on Smaller Supermarkets (yields)

Broad Location	Tenant	Yield (%)
Middlesex	Lidl	4.15
Worcestershire	Lidl	4.56
London	Lidl	5.5
Cumbria	Lidl	5
Staffordshire	Lidl	5.2
Hampshire	Lidl	6.9
West Glamorgan	Lidl	5.76
Avon	Lidl	5.75
Not disclosed	Lidl	6.5
Somerset	Aldi	5.4
Lancashire	Aldi	6.25
West Yorkshire	Aldi	4.31
Co Durham	Aldi	6.3
Various	Tesco	4.9
Newcastle	Waitrose	4.75
Hornchurch	Waitrose	4.43

Research on Small, local Convenience retailers - Rents

Broad Location	Tenant	Size (sq.m)	Rent (per sq.m)
Wantage	Waitrose Ltd	250	£161
Oakham	Somerfield Stores	640	£246
Malvern Wells	Tesco	372	£122
Leicester	Co-Op	n/a	£133
Alcester Road, West Midlands	Tesco	371	£175

Research on small local Convenience retailers - Yields

Broad Location	Tenant	Yield
Wantage	Waitrose	4.5
Oakham	Co-operative Group	5
Coventry	Tesco	4.57
Leicester	Co-operative Group	4.76
Malvern Wells	Tesco	5.75
Wantage	J Sainsbury	4.5
Wootton Bassett	J Sainsbury	6.6
Cheltenham	J Sainsbury	4.9
Oxford	Tesco	4.89
Tetbury	N/A	4.27
Birmingham	The Co-operative Group	5.25
Halesowen	The Co-operative Group	5.25
Stourbridge	N/A	5.79
Milton Keynes	N/A	6.5

Research on Office and Industrial units

Type	Scheme	Rent per sq.m
Town Centre unit	14a Monnow Street, Monmouth	£176

Town Centre unit	1 Maryport Street, Usk	£100
Town Centre unit	113a Monnow Street, Monmouth	£114
Town Centre unit	White Swan Court, Priory Street, Monmouth	£108
Town Centre unit	Wesley Buildings, Newport Road, Caldicot	£65
Town Centre unit	Church Street, Monmouth	£112
Business Park	1st Floor, Unit 1b, Beaufort Park Way	£86
Business Park	Newport Road, Business Park, Magor	£167
Business Park	Beaufort Park Way, Chepstow	£140
Business Park	Unit 4B, Castlegate Business Park	£81
Business Park	Unit 9 (1), Castlegate Business Park	£96
Business Park	Unit 9 (2), Castlegate Business Park	£97
Industrial / Warehouse	Unit 3, Newport, NP20 5NS	£32
Industrial / Warehouse	Unit 14E, Severn Bridge Industrial Estate,	£38
Industrial / Warehouse	Unit 14C, Severn Bridge Industrial Estate,	£38
Industrial / Warehouse	Techway, Wonastow Road Industrial Estate (West), Monmouth	£49
Industrial / Warehouse	Hadnock Road Industrial Estate, Hadnock Road, Monmouth	£59

Appendix B Retail definitions

Supermarket (convenience) (Typology 6) – this is a retail store over 280 sq. m where over 50% of the net (sales) floorspace is allocated for convenience goods (e.g. food).

Local store out of centre (convenience) (Typology 5) /town centre retail (convenience) (Typology 11) – this is a retail store under 280 sq. m where over 50% of the net (sales) floorspace is allocated for convenience goods

Out of centre retail (comparison) (Typology 7) – this is a retail store which is located outside the identified town centre shopping boundaries, where over 50% of the net (sales) floorspace is allocated for comparison goods

Town centre retail (comparison) (Typology 8) - this is a retail store which is located inside the identified town centre shopping boundaries, where over 50% of the net (sales) floorspace is allocated for comparison goods

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Monmouthshire County Council

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

**Planning Policy Service
February 2016**

Draft Charging Schedule

1 Introduction

- 1.1 The purpose of this document is to set out Monmouthshire County Council's Draft Charging Schedule for the Community Infrastructure Levy (CIL) in its area. The finance generated from the CIL will be used to secure infrastructure that would 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 studies¹, 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) ; Updated Viability Evidence for development of a CIL Charging Schedule (Three Dragons December 2015 Revised Final Report); Addendum – Update of Non-Residential Viability Assessment (Peter Brett, September 2015).

Table 1: Residential Development CIL Rates

Category	Geographical Area	CIL rate per square metre
(1)	Strategic LDP Sites* <ul style="list-style-type: none"> • Crick Road, Portskewett (SAH2) • Wonastow Road, Monmouth (SAH4) • Rockfield Farm, Undy (SAH5) • Vinegar Hill, Undy (SAH6) • Sudbrook Paper Mill (SAH7) 	£80
(2)	Non-strategic sites of 3 dwellings or more in the Main Towns of Abergavenny and Chepstow and the Rural Rest of Monmouthshire** except for Category (7) sites.	£120
(3)	Non-strategic sites of 3 dwellings or more in Severnside settlements***	£80
(4)	Non-strategic sites of 3 dwellings or more in Monmouth	£100
(5)	Deri Farm, Abergavenny, Strategic Site (SAH1)	£60
(6)	Fairfield Mabey, Chepstow, Strategic Site (SAH3)	£0
(7)	Affordable housing lead schemes: <ul style="list-style-type: none"> • Sites in Main Villages identified in Policy SAH11 providing 60% affordable housing. • Sites in Minor Villages that comply with Policy H3 that have a capacity of 4 or 3 dwellings and are providing, respectively, 3 or 2 affordable dwellings • Sites that comply with Policy H7, Rural Exceptions, and are providing 100% affordable housing 	£0
(8)	Sites of less than 3 dwellings	£0
(9)	Retirement Housing****	£0

*This excludes the strategic site in Category (5): Deri Farm, Abergavenny (SAH1) and the strategic site in Category (6): Fairfield Mabey, Chepstow (SAH3)

**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').

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

****Retirement housing is defined as 'self-contained residential accommodation designed and managed for older people , with age restricted occupancy and usually with communal facilities'.

Commercial Development Rates

- 2.4 The CIL rate for A1 out-of-centre comparison retail and in- and out-of-centre supermarkets 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 for retail (except for supermarkets) 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 warehouses and supermarkets.

Table 2: Commercial Development CIL Rates

Type of Development	CIL rate per square metre
A1 Out-of-Centre Comparison Retail*	£200
A1 Supermarkets In- and Out-of-Centre**	£200
All other non-residential development	£0

* A retail store which is located outside the identified town centre boundaries, where over 50% of the net (sales) floor space is allocated for comparison goods.

** A retail store over 280 square metres where over 50% of the net (sales) floor space is allocated for convenience goods (e.g. food).

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 which are set out in the Draft Infrastructure Plan (2013). The document set 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, which could be funded through CIL. Information was provided in respect of the cost of infrastructure, funding sources and responsibility for delivery, where known. CIL is intended to fill the gaps between existing sources of funding (to the extent that they are known) and the costs of providing infrastructure. The Infrastructure Plan has been updated and revised in an Addendum to the 2013 Infrastructure Plan that accompanies this Draft Charging Schedule.

- 3.3 The Council's draft Regulation 123 List provided at Appendix 2 has been prepared in support of the 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.
- 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. Following adoption of the CIL, the Council will seek to review the list on a regular basis as part of the monitoring of the levy.

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
Finalisation of Draft Charging Schedule	February 2016
Consultation on Draft Charging Schedule	March/April 2016
Submission for Examination	May 2016
Examination	July 2016
Examiner's Report	September 2016
Implementation of CIL	October 2016
Annual Monitoring Report	October 2017

APPENDIX ONE

CIL CHARGING ZONE MAPS

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
<ul style="list-style-type: none">• Sustainable transport improvements (including sustainable transport, walking/cycling and strategic highway improvements)
<ul style="list-style-type: none">• Public realm / town centre enhancements
<ul style="list-style-type: none">• Broadband (upgrade/provision)
<ul style="list-style-type: none">• Strategic flood defences
<ul style="list-style-type: none">• Recycling and waste facility enhancements
Social Infrastructure
<ul style="list-style-type: none">• Education
<ul style="list-style-type: none">• Community facilities
<ul style="list-style-type: none">• Sports and recreation facilities
Green Infrastructure
<ul style="list-style-type: none">• Strategic green infrastructure

Exclusions from the Draft Regulation 123 List

The following types of infrastructure will be excluded from the Draft Reg. 123 List and will be funded through S106 planning obligations where they meet the statutory tests set out in CIL Regulation 122:

- Affordable housing
- On-site play provision
- Site specific biodiversity mitigation and enhancement
- Site specific green infrastructure
- Site specific infrastructure requirements necessary to overcome obstacles to the development of a site, including the requirements set out in LDP site allocation policies SAH1 to SAH6.

APPENDIX THREE

MCC CIL Evidence Base

The following documents support the 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 County Council CIL Viability Assessment - Updated Viability Evidence for Development of a Community Infrastructure Levy Charging Schedule (Three Dragons, December 2015, Revised Final Report).**
This report updated the 2014 CIL Viability Assessment and has provided evidence to inform the Draft Charging Schedule.
- **Monmouthshire County Council CIL Viability Assessment - Addendum – Update of Non-Residential Viability Assessment (Peter Brett, September 2015).**
This report updated the 2014 CIL Viability Assessment and has provided evidence to inform the 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).
- **Monmouthshire Infrastructure Plan – Addendum November 2015**
This provides an updated indicative list of infrastructure schemes that fall within the Regulation 123 List categories, that would support development proposed in the Monmouthshire LDP and which could be funded, wholly or partly, through CIL.

**Monmouthshire County Council
Adopted Local Development Plan
2011-2021**

**Infrastructure Plan Addendum
November 2015**

**Planning Policy Service
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1 Introduction: Purpose of the Monmouthshire Infrastructure Plan Addendum

- 1.1 The Monmouthshire Infrastructure Plan (IP) (2013) considered those items of infrastructure that were necessary to deliver the levels of growth and site allocations put forward in the LDP. It set out specific infrastructure requirements associated with the LDP strategic sites as well as an initial list of general ‘place-making’ infrastructure requirements. The IP also enabled the Council to consider possible mechanisms for delivering the infrastructure identified.
- 1.2 At the time of preparation of the 2013 IP the Council was considering whether to progress with the Community Infrastructure Levy (CIL). The Council has subsequently determined to progress with the CIL and is currently working towards the preparation of the Draft Charging Schedule. For CIL purposes, Councils are advised to ‘use the infrastructure planning that underpinned their development plan to identify a selection of indicative infrastructure projects or types of infrastructure that are likely to be funded by the levy’¹. Accordingly, to satisfy CIL requirements there is a need to update the IP to identify what infrastructure types and schemes are eligible for CIL funding. There is also a need to give further consideration to infrastructure costs and potential sources of funding in order to demonstrate an aggregate funding gap for infrastructure across the County to support the implementation of CIL. This will provide evidence to support the CIL and will assist in the preparation of the Draft Charging Schedule and Regulation 123 List. This addendum therefore supports and updates the Council’s 2013 IP.
- 1.3 The purpose of the IP addendum is three-fold:
- To update the Council’s Infrastructure Plan (IP) (2013) by providing an overview of what categories/types of infrastructure identified in the IP fall within the remit of CIL and what infrastructure will continue to be addressed through other funding sources, including S106 planning obligations. This is considered in Section 2 of this report.
 - To recommend which categories of infrastructure will be included in the Regulation 123 List (paragraph 2.41). The Regulation 123 List is a list of infrastructure categories/schemes which the Council intends to fund, wholly or partly, through CIL. It can be published and revised at any time after the Council has adopted CIL. If an infrastructure category/scheme is included in the Reg 123 List a S106 cannot be negotiated to contribute towards that infrastructure. If an infrastructure category/scheme is not included in

¹ CIL Overview, paragraph 24 (DCLG, 2011)

the Reg 123 List, up to five S106 planning obligations entered into since April 2010 may be pooled to contribute towards its cost. This is to ensure that double charging of developers for infrastructure through using both CIL and S106 is avoided. The Council's Reg 123 List will be published alongside the CIL Draft Charging Schedule. The recommendations also set out those site-specific infrastructure categories where S106 contributions are likely to be the funding mechanism in order to provide transparency on those matters where S106 contributions will continue to be sought (paragraph 2.43).

- To provide an updated list of indicative infrastructure schemes (based on the most up-to-date information available) that would support development proposed in the LDP that could be funded, partly or wholly, through CIL². The timing/phasing, estimated costs, delivery/funding sources, available funding and subsequent funding gap is identified for each scheme where possible. The draft list of CIL eligible infrastructure schemes which fall within the Regulation 123 List categories is set out in Section 3.

² Infrastructure schemes that fall outside of the remit of CIL, such as health and utility provision, are not included in the list of Draft Infrastructure Schemes. These are, however, included in the 2013 IP which should be referred to accordingly.

2 Infrastructure Categories

2.1 The Planning Act 2008³ provides a broad definition of the infrastructure that can be funded by CIL and includes:

- Roads and other transport facilities
- Schools and other education facilities
- Open spaces
- Sporting and recreational facilities
- Flood defences

2.2 This non-exhaustive list provides flexibility and enables the Council to determine the types of infrastructure that 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.

2.3 This section provides an overview of the types of infrastructure that fall within the remit of CIL and could, therefore, be funded in whole or in part through the Levy, and those infrastructure types which will be funded through other funding sources, including S106 planning obligations. In addition to CIL and S106 contributions, it is recognised that there are many other mechanisms for the funding and provision of infrastructure. These include WG funds/grants, Local Transport Funds, prudential borrowing and community budgets. This section subsequently recommends which categories of infrastructure will be included in the CIL Regulation 123 List.

2.4 The report follows the structure of the 2013 IP so that each category of infrastructure is considered in turn. It includes all types of infrastructure that would support the LDP objectives and covers three broad categories of development: physical, social/community and green. This addendum does not repeat the detail contained in the IP – rather it clarifies which infrastructure categories fall within the remit of CIL and provides updates on infrastructure provision where relevant. The 2013 IP should be referred to accordingly for further detail. The table at Appendix A provides a quick glance overview of the infrastructure categories that are considered to be eligible for CIL funding.

³ Planning Act 2008 S216(2) as amended

PHYSICAL INFRASTRUCTURE

Transportation

- 2.5 Since the publication of the 2013 IP, the 2015 Monmouthshire Local Transport Plan (LTP) has replaced the 2010 South East Wales Regional Transport Plan (RTP) as the Council's statutory local transport plan. The LTP is an update of schemes and priorities identified in the RTP. The transport schemes identified in LDP Policy MV10 are therefore carried forward to the Monmouthshire LTP and those that are eligible for CIL funding are set out in Table 1 of Section 3.

Improved Public Transport

Bus Service and Network

- 2.6 The Monmouthshire LTP and LDP identify a range of bus service/network improvements across the County over the Plan period and those relevant are included in the Draft List of Infrastructure Schemes (Table 1). It is anticipated that the following types of schemes will be eligible for CIL funding:
- Strategic improvement schemes such as town centre bus station improvements/interchanges
 - Bus service/corridor improvements such new services and bus stop upgrades

Rail Service and Network

- 2.7 The LTP and LDP identify a range of rail station improvements at Severn Tunnel Junction, Abergavenny and Chepstow stations as well as service improvements on the Abergavenny and Chepstow lines, with relevant schemes included in Table 1. It is anticipated that the following types of schemes will be eligible for CIL funding:
- Rail station improvements such as access, parking and interchange upgrades
 - Provision of new rail stations.

It is not expected that such schemes will be completely funded through CIL, however, it is considered that CIL could be used as one of the funding mechanisms to deliver such strategic public transport infrastructure.

Walking and Cycling

- 2.8 The Active Travel (Wales) Act 2013 requires local authorities in Wales to produce active travel maps and deliver year on year improvements in active travel routes and facilities. It requires highways authorities in Wales to make enhancements to routes and facilities for pedestrians and cyclists in all new road schemes and to have regard to the needs of walkers and cyclists in a range of other highway authority functions.
- 2.9 In accordance with the Active Travel (Wales) Act 2013, the LTP identifies Active Travel Network schemes for each of the County's towns. These propose the development and implementation of active travel plans for these areas which may include the following schemes:
- New/improved cycle lanes/paths/contraflows
 - New/improved footpaths
 - Junction/crossing facilities
 - Cycle parking/storage
 - Route signage

It is anticipated that Active Travel Network schemes, as well as those cycling and pedestrian schemes identified in the LDP (Policy MV10) will be eligible for CIL funding. These are listed in Table 1 Draft CIL Eligible Infrastructure Schemes.

Highway Improvements

- 2.10 The LTP and LDP identify a number of highway schemes to improve the functioning of the highway network in Monmouthshire. It is not expected that such schemes will be completely funded through CIL, however, it is considered that CIL could be used as one of the funding mechanisms to deliver such strategic highway infrastructure. CIL eligible highway schemes are set out in Table 1.
- 2.11 S106 planning obligations will continue to be used where local transport infrastructure is necessary to remove site specific obstacles to planned development, including highway infrastructure associated with the LDP Strategic Sites. Such matters as also covered by Section 278 of the Highways Act (1980).

Utilities

- 2.12 As utility companies have a duty to fund and provide strategic infrastructure to serve new development, the funding of any improvements to utilities will not be dependent on CIL funding. Local connections will be funded and provided by developers on a site-by-site basis.

Surface Water and Flood Risk Mitigation

- 2.13 Surface water drainage is an integral part of new development schemes and as such will be provided directly by the developer. Off-site drainage works which are necessary as a consequence of new development schemes, will continue to be funded by S106 obligations. Accordingly, it is not anticipated that work to the strategic drainage network will be funded through CIL.
- 2.14 Similarly, flood risk mitigation measures are the responsibility of the developer and will be undertaken as an integral part of individual development schemes. As such it is not anticipated that flood risk management measures connected to a development site will be funded through CIL.

Energy - Electricity and Gas

- 2.15 As set out in the IP, Western Power have not identified any further requirements in terms of upgrading the electricity network to support new development arising from the LDP. Similarly, no major infrastructure requirements have been identified in terms of gas supply in Monmouthshire.
- 2.16 Energy companies (Western Power and National Grid in Monmouthshire) have a duty to provide necessary improvements to the electricity and gas network. Accordingly, it is not anticipated that any improvements to the network for electricity/gas supply will be dependent on CIL funding.

Water Resources

Potable Water

- 2.17 Dwr Cymru Welsh Water (DCWW) is the statutory undertaker providing water supply and sewerage infrastructure for Monmouthshire and as such has a duty to fund and provide strategic infrastructure to serve allocated sites. Local connections are funded by developers. In terms of potable water, as noted in the IP, there is adequate capacity in the existing network and therefore at the strategic level

there is no constraint on development. However, local network upgrades may be necessary. The requirement for these and associated costs will be determined by developers on a site-by-site basis (either directly or through S106 obligations). Accordingly, such provision will not be dependent on CIL funding.

Sewerage Treatment

- 2.18 Developments in both towns and rural areas of Monmouthshire will require upgrades to sewerage treatment works. Where these are not included in DCWW’s current asset management plans the developer will need to pay towards the cost of the required upgrade (either directly or through S106 obligations). As such, improvements to sewerage treatment works will not be dependent on CIL funding.

Telecommunications

Mobile Operators

- 2.19 As with other utilities, telecommunication companies have a duty to fund and provide strategic infrastructure to serve allocated sites, whilst local connections are funded by developers. Accordingly, such provision will not be dependent on funding raised through CIL.

Broadband

- 2.20 A key issue in Monmouthshire relates to broadband speeds required for uploading and downloading information with some areas of the County, particularly rural areas, having relatively poor broadband availability. It is recognised that the provision of superfast broadband is essential to the County’s economy, particularly in terms of enabling business development and it is important that this is delivered to enable the Council to drive forward digital advancement, enterprise and inclusion.
- 2.21 The provision of such services is generally self-financing and prioritised to those areas where there is either a sufficient customer base to pay for the upgrade or public sector grant is available. Broadband provision is typically provided by service providers with WG also playing a role in ensuring inclusive access across Wales. However, as stated in the IP, there is concern that broadband upgrades in Monmouthshire will not happen without public sector subsidy given the County’s relatively small customer base. In view of this, consideration should be given to the use of CIL funding to enhance access to superfast broadband across the County and to allow key projects to progress e.g. Super-connected Cities.

Strategic Flood Defences

- 2.22 At the time of preparation of the 2013 IP, the Environment Agency indicated that there were no requirements for strategic flood risk mitigation measures in Monmouthshire. However, the Council is currently in the process of preparing a Flood Risk Management Plan for waters that are its responsibility and it is recognised that strategic flood defence infrastructure requirements could potentially be identified in the County. It is anticipated that such strategic infrastructure could be eligible for CIL funding.

Household Waste and Recycling

- 2.23 As noted in the IP, the Council has traditionally managed its own recycling and waste services through a range of facilities. Subsequent to the publication of the IP 2013, the Council has identified a requirement for a community amenity site upgrade in the County. It is anticipated that any such future improvements to the Council's waste infrastructure could be eligible for CIL funding.

Public Realm/Town Centre Improvements

- 2.24 The Council's Whole Place Plans set out a range of public realm improvements (as listed in Table 1). Such schemes include improvements to the pedestrian environment and streetscapes in the County's main towns. It is anticipated that such schemes will be eligible for CIL funding.
- 2.25 As an exception to this, a number of public realm schemes associated with the redevelopment of the Cattle Market in Abergavenny and with the new supermarket in Caldicot Town Centre have been omitted from Table 1 as they are reliant on funding from Section 106 agreements that have already been entered into in connection with existing planning permissions.

SOCIAL AND COMMUNITY INFRASTRUCTURE

Education

- 2.26 As stated in the IP, whilst there are unlikely to be requirements for new school places in the short and medium term, there are infrastructure requirements for new and improved schools as a result of demand for more Welsh Medium schools and a need to replace the existing building stock as it becomes less fit for purpose. It is important that new development contributes to this refurbishment program as it will help support the growth in terms of providing facilities fit for purpose.

- 2.27 The Council has been pursuing a long-term programme of work in recent years in order to bring its schools up to a suitable standard and to balance the need for school places. The programme will continue into the foreseeable future with significant development at the County's mainstream secondary schools and further work on the primary school estate.
- 2.28 This development programme aligns with the 21st Century Schools' programme being developed by the Welsh Government across the whole of Wales and, at the time of the 2013 IP, a £79.5m programme of work had been approved by them for 50% match funding.
- 2.29 The Council also has a programme for the refurbishment and redevelopment of a number of primary schools across the County, as set out in Table 1.
- 2.30 Given the limitations with pooling of more than 5 planning obligations to make provision for a specific infrastructure project or type, it is considered that CIL funding could be used alongside other funding sources (WG 21st Century Schools Programme, Council's Capital Programme) to fund such education provision in Monmouthshire.

Health Care

- 2.31 Primary and acute health care services in Monmouthshire are currently provided by the Aneurin Bevan Health Board (ABHB). As set out in the IP, although there are some requirements for new health care provision in the County, the health board is responsible for providing facilities across the area to meet the future requirements of residents. Accordingly, funding is not required from development as it is sourced from a various other streams (e.g. third party development, WG grant). Accordingly, it is not anticipated that such provision will be funded through CIL.

Emergency Services

- 2.32 Emergency service facilities are provided by the relevant ambulance, fire and police bodies. As set out in the IP, there are no current requirements for new police or fire and rescue facilities over the plan period. In terms of ambulance services, there is a need to redevelop the ambulance station in Monmouth although there are no firm commitments from providers to bring forward a new site. In view of alternative available funding mechanisms, there is no need for CIL funding to be used for the provision of emergency services facilities. Accordingly, it is not anticipated that such provision will be funded through CIL.

Crematoria and Burial Grounds

- 2.33 The 2013 IP did not identify any requirements for expanded or new crematoria/burial grounds in Monmouthshire. It is, however, considered that should the need arise for such facilities CIL funding could be used to contribute to their provision under the broad infrastructure category of community facilities.

Community Centres/Village Halls

- 2.34 Community centres and village halls are important facilities in the County's settlements. At present there is an identified requirement for new village/community halls at Raglan and Magor/Undy (as detailed in Table 1). It is considered that CIL funding could be used to contribute towards the provision of such facilities.

Sport and Leisure

- 2.35 The Council does not have a statutory requirement to provide sports and leisure facilities. As set out in the IP, on-site play provision is provided by developers on-site, whereas adult outdoor recreation space is generally provided off-site funded through S106 contributions. However, it is intended that such provision should be considered on a more strategic basis with schemes identified in advance in the IP and with recreation and community facilities considered in conjunction with other 'place-making' projects. A range of sport/leisure schemes are detailed in the draft list of CIL eligible infrastructure schemes (Table 1).
- 2.36 Given the strategic nature of such provision and the need to 'pool' any contributions, it is considered that CIL funding could be used to contribute towards the provision of new/ improved sport and recreation facilities to meet additional demand generated by proposed development.
- 2.37 The need to provide a contribution towards off-site sport/recreation facilities does not, however, remove the need for adequate open space to be provided on-site as an integral part of new development schemes. This element of direct on-site provision, including on-site play provision, should continue to be provided by the developer funded through S106 contributions where they meet the statutory tests set out in CIL Regulation 122.

GREEN INFRASTRUCTURE

2.38 The Monmouthshire GI SPG identifies the requirements for green infrastructure in the County. A number of potential GI projects are detailed in the draft list of CIL eligible infrastructure schemes and include:

- New/enhanced accessible natural greenspace
- Habitat creation and management
- Development of walking routes and links

Given the strategic nature of green infrastructure it is considered that CIL funding could be used to contribute towards such provision.

2.39 As with off-site sport and leisure provision, the need for adequate GI on-site should continue to be provided by the developer as an integral part of new development schemes through S106 contributions.

Recommendations

- 2.40 This section has provided an update on the categories of infrastructure and their various funding sources, identifying those that will fall, wholly or partly, within the remit of CIL and those that will be funded by other sources.

Draft Regulation 123 List

- 2.41 It is subsequently recommended that the infrastructure categories identified below are eligible for CIL funding (wholly or partly) and included in the Draft Regulation 123 list which will be published alongside the Draft Charging Schedule.

Physical Infrastructure:

- Sustainable transport improvements (including sustainable transport, walking/cycling and strategic highway improvements)
- Public realm/ town centre enhancements
- Broadband (upgrade/provision)
- Strategic flood defences
- Recycling and waste facility enhancements

Social and Community Infrastructure:

- Education
- Community facilities
- Sport and recreation facilities

Green infrastructure:

- Strategic green infrastructure

- 2.42 The CIL Regulations do not prevent the Council spending CIL funding on categories of infrastructure that have not been identified at this stage provided they are subsequently added to the Reg. 123 List, following a consultation process. Similarly, the identification of

schemes proposed for the Draft Reg 123 List at this stage does not necessarily mean that they will be included in the first published Reg 123 List – they are dependent on public consultation and circumstances at the time of the Examination.

Exclusions from the Draft Regulation 123 List

2.43 It is recommended that the following types of infrastructure will be excluded from the Draft Reg 123 List and will be funded through S106 planning obligations where they meet the statutory tests set out in CIL Regulation 122:

- Affordable housing
- On-site play provision
- Site specific biodiversity mitigation and enhancement
- Site specific green infrastructure
- Site specific infrastructure requirements necessary to overcome obstacles to the development of a site, including the requirements set out in LDP site allocation policies SAH1 to SAH6.

3 CIL Eligible Infrastructure Schemes

- 3.1 This section provides an updated indicative list of infrastructure schemes, which potentially could be delivered within the Regulation 123 List categories, that would support development proposed in the Monmouthshire LDP and which could be funded, wholly or partly, through CIL. Further detail is also provided on the costs and available funding associated with the schemes which assists in demonstrating an aggregate funding gap for infrastructure across the County to support the implementation of CIL. Infrastructure schemes that fall outside the remit of CIL are not included in this table but are detailed in the 2013 IP which should be referred to accordingly.
- 3.2 The infrastructure schemes identified are based on a variety of sources, including:
- MCC Infrastructure Plan (2013)
 - Council and infrastructure provider service plans / strategies, including the Council's Whole Place Plans
 - Informal consultation with Council departments
- 3.3 For each infrastructure scheme, the draft list identifies the relevant infrastructure type, area/settlement, estimated timing/phasing, cost estimates, delivery/funding sources, available funding and funding gap where possible. CIL can be used to partly fund the schemes listed meaning that it can be used in combination with other funding sources to deliver relevant schemes.
- 3.4 The infrastructure requirements set out are based on the best available evidence and are as comprehensive as possible. However, it should not be read as an exhaustive list. There will inevitably be more changes to the infrastructure list as it is an evolving document - it will be reviewed /revised regularly to ensure that it includes the most up to date information. There remains some weaknesses in the information provided where some detailed information on infrastructure costs and available funding has not been readily available. As such, identified costs and available funding are based on the best available information at the time of preparation. As the date of delivery of the infrastructure schemes progress it is expected that document will be refined with more robust cost and funding estimates.
- 3.5 As previously stated, whilst it is possible to categorise the infrastructure, it is not considered appropriate to suggest that some types of infrastructure are more important than others as all are required to make the successful communities that the Council seeks. However, the Council recognises that whilst it may wish to secure the delivery of all infrastructure items, prioritisation may be required

depending on the availability of public and private sector funding sources and service priorities at that time. These priorities are likely to change over time as and when funding sources are available.

Table 1: Draft Infrastructure Schemes Eligible for CIL Funding (November 2015)

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
PHYSICAL INFRASTRUCTURE							
Transport							
Public Transport	Abergavenny	Abergavenny rail station DDA footbridge	From 2016/2017	£1,750,000	Potentially WG Metro ⁴ , DfT AfA ⁵	None. Potentially all	£1,750,000
Public Transport	Abergavenny	Abergavenny rail station car parking extension	From 2016/2017	£1,550,000	None secured. Potentially WG Metro	None. Potentially up to £1.395m	£1,550,000
Public Transport	Abergavenny	Abergavenny rail station facilities improvements	From 2016/2017	£360,000	None secured. Potentially WG Metro	None. Potentially £324,000	£360,000
Public Transport	Abergavenny	Abergavenny bus station interchange	From 2016/2017	£540,000	None secured. Potentially WG Metro	None. Potentially up to £486,000	£540,000
Public Transport	Abergavenny	Abergavenny bus station improvement	From 2017/2018	£500,000	Potentially WG Metro, MCC Estates	None. Potentially up to 90%	£500,000
Public Transport	Chepstow	Chepstow rail station DDA footbridge	From 2016/2017	£1,750,000	None secured. Potentially WG Metro, DfT AfA	None. Potentially all.	£1,750,000
Public Transport	Chepstow	Chepstow rail station car parking extension	From 2016/2017	£1,500,000	None secured. Potentially WG Metro	None. Potentially up to £1.35m	£1,500,000
Public Transport	Chepstow	Chepstow rail station facilities improvements	From 2016/2017	£550,000	None secured. Potentially WG Metro	None. Potentially up to £495,000	£550,000
Public Transport	Chepstow	Chepstow rail station bus interchange	From 2017/2018	£511,000	None secured. Potentially WG Metro	None. Potentially up to £460,000	£511,000

⁴ Welsh Government Metro Programme

⁵ Department for Transport Access for All funding

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Public Transport	Chepstow	Chepstow rail station access improvements	From 2016/2017	£27,000	None secured. Potentially WG Metro, WG LTF ⁶	None. Potentially up to £24,300	£27,000
Public Transport	Chepstow	Chepstow park and share and coach stop	From 2017/2018	£200,000	Potentially WG LTF	None. Potentially up to 90%	£200,000
Public Transport	Monmouth	Monmouth coach stop	From 2016/2017	£100,000	Potentially WG Metro, TrawsCymru	None. Potentially up to 90%	£100,000
Public Transport	Monmouth	Monmouth bus station improvement	From 2017/2018	£100,000	Potentially WG Metro, TrawsCymru	None. Potentially up to 90%	£100,000
Public Transport	Severnside	Severn Tunnel Junction rail station car parking extension	2016	£50,000	None secured. Potentially WG Metro, GWR CCIF ⁷	None. Potentially all.	£50,000
Public Transport	Severnside	Severn Tunnel Junction rail station further car parking extension	From 2017/2018	£3,300,000	Potentially WG Metro	None. Potentially all.	£3,300,000
Public Transport	Severnside	Severn Tunnel Junction rail station facilities improvements	From 2016/2017	£45,000	None secured. Potentially WG Metro, GWR CCIF	None. Potentially up to £41,500	£45,000
Public Transport	Severnside	Severn Tunnel Junction rail station footbridge extension	From 2016/2017	£500,000	Potentially WG Metro, GWR CCIF	None. Potentially all	£500,000
Public Transport	Severnside	Severn Tunnel Junction rail station active travel access	From 2016/2017	£700,000	None secured. Potentially WG Metro, WG LTF, GWR CCIF	None. Potentially up to £630,000	£700,000
Public Transport	Severnside	Magor & Undy new rail station	From 2016/2017	£2,500,000	None secured. Potentially WG Metro, DfT new station fund	None. Potentially up to 90%.	£2,500,000
Public Transport	Severnside	Caldicot rail station improvements	From 2017/2018	£200,000	None secured. Potentially WG Metro.	None. Potentially up to 90%	£200,000
Public Transport	Chepstow/ Severnside	Chepstow/Caldicot – Newport bus corridor improvement	From 2016/2017	£500,000	Potentially WG Metro, BSSG ⁸	None. Potentially up to 90%	£500,000

⁶ Welsh Government Local Transport

⁷ Great Western Railway Customer and Communities Improvement Fund

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Public Transport	County-wide	Bus stop and information improvements	From 2016/2017	£200,000	Potentially WG Metro	None. Potentially up to 90%	£200,000
Public Transport	County-wide	Rail-bus link services	From 2016/2017	£1,000,000	Potentially WG Metro, BSSG	None. Potentially up to 90%	£1,000,000
Public Transport	County-wide	TrawsCymru Extensions	From 2016/2017	£1,500,000	Potentially WG Traws Cymru programme	None. Potentially up to 100%	£1,500,000
Public Transport	County-wide	Local bus service enhancement	2016-2021	£6,000,000	BSSG, MCC	Approx. £600k p.a.	£3,000,000
Public Transport	County-wide	Flexible bus services (Grass Routes extension)	2016-2021	£1,000,000	BSSG, MCC	Approx. £100k p.a.	£500,000
Walking & Cycling	Abergavenny	Active Travel Bridge Abergavenny and Llanfoist	2015-2017	£888,000	WG LTF	£85,000 to date. Potentially up to £800,000	£803,000
Walking & Cycling	Abergavenny	Abergavenny Active Travel Network	From 2016/2017	£500,000	Potentially WG LTF	None. Potentially up to 90%	£500,000
Walking & Cycling	Chepstow	Chepstow Active Travel Network	From 2016/2017	£500,000	Potentially WG LTF	None. Potentially up to 90%	£500,000
Walking & Cycling	Llanfoist	Upgrade of routes from Llanfoist school to provide health walks and education facility for all	Tbc	£8,000	MCC	None secured	£8,000
Walking & Cycling	Monmouth	Monmouth Active Travel Network	From 2016/2017	£1,250,000	Potentially WG LTF	None. Potentially up to 90%	£1,250,000
Walking & Cycling	Monmouth	Walking and cycling route improvements – Monmouth Link Connect	2011 onwards – scheme has started but still requires	£2,400,000	Sustrans, Big Lottery funding	None secure to date	£2,400,000

⁸ Welsh Government Bus Services Support Grant

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
			significant funding to complete				
Walking & Cycling	Monmouth	Refurbishment of Redbrook Railway bridge to accommodate Wye Valley Walk and Cycleway	Subject to detailed feasibility study	£700,000	MCC & GCC and potentially Sustrans/ developer funded	None secured	£700,000
Walking & Cycling	Monmouth	Wye Valley Walk. Engineering assessments have been completed on river erosion/ land slips	Tbc	£23,925 site investigations £5,500 design	MCC	None secured	£29,425
Walking & Cycling	Sevenside	Caldicot Active Travel Network	From 2016/2017	£500,000	Potentially WG LTF	None. Potentially up to 90%	£500,000
Walking & Cycling	Sevenside	Magor & Undy to Rogiet footpath	From 2016/2017	£480,000	None secured. Potentially WG LTF, WG SRIC ⁹	None. Potentially up to £432,000	£480,000
Walking & Cycling	Sevenside	Magor & Undy Active Travel Network	From 2016/2017	£250,000	Potentially WG LTF	None. Potentially up to 90%	£250,000
Walking & Cycling	Sevenside	New cycle route along the B4245	Subject to detailed feasibility study	£100,000	MCC, Sustrans and potentially developer funded	None Secured	£100,000
Walking & Cycling	Sevenside	Improvements to signage to and from Wales Coast Path from all Sevenside towns	Tbc	£20,000	Tbc	None secured	£20,000
Walking & Cycling	Sevenside	Reuse of MoD railway line to provide a new greenway linking Caldicot and Caerwent	Subject to detailed feasibility study	£500,000 subject to detailed	MCC, Sustrans and potentially developer funded	None secured	£500,000

⁹ Welsh Government Safe Routes in Communities Grant

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
				design and additional costs of A48(M) overbridge			
Walking & Cycling	Usk	Usk Active Travel Network	From 2016/2017	£1,250,000	Potentially WG LTF	None. Potentially up to 90%	£1,250,000
Walking & Cycling	County-wide	Various schemes relating to access improvements/ upgrades to walking and cycling routes and PRow ¹⁰	2012-2021	£2,500,000+	Tbc	Tbc	£2,500,000+
Highway Improvements	Abergavenny	Abergavenny traffic relief, environmental and road safety improvements	Tbc	Tbc	Potentially WG LTF, trunk road capital programme	Tbc	Tbc
Highway Improvements	Chepstow	Chepstow A48/A466 (High Beech)	Tbc	Tbc	Potentially WG LTF, trunk road capital programme	Tbc	Tbc
Highway Improvements	Chepstow	Chepstow traffic relief, environmental and road safety improvements	Tbc	Tbc	Potentially WG LTF, trunk road capital programme	Tbc	Tbc
Highway Improvements	Monmouth	Monmouth Wye Bridge improvements	2015-2018	£1,300,000	WG LTF	£90,000 to date. Potentially up to £1,170,000	£1,210,000
Highway & Pedestrian Improvements	Penperlleni/ Llanellen	A4042 traffic relief and pedestrian improvements	Tbc	Tbc	Potentially WG LTF, trunk road capital programme	Tbc	Tbc
Highways	Severnside	Severn Tunnel Junction station new access road	From 2017/2018	£25,300,000	Potentially WG M4 enhancement scheme	None. Potentially all	£25,300,000

¹⁰ Details of additional walking & cycling schemes that could be included under this theme and which are yet to be costed are set out in Appendix B Additional Potential CIL Eligible Infrastructure Schemes.

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Highway Improvements	Usk	Usk traffic relief, environmental and road safety improvements	Tbc	Tbc	Potentially WG LTF	Tbc	Tbc
Highway Improvements	County-wide	Road safety capital schemes	From 2016/2017	£300,000	Potentially WG RS ¹¹	None. Potentially up to 90%	£300,000
Highway Improvements	County-wide	20mph zones across Monmouthshire	From 2015/2016	Tbc	Tbc	Tbc	Tbc
Sustainable Transport	County-wide	Development and implementation of travel plans	From 2016/2017	£500,000	None	None	£500,000
Transport Identified Potential Funding Gap							£37,233,425 (excluding Severn Tunnel Junction Station new access road ¹²) £62,533,425 (including Severn Tunnel Junction Station new access road)
Public Realm/Town Centres							
Public Realm	Abergavenny	Street furniture and planters	2015-2016	Subject to further feasibility and cost assessment	MCC in partnership with Team Abergavenny	Tbc	Tbc
Public Realm	Abergavenny	Signage through interlinking routes to railway, bus station and car parks	2015-2017	Subject to further feasibility and	MCC in partnership with Team Abergavenny	Tbc	Tbc

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¹¹ Welsh Government Road Safety Grant

¹² This highway improvement could potentially be delivered through WG M4 Enhancement Scheme

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
				cost assessment			
Public Realm	Monmouth	Monnow Street improvement to pedestrian environment and streetscape	Tbc	Tbc	Tbc	Tbc	Tbc
Public Realm	Monmouth	Gateway Monmouth Project – environmental improvements to riverside environment/ hardscaping adjacent to Monnow Bridge & Gate	2017-2020	£2,500,000 (£50,000 secured from S106 funding)	Partners to be identified for community delivery	£50,000	£2,450,000
Public Realm	Severnside: Caldicot	Vision Document and Development Plan for Caldicot Town Centre	2016-2020	Costs subject to outputs identified in the Visioning Report/Development Plan	Caldicot Town Team	Tbc	Tbc
Public Realm	Severnside: Caldicot	Caldicot Linkage Scheme – creating an attractive and accessible link between Asda and town centre	2016-2017	£250,000 (£200,000 secured from Section 106 funding)	MCC in partnership with Caldicot Town Team	£200,000	£50,000
Public Realm	Severnside: Caldicot	‘Creative Bubble Project’ – improving occupancy and presentation of vacant shops in the town centre	2016-2017	Costs subject to feasibility assessment	Caldicot Town Team	Tbc	Tbc
Public Realm	Severnside: Caldicot	‘This is Caldicot’ Project – improvements to town centre signage	2016-2017	Costs subject to feasibility assessment	Caldicot Town Team	Tbc	Tbc
Public Realm	Severnside: Caldicot	Development of digital trails linking town centre with	2015-2016	Tbc - funded by WG super	Caldicot Town Team	Tbc	Tbc

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
		tourism routes		connected cities and existing S106			
Public Realm Identified Potential Funding Gap							£2,500,000
Broadband							
Broadband	County-wide	Enhance access to superfast broadband across the County and to allow progression of key projects e.g. Super-connected Cities.	2013 onwards	Tbc	WG, BT and private providers and MCC?	Tbc	Tbc
Broadband Identified Potential Funding Gap							Tbc
Strategic Flood Defence							
Strategic Flood Defence	Severnside: Portskewett	Blackrock coastal protection blockwork, west and east of Blackrock Picnic Site	Tbc	Initial engineering feasibility study carried out in 2015 but needs further consideration of options and costs. Initial options vary from £0.1m to £1m+	MCC	None secured	£1,000,000

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Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Strategic Flood Defence Identified Potential Funding Gap							£1,000,000
Recycling and Waste							
Recycling and Waste	Monmouth	Monmouth Community Amenity site upgrade	Tbc	Indicative costs are £1.5-£2m if built and run by the Council.	Tbc	None secured	£2,000,000
Recycling and Waste Identified Potential Funding Gap							£2,000,000
SOCIAL AND COMMUNITY INFRASTRUCTURE							
Education							
Education	County-wide	Redevelopment/ refurbishment of existing schools to provide a Community Campus in Abergavenny, Chepstow and Monmouth	Tbc	Tbc	Awaiting confirmation from MCC Education	Tbc	Tbc
Education	Sevenside – Caldicot	Redevelopment/ refurbishment of existing school to provide a Community Campus	2013-2016	Tbc	Awaiting confirmation from MCC Education	Tbc	Tbc
Education	Potentially Monmouthshire	New Welsh medium School required in the south east Wales area – joint provision with Torfaen, Newport and Blaenau Gwent.	Tbc	Tbc	Awaiting confirmation from MCC Education	Tbc	Tbc
Education	County-wide	Refurbishment/ redevelopment of the	Tbc		Awaiting confirmation from MCC Education	Tbc	Tbc

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Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
		following primary schools: <ul style="list-style-type: none"> • Castle Park PS Caldicot • Goytre Fawr PS • Thornwell PS Phase II Chepstow • Ysgol Gymraeg Y Ffin PS Caldicot • Llanfair Kilgeddin Voluntary Aided PS • Llanvihangel Crucorney PS 					
Education Identified Potential Funding Gap							Tbc
Community Facilities							
Community Facilities	Abergavenny	Abergavenny Community Centre, Park Street – Centre for Wellbeing, Creativity and Community Self-Reliance	2015-2017	£350,000	Abergavenny Community Trust	None secured	£350,000
Community Facilities	Chepstow	Conversion of Old Board School, Bridge Street into a Community Enterprise Hub	Tbc	£650,000	Chepstow and District Mencap Society	None secured	£650,000
Community Facilities	Raglan	New Village Hall	2016-2017	£950,000	Part Lottery funding (50%)	£475,000	£475,000
Community Facilities	Severnside: Magor/Undy	New Village Hall (3 Fields Site)	Tbc	£2,300,000	Community to source funding	None secured	£2,300,000
Community Facilities Identified Potential Funding Gap							£3,775,000
Sport and Recreation							
Sport &	Abergavenny	New 3G pitch for north	2017/2018	£750,000	Part of national 3G	Potentially £250,000	£750,000

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Recreation		Monmouthshire (location to be agreed but preferred site is Abergavenny)			strategy – possible external grant £250,000 from Collaboration Group		
Sport & Recreation	Abergavenny	Changing rooms for new 3G pitch	2017/2018	£350,000	Location to be agreed with 21 st Century Schools	None secured	£350,000
Sport & Recreation	Abergavenny	Install 3G surface on half of MUGA at Abergavenny leisure centre	2017/2018	£50,000	To be procured as part of same contract for similar provision at Monmouth Leisure Centre	None secured	£50,000
Sport & Recreation	Abergavenny	Bailey Park - Multi Use Games Area on part of old tennis courts	Subject to funding being available	£100,000	Potential for Big Lottery funding as part of Abergavenny Green Spaces bid via Town Team/Town Council	None secured	£100,000
Sport & Recreation	Abergavenny	Bailey Park - Extended play area for older youngsters on part of old tennis courts	Subject to funding being available	£50,000	Potential for Big Lottery funding as part of Abergavenny Green Spaces bid via Town Team/Town Council	None secured	£50,000
Sport & Recreation	Abergavenny	Bailey Park - Repair and replacement of perimeter railings and gates	2018/2019	£50,000	£10,000 contribution available from cattle market development	Potentially £10,000	£40,000
Sport & Recreation	Abergavenny	Bailey Park - New replacement pavilion	Subject to feasibility study	£500,000	Potential for Big Lottery funding as part of Abergavenny Green Spaces bid via Town Team/Town Council	None secured	£500,000
Sport & Recreation	Abergavenny	Bailey Park enhancements – new bins, benches, seating,	20015-2017	Subject to further	Team Abergavenny	Tbc	Tbc

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
		path resurfacing, interpretation boards		feasibility and cost assessment			
Sport & Recreation	Abergavenny	Linda Vista Gardens – various enhancements including signage, benches, gates, footpaths; renovation of machine store; refurbishment of toilet block	2015-2017	Subject to further feasibility and cost assessment	Team Abergavenny	Tbc	Tbc
Sport & Recreation	Chepstow	Install 3G surface on half of MUGA at Chepstow Leisure Centre	When funding is available	£50,000	To be procured as part of same contract for similar provision at Caldicot Leisure Centre	None secured	£50,000
Sport & Recreation	Llanfoist	Provision of regional off-road cycling centre	2017/2018	£950,000	Potential grant funding of £250,000 from Welsh Cycling	Potentially £250,000	£950,000
Sport & Recreation	Monmouth	Enhancements to new swimming pool at Monmouth Leisure Centre	2018/2019	£5,168,000	To be delivered as part of provision of new school on site of current Monmouth Comprehensive School. £4m funding confirmed from WG	£4m	Tbc
Sport & Recreation	Monmouth	Install 3G surface on half of MUGA at Monmouth Leisure Centre	2018/2019	£50,000	To be procured as part of same contract for similar provision at Abergavenny Leisure Centre	None secured	£50,000
Sport & Recreation	Severnside: Caldicot	Construct new changing rooms to service the outdoor sports facilities on the	2018/2019 depends on outcome of	£350,000	Severnside 3G pitch is a regional facility for the whole of south	None secured	£350,000

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
		School/Leisure Centre site in Caldicot	the feasibility study and planning permission		Monmouthshire. The proposed new changing rooms need to be delivered linked to the delivery of the new Caldicot School project.		
Sport & Recreation	Severnside: Caldicot	Install 3G surface on half of MUGA at Caldicot Leisure Centre	2018/2019	£50,000	To be procured as part of same contract for similar provision at Chepstow Leisure Centre	None secured	£50,000
Sport & Recreation	Severnside: Caldicot	Spine Footpath – upgrade play area to meet current standards	Subject to consultation on play needs in the area	£100,000	MCC funded	None secured	£100,000
Sport & Recreation	Severnside: Caldicot	Secure plots in Caldicot and wider Severnside area to develop incredible edibles scheme	2015	Tbc	Caldicot Town Team	Tbc	Tbc
Sport & Recreation	County-wide	Leisure Centre facilities upgrade – Abergavenny, Caldicot, Chepstow and Monmouth leisure centres	Tbc	£300,000	MCC	None secured	£300,000
Sport and Recreation Identified Potential Funding Gap							£3,690,000
GREEN INFRASTRUCTURE							
Green Infrastructure	Abergavenny	Castle Meadows – extend the existing managed greenspace to Ysbytty Fields to improve linkage to Llanfoist	2012-2021	Subject to detailed feasibility study	MCC and potentially developer funded	Tbc	Tbc

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Green Infrastructure	Abergavenny	Castle Meadows – renewal of river bank protection near Llanfoist bridge with green engineered scheme	2012-2021	£60,000 (subject to detailed assessment)	MCC and potentially developer funded. Potential to link with NRW fish pass project at Llanfoist bridge	None secured	£60,000
Green Infrastructure	Abergavenny	Castle Meadows – enhancing access route from Castle Street including new walkway and rebuilding of retaining wall	2016-2021	£50,000 (subject to detailed assessment)	MCC and potentially developer funded	None secured	£50,000
Green Infrastructure	Abergavenny	Castle Meadows – delivery of Interpretation Strategy	2016-2021	£50,000	MCC and Friends of Castle Meadows and potentially developer funded	None secured	£50,000
Green Infrastructure	Abergavenny	Castle Meadows – creation of sculpture, path repairs	2015-2017	Subject to further feasibility and cost assessment	Team Abergavenny	Tbc	Tbc
Green Infrastructure	Severnside: Caldicot	Caldicot Castle and Country Park: Reconfiguration of site access and car parking; Improving the play and activity offer; new product opportunities to extend the destination appeal of the castle and country park; optimise the environmental assets of the park	Subject to action plan	Reconfiguration of site access and car parking technical appraisal £20,000, implementation costs unknown; £750,000	Potential funding applications to the Heritage Lottery Fund and CADW	None secured	£770,000

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Green Infrastructure	Severnside/ Chepstow	Wales Coast Path Interpretation	Tbc	Phase 2 excluding costs of sourcing artefacts £30-40,000	Tbc	None secured	£40,000
Green Infrastructure	Whitebrook	Whitebrook Byway	Tbc	£70-80,000	MCC	None secured	£80,000
Green Infrastructure	County-wide: Abergavenny, Chepstow, Monmouth, Severnside	Seek opportunities to address deficiencies in open space	Ongoing	Subject to detailed feasibility study	MCC and potentially developer funded	Tbc	Tbc
Green Infrastructure	County-wide: Abergavenny, Chepstow, Monmouth, Severnside	Development of Action Plan & interpretation of countryside access and wider GI issues showing opportunities for walking and enhanced environment by provision of interpretive materials around routes, improved biodiversity connectivity, opportunities linked to open space and amenity mitigation where required.	Subject to detailed action plan	£100,000 (£25,000 per settlement) plus £20,000 (£5,000 action plan per settlement)	MCC	None secured	£120,000
Green Infrastructure	County-wide: Abergavenny,	Delivery of Action Plan	Tbc	£80,000 (£20,000 per	MCC and developer funded	None secured	£80,000

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
	Chepstow, Monmouth, Severnside	projects encompassing GI benefits including biodiversity connectivity and enhancements, place making, and open space benefits and circular routes around towns and villages linking to health tourism and heritage.		settlement)			
Green Infrastructure	County-wide	New/enhanced access to natural greenspace and various GI opportunities across the County ¹³	Tbc	Tbc	Tbc	Tbc	Tbc
Green Infrastructure Identified Potential Funding Gap							£1,250,000
Total Identified Potential Funding Gap							£51,448,425 (excluding Severn Tunnel Junction station new access road) £76,748,425 (including Severn Tunnel Junction station new access road)

¹³ Details of additional green infrastructure schemes that could be included under this theme and which are yet to be costed are set out in Appendix B Additional Potential CIL Eligible Infrastructure Schemes

4 Conclusion

- 4.1 The total identified estimated infrastructure funding gap is currently £52,973,425 (excluding the Severn Tunnel Junction station new access road¹⁴)/ £78,273,425 (including the Severn Tunnel Junction station new access road). This is a significant amount and clearly exceeds the amount of CIL revenue projected to be generated during the Plan period. The costs associated with certain schemes, including education and broadband, are yet to be determined meaning that this figure is likely to rise further. However, it is also recognised that as more detailed cost information and available funding sources are confirmed it may be that the total funding gap is reduced. As previously stated, the Infrastructure Plan is an evolving document and will be regularly reviewed/ revised as more up-to-date cost information becomes available.

¹⁴ This highway improvement could potentially be delivered through WG M4 Enhancement Scheme

APPENDIX A

Overview of CIL Eligible Infrastructure

Infrastructure Category	CIL Eligible	Notes
Physical Infrastructure		
Improved Public Transport <ul style="list-style-type: none"> • Bus service and network • Rail service and network • Walking and Cycling 	✓ ✓ ✓	It is not expected that such infrastructure schemes will be entirely funded through CIL, however, it is considered that CIL could be one of the funding mechanisms to deliver such schemes.
Highway Improvements	✓	It is not expected that such infrastructure schemes will be entirely funded through CIL, however, it is considered that CIL could be one of the funding mechanisms to deliver such schemes. S106 contributions will continue to be used where local transport infrastructure is necessary to remove site specific obstacles to planned development e.g. access improvements
Utilities <ul style="list-style-type: none"> • Surface water and flood risk mitigation • Energy – electricity and gas • Water resources – potable water and sewerage treatment • Telecommunications – Mobile operators • Telecommunications – Broadband 	X X X X ✓	Utility companies have a duty to provide/fund strategic infrastructure to serve new development and as such the funding of improvements to utilities will not be dependent on CIL funding. The exception to this is the provision of broadband - given that its provision is heavily reliant on a sufficient customer base and it is of strategic importance to the County's economy, it is considered appropriate to use CIL funding towards the provision of broadband.

Strategic Flood Defences	✓	
Household Waste and Recycling	✓	
Public Realm/Town Centre Improvements	✓	
Social and Community Infrastructure		
Education	✓	In view of the need to 'pool' contributions, it is considered that CIL funding could be used alongside other funding sources to fund education provision in Monmouthshire.
Health Care	X	As primary and acute health care is funded from various sources (e.g. third party development, WG grant) it is not anticipated that such infrastructure will be eligible for CIL funding.
Emergency Services	X	Emergency service facilities are provided by the relevant bodies and as such is it not anticipated that these facilities will be eligible for CIL funding.
Crematoria and Burial Grounds	✓	
Community Centres/Village Halls	✓	
Sport and Leisure facilities	✓	Given the strategic nature of sport/leisure facilities and the need to 'pool' any contributions, it is considered that CIL funding could be used to contribute towards such provision. However, on-site provision needed as an integral part of new development schemes (e.g. on-site play) will continue to be funded through S106 contributions.
Green Infrastructure		
Strategic Green Infrastructure	✓	Given the strategic nature of much GI and the need to 'pool' any contributions, it is considered that CIL funding could be used to contribute towards such provision. However, the provision of adequate on-site GI should continue to be provided by the developer as an integral part of new development schemes.

APPENDIX B

Additional Potential CIL Eligible Walking/Cycling and Green Infrastructure Schemes

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
PHYSICAL INFRASTRUCTURE							
Transport							
Walking & Cycling	Chepstow	Access improvements to the River Wye	Tbc	Tbc	MCC, developer funded	Tbc	Tbc
Walking & Cycling	Chepstow	Improvements to WWV Piercefield Furniture	Tbc	Tbc	MCC	Tbc	Tbc
Walking & Cycling	Abergavenny/ Llanfoist	Access improvements between Abergavenny/ Llanfoist and the BIWHS	Subject to feasibility study	Subject to feasibility study	MCC and potentially developer funded	Tbc	Tbc
Walking & Cycling	Monmouth	Walking and horse riding access improvements on the PRoW network	Subject to action plan	Subject to action plan	MCC and potentially developer funded	Tbc	Tbc
Walking & Cycling	Monmouth	Wyesham to Redbrook cycleway	Subject to detailed feasibility assessment	Subject to detailed feasibility assessment	Sustrans /developer funded	Tbc	Tbc
Walking & Cycling	Monmouth	Improvements to footpath furniture and signage from Wonastow Road to Kings Wood	Tbc	Tbc	MCC assessment required from CAMS	Tbc	Tbc

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Walking & Cycling	Severnside	Access improvements to the PRow network	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC and potentially developer funded	Tbc	Tbc
Walking & Cycling	Severnside	Wales Coast Path improvements including links and circular paths and improvements to the Black Rock picnic site	Subject to action plan	Subject to action plan	Subject to action plan	Tbc	Tbc
Walking & Cycling	Severnside	Potential for a route linking Sudbrook to Caldicot/Portskewett and Caldicot Greenway	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC, Sustrans and potentially developer funded	Tbc	Tbc
Walking & Cycling	Usk	Usk to Mamhilad railway path – new shared use/ cycle route	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC and potentially Sustrans	Tbc	Tbc
GREEN INFRASTRUCTURE							
Green Infrastructure	Abergavenny	Seek opportunities to open up access to currently inaccessible natural greenspaces	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC	Tbc	Tbc
Green Infrastructure	Chepstow	New/enhanced accessible natural greenspace in the new development north of the motorway	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC and potentially developer funded	Tbc	Tbc
Green infrastructure	Chepstow	New/enhanced accessible natural greenspace in the	Subject to detailed	Subject to detailed	MCC and potentially developer funded	Tbc	Tbc

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
		centre of Chepstow adjoining the River Wye	feasibility study	feasibility study			
Green Infrastructure	Monmouth	Provision of accessible natural greenspace to the north of the town/ provision of access to currently inaccessible natural greenspace	2014-2020	Subject to detailed feasibility study	MCC and potentially developer funded	Tbc	Tbc
Green Infrastructure	Severnside	Nedern Catchment Landscape Partnership Scheme	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC, NRW	Tbc	Tbc
Green Infrastructure	Severnside: Magor	Provision of Tier 2 accessible natural greenspace to the east of Magor	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC and potentially developer funded	Tbc	Tbc
Green Infrastructure	Severnside: Rogiet	Improvements to Rogiet Countryside Park	Subject to detailed feasibility study	Subject to detailed feasibility study	Not known	Tbc	Tbc
Green Infrastructure	Severnside	Gwent Shrilla Carder Bee Habitat Project	Ongoing	Subject to detailed feasibility study	Gwent Wildlife Trust	Tbc	Tbc
Green Infrastructure	Severnside	Living Levels	Tbc	Tbc	RSPB, GWT, NRW	Tbc	Tbc
Green Infrastructure	Severnside: Sudbrook	Sudbrook habitat creation and management	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC and potentially developer funded	Tbc	Tbc

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Green Infrastructure	Tintern	Old Station Tintern, Abbey Tintern Furnace and Wire Works. A Management Plan is currently being developed for all three sites	Awaiting publication of plan	Awaiting publication of plan	Awaiting publication of plan	Tbc	Tbc
Green Infrastructure	Usk	Usk Island – improve access in association with the possible use of the adjacent redundant railway track and ex railway bridge over the River Usk which has been identified by Sustrans as a potential multi-purpose route	Subject to detailed feasibility study	Subject to detailed feasibility study	Tbc	Tbc	Tbc
Green Infrastructure	Wye Valley AONB	Contribution to the delivery of actions within the AONB Management Plan	Subject to action plan	Subject to action plan	MCC, AONB Unit, landowners/managers	Tbc	Tbc
Green Infrastructure	County-wide	Development of circular routes/links off the Offa's Dyke Path in and around key settlements/to key GI assets and community facilities	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC, Sustrans and potentially developer funded	Tbc	Tbc
Green Infrastructure	County-wide	Development of circular routes/links off the Usk Valley Walk in and around key settlements/to key GI assets and community facilities	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC, Sustrans and potentially developer funded	Tbc	Tbc
Green Infrastructure	County-wide	River restoration project including the Wye, Monnow, Trophy and Usk	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC, AONB Unit, Canal and River Trust and potentially developer funded	Tbc	Tbc

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Green Infrastructure	County-wide	Provision of new and/or enhancement to existing GI and access along river corridors (e.g. Redbrook bridge, Monmouthshire and Brecon Canal towpath improvements)	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC, Canal and River Trust and potentially developer funded	Tbc	Tbc
Green Infrastructure	County-wide	Enhancements between water catchment areas	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC, NRW and landowners/managers	Tbc	Tbc
Green Infrastructure	County-wide	A and B Road Pollinator Project	Ongoing	Tbc	MCC, Wildlife Trust	Tbc	Tbc
Green Infrastructure	County-wide	Where appropriate, seek opportunities to enhance accessible natural greenspace provision, e.g. through provision of access to currently inaccessible natural greenspaces and/or improving management of existing sites to increase biodiversity value/'naturalness' (nb: County already generally well provided for in terms of accessible natural greenspace)	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC, existing land owners/managers	Tbc	Tbc
Green Infrastructure	County-wide	GI provision/retrofitting in relation to existing or new road corridor (e.g. A40, M4)	Subject to detailed feasibility study	Subject to detailed feasibility study	MCC and Highways	Tbc	Tbc

Infrastructure Category	Area	Infrastructure Scheme	Timing/ Phasing	Estimated Cost	Delivery/ Funding Sources	Available Funding	Estimated Potential Funding Gap
Green Infrastructure	County-wide	Contribution towards the delivery of the PROW Improvement Plan	Subject to Action Plan	Subject to Action Plan	MCC and potentially developer funded	Tbc	Tbc
Green Infrastructure	County-wide	Interpretation and Improved signage on and linking to three Castles Walk, Monnow Valley Walk, Usk Valley Walk	Tbc	Tbc	Tbc	Tbc	Tbc
Green Infrastructure	County-wide	Identification of least restrictive access routes in all major towns/villages and improvements to furniture from or near Doctors surgeries	Tbc	Tbc	Tbc	Tbc	Tbc

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Future Generations Evaluation (includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer completing the evaluation Martin Davies</p> <p>Phone no: 01633 644826 E-mail: martin.davies33@btinternet.com</p>	<p>Please give a brief description of the aims of the proposal</p> <p>The Local Development Plan (LDP), which was adopted on 27 February 2014, sets out the Council's vision and objectives for the development and use of land in Monmouthshire, together with the policies and proposals to implement them over the ten year period to 2021. Community Infrastructure Levy (CIL) is a levy that is charged on new developments, to be used to support the funding of infrastructure that the community needs. The adoption of CIL, therefore, is a means of delivering the LDP.</p>
<p>Name of Service</p> <p>Planning Policy</p>	<p>Date Future Generations Evaluation form completed</p> <p>14/11/2015</p>

FSG0431

1. **Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Positive: CIL funding can help contribute to the provision of infrastructure to support development, improve general prosperity and improve education facilities.</p> <p>Negative: None. The CIL charge has been established following extensive viability testing to</p>	<p>Better contribute to positive impacts: Monitor the effectiveness of CIL spending on a regular basis and ensure it is subject to appropriate community consultation.</p>




Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	ensure that the viability of development is not adversely affected.	Mitigate any negative impacts: Carry out regular review of land values and development costs to ensure viability of development not adversely affected.
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>Positive: CIL funding can be used to finance schemes promoting Green Infrastructure, Biodiversity etc.</p> <p>Negative: None</p>	Better contribute to positive impacts: Monitor the effectiveness of CIL spending on a regular basis and ensure it is subject to appropriate community consultation.
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>Positive: CIL funding can be used to finance schemes promoting walking and cycling, thereby promoting healthy living.</p> <p>Negative: None</p>	Better contribute to positive impacts: Monitor the effectiveness of CIL spending on a regular basis and ensure it is subject to appropriate community consultation.
<p>A Wales of cohesive communities Communities are attractive, viable, safe and well connected</p>	<p>Positive: CIL funding can be used to finance the infrastructure to promote sustainable communities, including community and social facilities, open space, public transport, walking and cycling connections etc.</p> <p>None: The CIL charge has been established following extensive viability testing to ensure that other LDP policies aimed at promoting community cohesiveness, particularly affordable housing are</p>	<p>Better contribute to positive impacts: Monitor the effectiveness of CIL spending on a regular basis and ensure it is subject to appropriate community consultation.</p> <p>Mitigate any negative impacts: Carry out regular review of land values and development costs to ensure viability of development (and hence ability to provide affordable housing) is not adversely affected.</p>



Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	not adversely affected,	
<p>A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>Positive: CIL supports the implementation of the LDP, the policies of which have been subject to a Sustainability Appraisal and Strategic Environmental Assessment to ensure that social, economic and environmental objectives are met, thereby contributing to sustainable development and global well-being.</p> <p>Negative: None</p>	<p>Better contribute to positive impacts: Monitor the effectiveness of CIL spending on a regular basis and ensure that any LDP revision is subject to appropriate Sustainability Appraisal and Strategic Environmental Assessment testing.</p>
<p>A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>Positive: CIL funding can be used to support community and sporting facilities.</p> <p>Negative: None</p>	<p>Better contribute to positive impacts: Monitor the effectiveness of CIL spending on a regular basis and ensure it is subject to appropriate community consultation.</p>
<p>A more equal Wales People can fulfil their potential no matter what their background or circumstances</p>	<p>Positive: The LDP should bring positive benefits to all members of Monmouthshire's population through policies that seek to achieve the five main aims of the Welsh Spatial Plan, namely Building Sustainable Communities, Promoting a Sustainable Economy, Valuing our Environment, Achieving Sustainable Accessibility and Respecting Our Environment. All the policies of the plan have been subject to a Sustainability Appraisal that measures their performance against sustainability objectives, including such matters as providing equitable access to jobs, services and facilities, allowing all people to meet their housing</p>	<p>Better contribute to positive impacts and mitigation of negative impacts: Monitor the effectiveness of CIL spending on a regular basis and ensure it is subject to appropriate community consultation and equality and sustainability impact assessments.</p>

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 434</p>	<p>needs, protecting people from health risk and providing opportunities for healthy lifestyles, supporting all members of the community and promoting community cohesion. The adoption of CIL is a means of supporting and delivering the LDP. There are a number of exemptions to the CIL charge, including, for example, that it does not apply to affordable housing, development used for charitable purposes, self-build dwellings and residential annexes/extensions, so national legislation itself includes provision for measures that avoid a number of potential adverse impacts on groups with protected characteristics.</p> <p>Negative: Decisions on how to prioritise the spending of CIL receipts could potentially have implications for groups with protected characteristics. The present stage of the process, however, does not seek to establish such priorities but is the first step in establishing a CIL charging schedule. Spending decisions will need to be subject to separate EQIAs.</p>	

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Balancing short term need with long term and planning for the future</p>	<p>The LDP covers the period 2011-21. CIL supports the implementation of the LDP. By its nature, therefore, it cannot look beyond the next five year period but the SA/SEA of the LDP would have ensured consideration of the impact on future generations.</p>	<p>Ensure that the LDP and its policies have been subject to SA/SEA.</p>
 <p>Working together with other partners to deliver objectives</p>	<p>The previous stage of the CIL process has been subject to a public consultation, targeted to those who are considered to have a specific interest in the topic but also including all town and community councils, notices in the press. Individuals and organisations currently on the LDP consultation data base have been given the opportunity to request to be notified of the CIL process should they wish.</p>	<p>Similar consultation will be carried out on the next stage of the process. Processes will be put in place to ensure community groups etc. will be consulted on how CIL money is spent.</p>
 <p>Involving those with an interest and seeking their views</p>	<p>The previous stage of the CIL process has been subject to a public consultation, targeted to those who are considered to have a specific interest in the topic but that will also including all town and community councils, notices in the press. Individuals and organisations currently on the LDP consultation data base have been given the opportunity to request to be notified of the CIL process should they wish. The Development Industry, in particular, will be affected by the implementation of CIL and it has been consulted on the CIL charge and will be consulted on future stages, including the right to be heard at a public examination by an independent inspector.</p>	<p>Similar consultation will be carried out on the next stage of the process. Processes will be put in place to ensure community groups etc. will be consulted on how CIL money is spent.</p>

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	N/A	N/A
 <p>Integration</p> <p>Positively impacting on people, economy and environment and trying to benefit all three</p>	CIL supports the implementation of the LDP which has been subject to a Sustainability Assessment that balances the impacts on Social, Economic and Environmental factors.	CIL supports the implementation of the LDP which has been subject to a Sustainability Assessment that balances the impacts on Social, Economic and Environmental factors.

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Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
	<p>Positive: The LDP should bring positive benefits to all members of Monmouthshire’s population through policies that seek to achieve the five main aims of the Welsh Spatial Plan, namely Building Sustainable Communities, Promoting a Sustainable Economy, Valuing our Environment, Achieving Sustainable Accessibility and Respecting Our Environment. All the policies of the plan have been subject to a Sustainability Appraisal that measures their performance against sustainability objectives, including such matters as providing equitable access to jobs, services and facilities, allowing all people to meet their housing needs, protecting people from health risk and providing opportunities for healthy lifestyles, supporting all members of the community and promoting community cohesion. The adoption of CIL is a means of supporting and delivering the LDP. There are a number of exemptions to the CIL charge, including, for example, that it does not apply to affordable housing, development used for charitable purposes, self-build dwellings and residential annexes/extensions, so national legislation itself includes provision for measures that avoids a number of potential adverse impacts on groups with protected characteristics.</p> <p>Negative: Decisions on how to prioritise the spending of CIL receipts could potentially have implications for groups with protected characteristics. The present stage of the process, however, does not seek to establish such priorities but is the first step in establishing a CIL charging schedule. Spending decisions will need to be subject to separate EQIAs.</p> <p>Mitigation: Monitor the effectiveness of CIL spending on a regular basis and ensure it is subject to appropriate community consultation and equality and sustainability impact assessments.</p>		
Age	See above	See above	See above
Disability	See above	See above	See above
Gender reassignment	See above	See above	See above
Marriage or civil partnership	See above	See above	See above
Race	See above	See above	See above
Religion or Belief	See above	See above	See above
Sex	See above	See above	See above

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Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Sexual Orientation	See above	See above	See above
Welsh Language	See above	See above	See above

4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities? For more information please see the guidance <http://hub/corporatedocs/Democratic%20Services/Safeguarding%20Guidance.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	N/A	N/A	
Corporate Parenting	N/A	N/A	

5. What evidence and data has informed the development of your proposal?

- Page 439
- 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 County Council CIL Viability Assessment - Updated Viability Evidence for Development of a Community Infrastructure Levy Charging Schedule (Three Dragons, September 2015, Draft Report).**
 - Monmouthshire County Council CIL Viability Assessment - Addendum – Update of Non-Residential Viability Assessment (Peter Brett, September 2015).**
 - 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).
 - Monmouthshire Infrastructure Plan – Addendum November 2015**
 This provides an updated indicative list of infrastructure schemes that fall within the Regulation 123 List categories, that are necessary to support

development proposed in the Monmouthshire LDP and which could be funded, wholly or partly, through CIL.

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The positive impact of this proposal is that it raises finance to provide infrastructure to support the implementation of the Monmouthshire LDP and meet the social, economic and environmental objectives of the plan.

Potential negative impacts would only occur if viability of development was adversely affected by CIL and extensive viability testing, monitoring and review is undertaken to ensure that this does not happen.

Future stages of the implementation of CIL will be subject to appropriate consultation and decisions taken on how CIL is spent in particular will be subject to engagement with the local community.

7. Actions. As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable. N/A

What are you going to do	When are you going to do it?	Who is responsible	Progress

8. Monitoring: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	An annual basis following adoption of CIL. Reports will be made to Council, Welsh Government and be publicly available.
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SUBJECT:	Gypsy and Traveller Accommodation Assessment
MEETING:	Cabinet
DATE:	3rd February 2016
DIVISION/WARDS AFFECTED:	All

1. PURPOSE:

- 1.1 To consider the attached draft Gypsy and Traveller Accommodation Assessment report which details the potential accommodation needs for Gypsy and Travellers in Monmouthshire.

2. RECOMMENDATIONS:

- 2.1 To agree and adopt the Gypsy & Traveller Accommodation Assessment (See Appendix 1).

3. KEY ISSUES:

- 3.1 Under Part 3 of the Housing (Wales) Act 2014, all local authorities must undertake a Gypsy & Traveller Accommodation Assessment and to make provision where assessments identify an unmet need for mobile home pitches. The assessments were undertaken with reference to Welsh Government guidance document. All Local Authorities have until the 26th February 2016 to submit their assessments to the Welsh Government for scrutiny.

- 3.2 The purpose of the assessment is to inform the Council's LDP Annual Monitoring Report and the LDP Review Process to meet both current and future needs for Gypsy and Traveller sites. The following provides a brief summary of the Assessment process and its findings. For a more detailed information please refer to the Assessment report:

3.5.1 Process

- A Steering Group comprising of important key stakeholders and members of the Gypsy and Traveller community was formed to oversee the assessment process and its findings. The group had a number of responsibilities including:
 - Helping to identify households living within the community to contact and survey using the standard questionnaire contained in the Guidance;
 - To help scrutinise and provide feedback on the results;
 - To sign off the report to be submitted to Welsh Government.
- Household survey interviews were conducted between June and November 2015 by officers from Housing & Communities Service, with the assistance of the Regional Equalities Council's Gypsy & Traveller Liaison Officer. The Assessment's core findings, conclusions and recommendations are based on the answers to the questionnaire.

3.5.2 Findings:

- The Assessment identified a higher number of Gypsy & Traveller households in Monmouthshire than previous data sources indicated
- There is an estimated unmet need for eight pitches to 2021, based on overcrowding, unauthorised occupation and the likelihood of cultural aversion to conventional housing;
- A need for a transit site has not been identified due to the low number of unauthorised encampments in the County;
- A need for stopping place has been identified;

- A need for travelling Showpeople pitches has not been identified;
 - The Council is expected to establish a waiting list to allow Gypsy & Traveller households to register an interest in obtaining an authorised pitch for a mobile home;
 - A number of households within the community do not understand the Council's Planning Policy in relation to pitch provision;
 - No additional households who wanted or needed to live in Monmouthshire have been drawn to the attention of the Council from other Welsh authorities;
 - Further consideration is given to amending current planning permission to allow lifetime occupation by additional named individuals in order to address identified unmet need.
- 3.6. The draft report was considered at a Special Stronger Communities Select Committee meeting on the 11th January which recommended that the assessment should go before Cabinet for consideration and adoption.

4. REASONS:

- 4.1 The Council needs to comply with its statutory duty under Part 3 of Housing (Wales) Act 2014

5. RESOURCE IMPLICATIONS:

- 5.1. There are no implications with regards to the Assessment itself. However, should the Council decide to develop site provision there could be capital costs associated with developing provision. It is worth noting though that Welsh Government grant assistance is currently available. However, this may be limited and access would be through a bidding process.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

- 6.1 No implications have been identified in respect of this report. The Equalities Impact and Sustainable development assessments are attached (See Appendix 2).

7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS

There are no implications identified

8. CONSULTEES:

Cabinet; Senior Leadership Team; Chair Adults Select; SE Wales Regional Equalities Council; MCC Gypsy & Traveller Accommodation Assessment Steering Group

9. BACKGROUND PAPERS:

Undertaking Gypsy & Traveller Accommodation Assessments' (May 2015) – Welsh Government; Part 3 Housing (Wales) Act 2014

- 10. AUTHOR:** Stephen Griffiths, Strategy & Policy Officer (Housing & Communities)

11. CONTACT DETAILS:

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MONMOUTHSHIRE COUNTY
COUNCIL
GYPSY AND TRAVELLER
ACCOMMODATION
ASSESSMENT

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Forward by Councillor Phylip Hobson.

I am pleased to present Monmouthshire's County Council's Gypsy and Traveller Accommodation Assessment for the period January 2015 to 2020. An on-going objective of the Council is a commitment to meet any current and future accommodation needs of Gypsies and Travellers across Monmouthshire and this assessment will assist in meeting that objective.

In undertaking this Assessment it has also been a priority of the Council to proactively engage with local Gypsies and Travellers and develop a two-way relationship to help inform our planning. It is therefore pleasing that the assessment reflects a renewed approach to Gypsy and Traveller community engagement and consultation. This was reflected through the formation of a steering group containing members of the Gypsy and Traveller community whose participation raised awareness of the both their concerns and needs and resulted in community members identifying a number of priorities. These priorities went on to form part of the recommendations and future planned work for the Council to undertake.

Introduction

This Gypsy & Accommodation Assessment has been completed under the Council's statutory duties relating to Part 3 of the Housing (Wales) Act 2014, which requires all local authorities in Wales to undertake a Gypsy & Traveller Accommodation Assessment and to make provision where assessments identify an unmet need for mobile home pitches.

This Assessment has been completed utilising the Welsh Government guidance document, 'Undertaking Gypsy & Traveller Accommodation Assessments' published in May 2015.

Although not a requirement of the Welsh Government Guidance, the Council was keen to utilise the Assessment as an opportunity to positively and proactively engage with Gypsy & Traveller households in Monmouthshire and to develop relationships with individual households and the local community as a whole. On this basis, the Council decided to implement the Assessment directly rather than appoint a partner agency to carry out the Assessment on its behalf.

The Assessment was overseen by a Monmouthshire multi-agency Steering Group under the co-ordination of the Council's Housing & Communities Service. The core findings, conclusions and recommendations of the Assessment are based on feedback collated between June and November 2015, through the interviewing of 19 Gypsy & Traveller households in Monmouthshire. The interviews were conducted by officers from Housing & Communities Service, with the assistance of the Regional Equalities Council Gypsy & Traveller Liaison Officer. To the knowledge of the Council, only one known Monmouthshire Gypsy & Traveller household (who declined to participate) has not contributed to this Assessment.

The summary conclusions of the Assessment are:

- There is an estimated unmet need for eight pitches to 2021, based on overcrowding, unauthorised occupation and the likelihood of cultural aversion to conventional housing (see Chapter 5);
- There is not a need for a transit site due to the low number of unauthorised encampments in the County (see Chapter 2, paragraph 2.18);
- A need for stopping places has been identified;
- A need for travelling Showpeople yard has not been identified;
- There is an expectation that the Council should have a waiting list to allow Gypsy & Traveller households to register an interest in obtaining an authorised pitch for a mobile home. This is seen by Welsh Government as a proactive means of engaging with the Gypsy and Traveller community as well as a means of identifying any future accommodation needs of the community;
- A number of households within the community do not understand the Council's Planning Policy in relation to pitch provision;
- No additional households who wanted or needed to live in Monmouthshire have been drawn to the attention of the Council from other Welsh authorities;
- Further consideration is given to amending current planning permission to allow lifetime occupation by additional named individuals in order to address identified unmet need;
- That Monmouthshire has a higher number of Gypsy & Traveller households living in the County than had previously been identified through the 2011 census (See Chapter 2, paragraph 2.6 – 2-8)

This Assessment, therefore, recommends

- The Council to conduct in-depth further assessments into the households identified by the assessment as having a likelihood of need based on cultural aversion in order to more accurately determine unmet need;
- The Council seek to make provision for appropriate sites to meet identified unmet need by working proactively with the Gypsy and Traveller households to establish their preference for site provision, that is, private or public sites.
- The Council establishes a pitch waiting list policy;
- The Council considers amending current planning permission to allow lifetime occupation by additional named individuals in order to address identified unmet need;
- The Council works collaboratively with neighbouring local authorities to meet identified need for the development of additional temporary stopping places;
- The Council organises an engagement event to enable Gypsy & Traveller households to find out more about the Council's planning policies and procedures so that the Community is able to seek planning advice on development opportunities prior to future land purchases;
- The Council establishes mechanisms to enable effective engagement with both settled and Gypsy Traveller communities in relation to the identification of future potential sites.

Having been adopted by the Council, the next steps are to:

- Undertake more detailed assessment of those households identified through the assessment as having a likelihood of need based on cultural aversion by May 2016, in order to more accurately determine unmet need;
- Establish a waiting list and policy during 2016 to enable Gypsy and Traveller households to register an interest in obtaining an authorised pitch;
- Engage with neighbouring local authorities in respect of temporary stopping places;
- Organise a Planning briefing session for Gypsy & Traveller households in the Spring 2016 to provide guidance on planning policy / process in the relation of the provision of sites;
- Forward the GTAA to the Brecon Beacons National Park Authority;
- The findings of the GTAA will inform both the Monmouthshire and Brecon Beacons National Park LDP Annual Monitoring Reports (AMRs) and LDP review processes.

Chapter One

1.0 Context

1.1. Background

- 1.2. Part three of the Housing (Wales) Act 2014 placed number of statutory duties on local authorities to determine the accommodation needs of their Gypsy & Traveller community. S101 of the Act requires local authorities to conduct a review within one year of the Act coming into force and thereafter every five years. During the review period local authorities must carry out an assessment and report its findings to Welsh Ministers for approval. The report must detail how the assessment was carried out; contain a summary of the consultation process; the responses received and any accommodation need identified by the assessment (Appendix 1).
- 1.3. If from the study an accommodation need is identified, s103 of the Act places a duty on the local authority to exercise its powers under Part five of the Mobile Homes (Wales) Act 2013 to provide sites on which mobile homes may be stationed (Appendix 2).
- 1.4. Under S104, if the Welsh Ministers are satisfied that a local housing authority has failed to comply with their duty under s103, they can direct the authority to exercise those powers conferred to it powers under Part five of the Mobile Homes (Wales) Act 2013 to meet the needs identified in the assessment.
- 1.5. The Assessment has been undertaken by Monmouthshire County Council as housing authority for the whole of its administrative area. For planning purposes, this includes both the Monmouthshire planning area and part of the Brecon Beacons National Park (BBNP) area of planning jurisdiction. The GTAA will therefore provide evidence to inform the Annual Monitoring Reports (AMRs) and LDP review processes of both Monmouthshire County Council and the BBNP Authority¹. Where appropriate, Monmouthshire County Council and the BBNP Authority will work collaboratively to address any unmet need identified in the GTAA.

1.6 Objective

- 1.7. The overall objective is to help the Council meet its statutory duty by providing a robust evidence base of the accommodation needs of Gypsies, Travellers and Showpeople within Monmouthshire, both currently and for the next five years.
- 1.8. The Council also regards the Assessment as an opportunity to positively and proactively engage with Gypsy & Traveller households in Monmouthshire with a view to establishing and developing a relationship with some or all of the community and providing a building block to help identify and develop future solutions.

1.9 Purpose

- 1.10 The purpose of the assessment is to inform the Monmouthshire and Brecon Beacons National Park LDP Annual Monitoring Reports (AMRs) and the LDP Review Processes in order to meet any identified current and future needs for sites whether publicly or privately managed. It will also provide any evidence of whether transit sites or emergency stopping places are required.

¹ Paragraph 54, Undertaking Gypsy and Traveller Accommodation Assessments, Welsh Government

1.11 The Assessment findings will also provide a complementary supplement to the Monmouthshire Local Housing Market Assessment 2015.

1.12 Planning Guidance

1.13. Welsh Government Planning Circular 30/2007² provides guidance on the planning aspects of finding sustainable sites for Gypsies and Traveller and advises how local authorities and Gypsies and Travellers can work together to achieve this aim. Welsh Office Circular 78/91³ provides local authorities with specific advice on planning considerations relating to Travelling Showpeople. Planning Policy Wales³ advises that local authorities are required to assess the accommodation needs of gypsy families and to have policies for the provision of gypsy sites in their development plans.

1.14 Monmouthshire County Council adopted its Local Development Plan (LDP) in February 2014. The LDP sets out the Council's policies for future development and use of land in its area (excluding that part within the Brecon Beacons National Park).. The framework for assessing proposals to meet the accommodation needs of Gypsies, Travellers and Travelling Showpeople through the provision of sites, whether for permanent, transit or emergency use can be found in Policy H8 of the LDP (see Appendix 3).

1.15 The Brecon Beacons National Park Authority adopted its LDP in December 2013. The Plan allocates land adjacent to Brecon Enterprise Park for the provision of a permanent Gypsy and Traveller Site and sets out policy criteria against which all gypsy and traveller caravan sites will be considered.

1.16 Definition of Key Terms

Gypsy and Travellers

- The report adopts the definition found within section 108 of the Housing Wales) Act 2014
 - (a) Persons of a nomadic habit of life, whatever their race or origin, including—
 - (i) Persons who, on grounds only of their own or their family's or dependant's educational or health needs or old age, have ceased to travel temporarily or permanently, and
 - (ii) Members of an organised group of travelling show people or circus people (whether or not travelling together as such), and
 - (b) All other persons with a cultural tradition of nomadism or of living in a mobile home.
- This definition is sufficiently broad so that not only groups such Romani Gypsies and Irish Travellers are included but also covers those other groups that follow a nomadic life style such as Travelling Showpeople and New Travellers.

² Circular 30/2007 Planning for Gypsy and Traveller Caravan Sites, WAG 2007

³ Circular 78/91 Travelling Showpeople, Welsh Office 1991

- It is also broad enough to cover those who no longer pursue a nomadic lifestyle and live in bricks and mortar accommodation but would like to return to living in a mobile home if sites became available in the future.
- 1.17. All other Key Terms and Concepts can be found within the Welsh Government's guidance for undertaking Gypsy and Traveller Accommodation Assessments (See Appendix 5).
- 1.18. Statutory Guidance**
- 1.19. Under s106 of the Housing (Wales) Act 2014, the Welsh Government produced guidance - 'Undertaking Gypsy & Traveller Accommodation Assessments'- to help local authorities discharge their statutory duties under Part 3 of 2014 Act
- 1.20 The following provides a summary of the guidance (See Appendix 6 for the full version).
- Chapter One - sets out the following aims:
 - Why a specific GTAA is required?
 - What should be produced?
 - Who needs to be consulted?
 - What data sources need to be reviewed?
 - Understanding the culture of Gypsy and Traveller communities.
 - How to identify and communicate with Gypsies and Travellers?
 - How to design, manage and undertake a GTAA?
 - Support with partnership working and working regionally.
 - Exploring specialist surveys, techniques and questions to be used.
 - How accommodation 'need' is assessed?
 - Submitting reports to Welsh Ministers.
 - How to make provision for identified need?
 - Chapter Two – offers guidance on the preparation work required prior to the undertaking of the assessments with advice on what is good practice in setting up steering groups, setting out the design of study and conducting the study itself.
 - Chapter Three – explains how to analyse the data from the assessments and how to calculate need.
 - Chapter Four – outlines the process for submitting the report to the Welsh Ministers for approval.
 - Chapter Five – sets out the options that are available to local authorities on how they can meet any need identified by the assessments.
 - Chapter Six – is concerned with reviewing and updating assessments.
- 1.21 The guidance also includes a universal questionnaire that all local authorities are to use so as to ensure commonalty for comparability purposes (See Appendix 5). The guidance recommends that the questionnaire is completed on a face to face basis so that any issues of literacy is avoided and hopefully ensured a higher rate of participation than a mailshot. The questionnaire comprises of five sections. Sections A to D concern themselves mostly with accommodation needs arising in the area in which the assessment is undertaken. Section E is concerned with the provision of

transit sites not only in the area where the assessment is undertaken but also in other local authorities in Wales. The following sub sections give a brief description of the questionnaire:

- Section A – deals with the current accommodation arrangements of community members who partook in the assessment.
- Section B – looks at the family structure.
- Section C – enquires about aspirations and plans.
- Section D – informs the local authority of anticipated family growth and need that is likely to occur within the next five years so that they are able to understand future demand and plan accordingly.
- Section E – is concerned with the need for transit sites and their availability or non-availability throughout Wales.

Chapter Two

2.0 Previous Assessment Findings and Analysis of Existing Data

2.1. Previous Gypsy and Traveller Accommodation Assessment Findings.

2.2 Roger Tym & Partners and Opinion Research Services were commissioned by Monmouthshire County Council in May 2009 to undertake a Gypsy and Traveller Accommodation Needs and Sites Study to inform the LDP evidence base. The final report was published in December 2009.

- 2.3. The study assessed the need for additional authorised gypsy, traveller and travelling show people site provision in the County. This required the identification of whether there should be any extra site provision on public or private sites and whether or not there was any need to plan for the provision of transit sites/emergency stopping places. It found that Monmouthshire had a very low gypsy and traveller population with only one authorised site (with one caravan) and accordingly that there was very little need for gypsy and traveller sites in Monmouthshire.
- 2.4. However, given that a planning application had been submitted to the Council for 4 pitches, the study concluded that this represented a need. The site in question, at Llangeview near Usk, was subsequently granted planning permission on appeal for a revised scheme comprising of 2 pitches.
- 2.5. Given that no other specific need was identified, the study concluded that no other new provision needed to be found through LDP site allocations and that proposals for additional sites could be considered through the LDP criteria based policy H8 Gypsy and Traveller and Showpeople Sites (See Appendix 3) .
- 2.6. Analysis of Existing Data - Population Data:**
- 2.7. The number of households in Monmouthshire describing themselves as being of Gypsy & Irish Traveller ethnicity is very low. The 2011 census shows that 6 people identified themselves as Gypsy and Irish Traveller, 0.4% of the population.
- 2.8. It is argued that this figure under-represents the true number of households in Monmouthshire as the census relied on individuals self-classifying their ethnicity. Nationally it is known that there is a reluctance within the Gypsy and Irish Traveller community for households to reveal their ethnicity for fear of being shown some form of hostility or even racially abused. This under-representation is shown to be true as the assessment identified 11 households living in Monmouthshire who described themselves as being of Gypsy and Traveller ethnicity, an increase of almost 84% on the 2011 census figure.
- 2.9. Caravan Count**
- 2.10 A key data source relating to gypsy and traveller communities is the bi-annual Gypsy and Traveller caravan survey conducted by each local authority. This is a count of caravans rather than households and only features those caravans that the Council is aware of. As this count is undertaken on a specific date unauthorised encampments which occur on other dates are not recorded.
- 2.11. The 2015 caravan counts took place on the 15th of January and 16th of July both of which identified one caravan in the south of the County. This is a private site.
- 2.12 There is also a private site at Llangeview near Usk for 2 pitches, however, at the time of the caravan counts it would appear that the site was unoccupied and subsequently not picked up through the counts.
- 2.13. It is evident from past caravan counts that in comparison with other authorities Monmouthshire has a very low gypsy and traveller population.

2.14 Current Accommodation Provision and Unauthorised Encampments.

- 2.15 Monmouthshire currently has no local authority run sites, either residential or transit.
- 2.16 Monmouthshire has two privately owned sites.
- 2.17 There are no sites currently under review at the planning stage. Nor are there any temporary planning permissions in place.
- 2.18 There has been a total of 10 unauthorised encampments on Council owed land used by the travelling community when travelling through the County during the years 2013, 2014 and 2015. The following graphs show the number of occurrences by month and year (figure 1); the total number of caravans per year (figure 2) and the duration of the stay (figure 3).

Figure 1

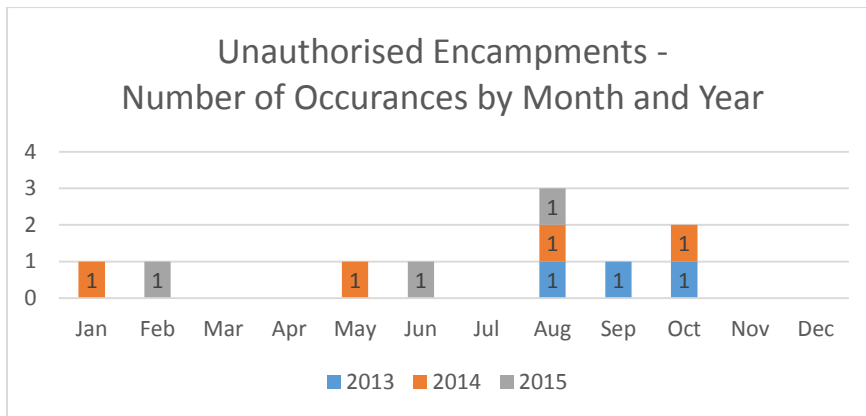
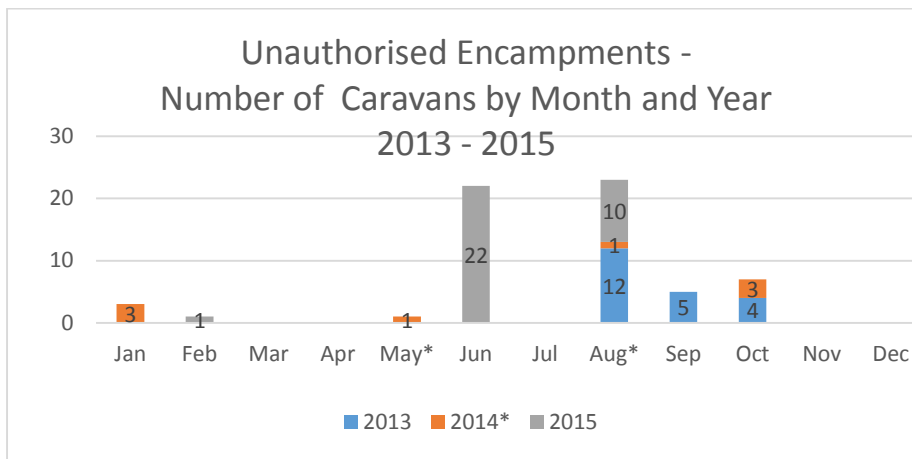
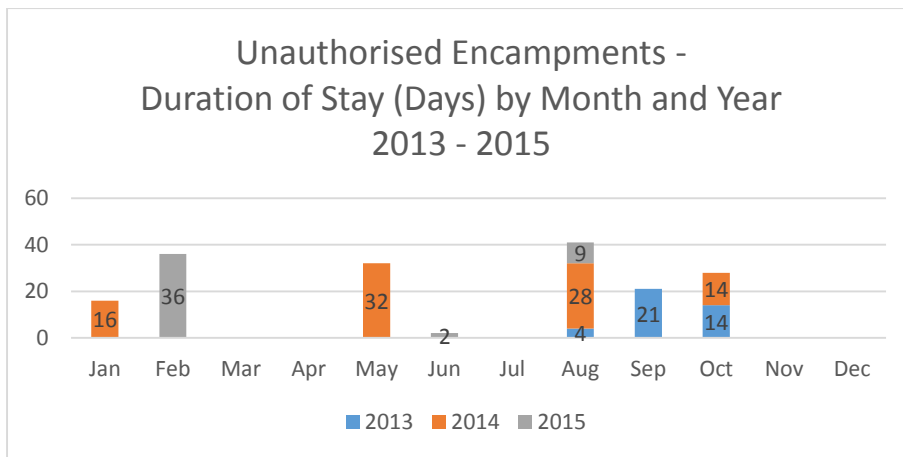


Figure 2



* Incomplete data for May & August 2014. This figure is a nominal and is likely to be a under estimation of the true figure.

Figure 3



- 2.19 A Gypsy and Traveller organised religious festival occurs every year and last for approximately one week. This takes place on private owned land and therefore does not show up on any official Council records and because the use of the land is for less than 28 days planning permission is not required.
- 2.20 As can be seen from the figures above the frequency, duration and number of caravans is low and therefore the shows that the need for a transit site is not required but does show that there may be a need for a temporary stopping site. This is also expressed by the Gypsies and Travellers who took part in the assessment.

Chapter Three

3.0 Methodology

3.1 Project Steering Group

3.2 For the assessment to be taken seriously by the Gypsy and Traveller community it needed to be well informed and robust. It was therefore recognised that the starting point should be the formation of a steering group comprising of important key stakeholders some of which already have established networks within the community.

3.3. The purpose of the group was to take ownership and oversee the assessment process and to assist the Council in meeting its statutory duty to assess the accommodation needs of the Monmouthshire Gypsy & Traveller community. Its key responsibilities were to:

- Identify other relevant agencies who should be asked to participate in the steering group
- To positively promote the Assessment and encourage participation
- Provide local knowledge;
- Help to identify households living within the community
- Publicise the assessment study within their own fields and to households within the respective networks
- To help raise awareness of the Gypsy & Traveller culture and the potential barriers typically experienced
- To help scrutinise and provide feedback on the results:
- To sign off the report to be submitted to Welsh Government.

3.4. The group consisted of representations from the following agencies:

- MCC Elected Members
- SE Wales Regional Equality Council
- Equalities Officer (MCC)
- Adult Social Services (MCC)
- Rural Programmes Manager (MCC)
- Specialist Environmental Health Officer (MCC)
- Monmouthshire Housing Association
- Melin Homes
- Planning Policy Department (MCC)
- Housing Options Team (MCC)
- Children's Services - Safe Guarding in Education
- Principal Officer Inclusion Officer - Children and Young People (MCC)
- Deputy Head of Gwent Education Minority Ethnic Service (GEMS)
- Senior Commissioning Officer, Supporting People (MCC)
- Housing & Communities Manager (MCC)
- Project Officer, Monmouthshire Voices

- Waste & Street Services (MCC)
- Regional Community Cohesion Co-ordinator East Gwent
- Gwalia
- Public Health Wales
- Police
- Member of the local Gypsy & Traveller community (x 4)
- Officer from adjoining local authorities.

3.5. Study Methodology

- 3.6 The assessment study was conducted directly by officers from the Council's Housing & Community Services between June and November 2015.
- 3.7 The priority at the onset was, as per the Guidance, to endeavour to undertake face to face interviews to not only maximise engagement opportunities but also to mitigate against possible literacy issues
- 3.8 Where applicable, members of the Steering Group provided information of known Gypsy & Travellers and also where applicable, informed households that the Assessment was being conducted and invited household's to participate.
- 3.9 Due consideration was given to the engagement checklist contained in the Guidance. Table 1 sets out the Guidance checklist and provides commentary about the Council's application of the checklist within the context that the Council does not have any local authority run sites in the County:

Table 1: Welsh Government Checklist

1.	<p>Visit every Gypsy and Traveller household identified through the data analysis process up to 3 times, if necessary.</p> <ul style="list-style-type: none"> • There was only one household that the Council did not manage to fully engage with and repeat visits failed to achieve successful contact. A request to liaise with a family representative (a planning consultant) was also unsuccessful. • Only one household family who considered themselves as Showpeople was identified despite contact with the South Wales & Northern Ireland Travelling Showman's Guild.
2.	<p>Publish details of the GTAA process, including contact details to allow Community members to request an interview, on the Local Authority website, Travellers' Times website and World's Fair publication.</p> <ul style="list-style-type: none"> • This guidance was followed. In addition the Council published a press release in August 2015.
3.	<p>Consult relevant community support organisations.</p>

	<ul style="list-style-type: none"> The Council engaged closely with the SE Wales Regional Equality Council who helped inform the Assessment. This engagement facilitated the input of the Equality Council's Gypsy & Traveller Liaison Officer.
4.	<p>Develop a Local Authority waiting list for both pitches and housing, which is accessible and communicated to community members.</p> <ul style="list-style-type: none"> All households interviewed were advised about the Council's Housing Register and invited to register an application. At the time of the Assessment, the Council did not have a waiting list in place. The Assessment process identified households who were interested in going on to a pitch waiting list. A recommendation of this Assessment is to establish a waiting list policy and to contact and invite those households to register.
5.	<p>Endeavour to include Gypsies and Travellers on the GTAA project steering group.</p> <ul style="list-style-type: none"> Invitations to join the Steering Group were accepted by four individual members of the Gypsy & Traveller community, all of whom were residents of bricks and mortar social housing.
6.	<p>Ensure contact details provided to the Local Authority by community members through the survey process are followed up and needs assessed.</p> <ul style="list-style-type: none"> All interviews provided the opportunity for other community members to be interviewed through the process.
7.	<p>Consider holding on-site (or nearby) GTAA information events to explain why community members should participate and encourage site residents to bring others who may not be known to the Local Authority.</p> <ul style="list-style-type: none"> This wasn't considered appropriate for Monmouthshire due to there being no Council managed site in the County.

3.10. Raising awareness of the survey internally within the Council and externally has been a priority of the methodology. The following range of mechanisms have been utilised to communicate the implementation of the assessment:

- Briefing note provided to all Elected Members and an Elected Member Briefing Session supported by officers from Housing & Communities and Planning Services, prior to full Council on 30th July 2015. This included the circulation of a bespoke briefing note, a copy of the Council's flyer and a link to the Welsh Government video.

- Press release August 2015
- The distribution of a Monmouthshire County Council flyer by Steering group members to Gypsy & Traveller households
- Assessment details published on the Council's website
- An awareness briefing was provided to the Steering Group on 10th September 2015 by the SE Wales Regional Equalities Council. The intention was to arrange awareness training for the Council's elected members. However, this wasn't progressed due to the Welsh Government's proposal to organise regional training across Wales.
- Regional elected member awareness training by Welsh Government on 14th December 2015. Six Monmouthshire County Council elected members attended
- The Assessment was considered and scrutinised by the Council's Stronger Communities Select Committee on 11th January 2016
- The Assessment Report is to go before the Council's Cabinet for adoption on 3rd February 2016.
- An outcome of the engagement has been the feedback relating to the understanding of the Council's planning policies and procedures. The Council, therefore, has agreed to facilitate a briefing session in the Spring of 2016 targeted at Gypsy & Traveller households.

Chapter 4

4.0. Survey Findings

4.1. Households Interviews

4.2. The following provides a profile of the assessment interviews

4.3. 20 Households were identified through the following means:-

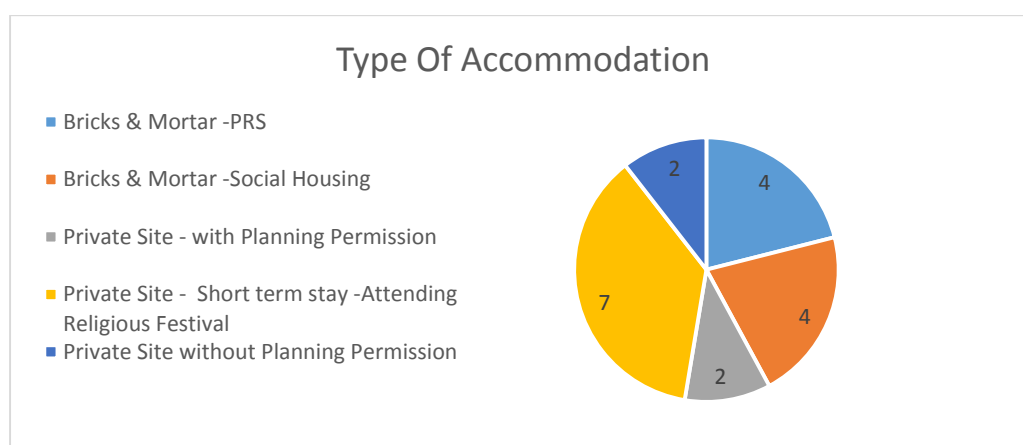
- The housing register.
- By members of the steering group.
- By attending unauthorised encampments.
- Through the interviewing process itself - 4 households were identified as additional contacts through the interviewing process

4.4. 19 households were surveyed in total, of which 18 interviews were conducted face to face and one by telephone as they lived outside the county.

4.5. One household declined to undertake the survey without first seeking advice and guidance from a family representative. Phone, email and text messages were sent to the representative, none of which were returned.

4.6. Eight of the interviews were from respondents living in bricks and mortar, while 11 respondents were living on private sites. Of the 11 respondents who were interviewed on private sites, 7 of them were interviewed while attending a religious festival and stayed for approximately one week. A full breakdown can be seen at figure 4 below.

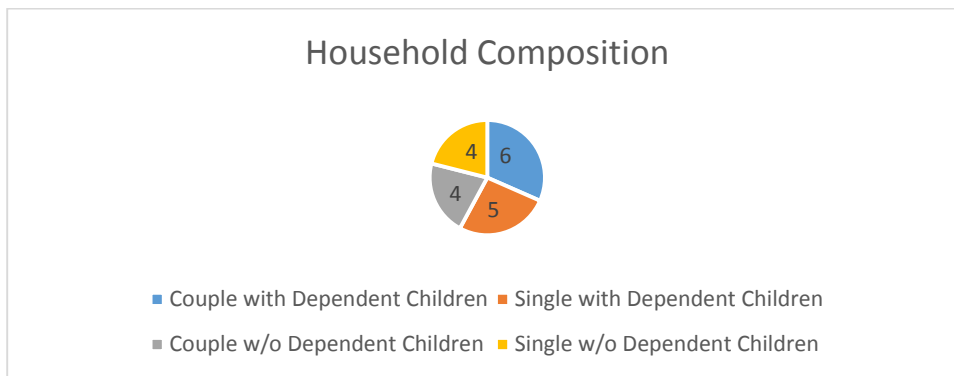
Figure 4 – Accommodation at the Time of Questionnaire



4.7. Household Composition:

4.8. 19 respondents completed this section with a small majority of households having dependent children. See figure 5, below for a detailed breakdown.

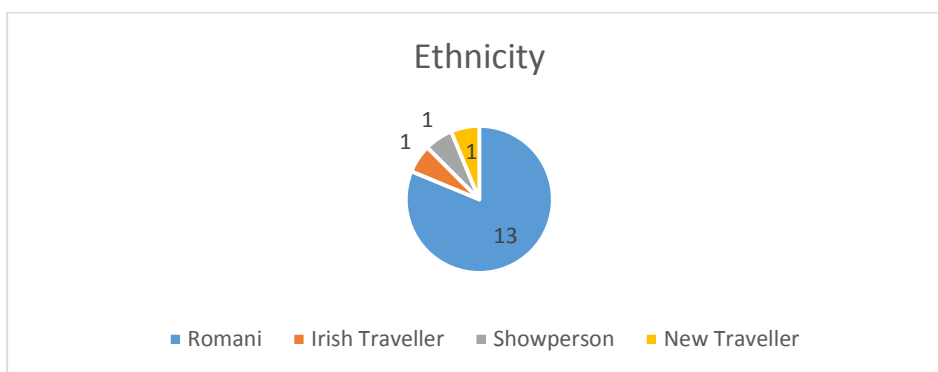
Figure 5 – Household Composition



4.9. Household Ethnicity:

4.10. Thirteen out of nineteen respondent households identified their ethnicity as Romani, while three households identified themselves as Irish Traveller, Travelling Showperson and a New Traveller respectively (figure 6). Three respondent households declined to answer.

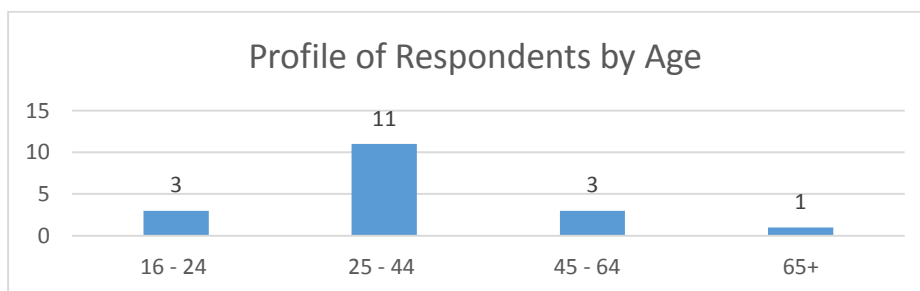
Figure 6 – Household Ethnicity



4.11. Respondent by Age Profile:

4.12 It can be seen from figure 7 that the largest number of respondent households were between 25 -64 years of age. With three respondents being classed as a young person (16 – 24) and one respondent being classed as an older person household (65+). One Household declined to answer.

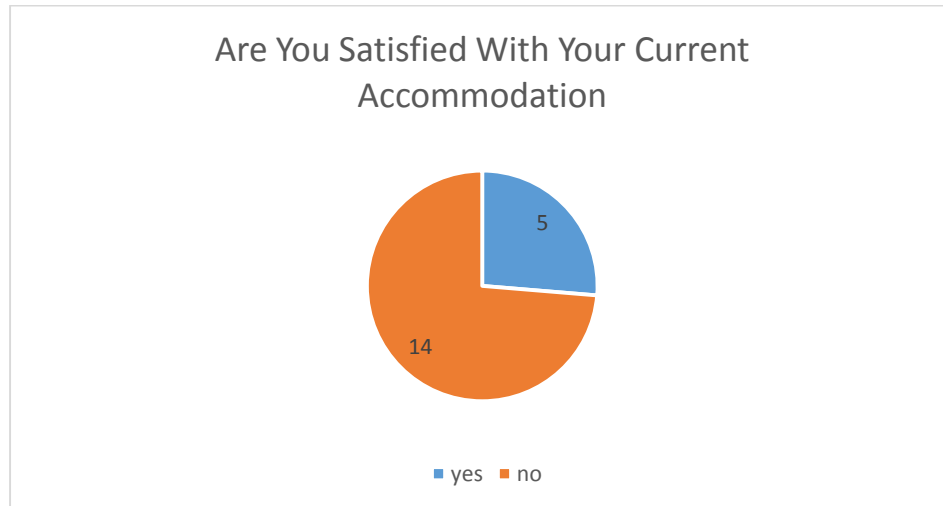
Figure 7 – Respondent by Age Profile



4.13 Suitability of Current Accommodation:

4.14 Fourteen of the respondents when asked if they were happy with their current accommodation responded negatively (Figure 8).

Figure 8 – Suitability of Current Accommodation



4.15. A further analysis shows that out of the 14 respondents who were dissatisfied with their current accommodation

- Six live in bricks and mortar, the most common reasons cited for their dissatisfaction were feelings of being trapped and not being accepted by the community.
- Two respondents were living on one authorised site but were unhappy with the current planning permissions granted.
- Two respondents were living on two private sites without planning permission and were unhappy with the facilities.
- Four respondents were living on an unauthorised encampment but these sites were temporary as they were occupied for a religious festival.

Chapter Five

5.0 Assessing Accommodation Needs

5.1 Understanding 'Need' and 'Preferences'

- 5.2. When it comes to pitch provision and choice travellers are limited as to where they can choose to live. This is because in contrast to the non-travelling households - which have much wider choices due to the availability of social housing estates in all local authorities – travellers encounter local authorities where there are no authorised sites at all.
- 5.3. This can result in travellers occupying sites in nearby local authorities where sites are available but they have a preference / need to live in a neighbouring local authority which has no sites. This has the effect of depriving a local household of a pitch. It can also mean that traveller households move into bricks and mortar accommodation in their preferred local authority area. For some this is an option choice but for others it is because there are no other suitable alternative options available to them.
- 5.4. This presents a challenge to a local authority when undertaking the assessments as it will want to distinguish between a need and a preference, as it is 'needs' that determine whether the local authority has to provide sites and pitches.
- 5.5. For the purpose of this assessment need may take the following form:
- Households that have no authorised site on which to reside
 - Households that are overcrowded
 - Households that have a cultural aversion to living in conventional bricks and mortar housing.
- 5.6. Gypsy and Traveller households in conventional housing may experience what is known as 'cultural aversion'. This is where the impact of living in conventional housing is having a detrimental effect on the health and wellbeing of a household member.
- 5.7. However, it is not expected that local authorities do an in-depth investigation into an individual's assertion that they are suffering cultural aversion for purposes of this assessment, any in depth investigation should be made part of the authority's homelessness or pitch allocation policies. The assessment process aims to give a broad estimation of the likelihood of need in their area. (Paragraph 176 – 178 of the Guidance).

5.8. Estimated Residential Unmet Need

- 5.9. In terms of assessing the accommodation needs of the travelling community the assessment surveyed travellers across all accommodation sites that they found themselves in at the time the survey was conducted, that is, bricks and mortar; unauthorised sites and private sites.
- 5.10. Table 2 below is shows the estimated need in Monmouthshire.

Table 2 – Estimate of need for residential site pitches

Current residential supply		Number of pitches
A. Occupied Local Authority pitches		0
B. Occupied authorised private pitches		3
Total		3
Planned residential supply		Number of pitches
C. Vacant Local Authority pitches and available vacant private pitches		0
D. Pitches expected to become vacant in near future (see note 1)		0
E. New Local Authority and private pitches with planning permission		0
Total		0
Current residential demand		Pitch demand
F. unauthorised encampments		1
G. unauthorised development		0
H. overcrowded pitches (see note 2)		1
I. Conventional housing (see note 3)		5
J. New households to arrive (see note 4)		0
Total		7
Current households (see note 7)	Future households (at year 5)	Future households (Plan period)
K.1. 10	K.2 11 (see note 5)	K.3 11 (see note 6)
L.1. Additional household pitch need	L.2 1	L.3 1
Unmet Need		Need arising
M. Current residential demand		7
N. Future residential demand (5 year)		1
O. Future residential demand (remaining plan period)		1
P. Planned residential supply		0

Notes
1. As identified through analysis of pitch turnover data.

Q. Unmet need (5 year)	8
R. Unmet need (remaining plan period)	8

2. Overcrowding – e.g. where family numbers have grown to the extent that there is now insufficient space for the family within its mobile home accommodation and insufficient space on the pitch or site for a further mobile home.
3. As identified in the survey. This includes those with a cultural aversion to conventional housing, those experiencing overcrowding, and those whom have reached adulthood and want to live on a site.
4. As identified in the survey through waiting list, Caravan Count or partnership working with Local Authorities in the region.
5. 7 households (current residential supply + current residential demand – pitches expecting to become vacant) @ 2 % year on year for 5 years. We have used the rate of 2% as it is the mid-point within a range of growth rates that previous assessments have identified (1.5 – 3%).
6. 7 households (current residential supply + current residential demand – pitches expecting to become vacant) @2 % year on year for 5 years (the remaining Plan period). We have used the rate of 2% as it is the mid-point within a range of growth rates that previous assessments have identified (1.5 – 3%).
7. 7. Occupied authorised pitches plus the current residential demand, minus the expected vacancies from authorised pitches.

5.11. The following tables show how the figures in Table 2 above were calculated

5.12 Current Residential Supply –

- Row A – is concerned with local authority run sites
- Row B – is concerned with private sites and pitches with planning permission.

Table 3 - Current Residential Supply.

Table Entry:	Row A = 0 Row B = 3
Explanation:	This section is concerned with the number of pitches in total on local authority and private sites.
Findings:	Monmouthshire has no local authority run sites and two private sites with a total of 3 pitches.

5.13. Planned Residential Supply

- Row C - Vacant Local Authority pitches and available vacant private pitches.
- Row D – Pitches expected to become vacant in near future (see note 1)
- Row E - New Local Authority and private pitches with planning permission

Table 4 - Planned Residential Supply

Table Entry:	Row C = 0 Row D = 0 Row E = 0
Explanation:	This section is concerned with the number of vacant pitches either current or becoming vacant in the near future in both local authority and private run sites. It also looks at any site in the planning process.
Findings:	Because Monmouthshire has no local authority sites there are no vacant pitches from this source.

5.14 Current Residential Demand

- Row F – is concerned with unauthorised encampments
- Row G – is concerned with unauthorised development
- Row H – is concerned with overcrowding issues.
- Row I – Households identified in conventional housing
- Row J – Households identified by other local authorities and referred on to Monmouthshire.

Table 5 - Planned Residential Demand

Table Entry:	<p>Row F = 1</p> <p>Row G = 0</p> <p>Row H = 1</p> <p>Row I = 5</p> <p>Row J = 0</p> <p>Total = 7</p>
Explanation:	<p>This section is concerned with assessing the accommodation needs of the households interviewed and will inform the level of current and future demand. This involved officers making a judgement as to whether households expressed a need or a preference (see para 5.0.1, above).</p>
Findings:	<p>It is estimated that 7 households have a current residential need.</p> <ul style="list-style-type: none"> • One Household was being accommodated on a private site without planning permission and • One Household was considered as a need based in Monmouthshire (Housing Authority area) but for planning purposes the encampment comes under the jurisdiction of the Brecon Beacons National Park Authority. • It is estimated that five households from conventional housing were found to have a need for mobile accommodation based on cultural aversion. <p>It should be noted that the current residential demand from those in conventional housing is not based on any in-depth assessment of each household but has been determined on the likelihood of them experiencing cultural aversion based on evidence and comments given at their interview. These comments ranged from issues of discrimination and harassment from neighbours to feelings of being trapped, one responded replied that ‘walls are like cages’.</p> <p>At the time of drafting no referrals from other local authorities have been received.</p> <p>No unauthorised developments were identified.</p>
Calculation:	<p>Rows F+G+H+I +J</p>

5.15. Current Households and Future Residential Demand

- Row K,
 - K1 - provides the current households.
 - K2 - This provides an estimate of additional households over the next 5 years.
 - K3 - This provides an estimate of additional households over the remaining Local Development Plan period.
- Row L, - Additional Household Pitch Need.
 - L2 - represents need for the next 5 years.

- L3 - represents need over the remaining Local Development Plan period.

Table 6 - Current Households and Future Residential Demand

Table Entry:	Row K1 = 10 Row K2 = 11 Row K3 = 11 Row L2 = 1 Row L3 = 1
Explanation:	This section determines future demand based on the growth of households over the next 5 years and during the remaining Local Development Plan (LDP) period. Because the current LDP period runs to 2021 for the purpose of this report it is considered to runs co-terminus with the 5 year period. Growth figures are based on the findings of the assessment questionnaires which looked at family growth over the next five years.
Findings:	From The Assessment questionnaire a small number of households identified a demand for future household growth. Due to the small number identified, for calculation purposes we have taken the mid-range figure of 2% of the indicative range of percentage growth figures of between 1.5% and 3% suggested in the Guidance.
Calculation:	K1 is calculated by adding Rows A and B plus rows F to J minus row D. K2 - based on the answers provided by the respondents of the survey. K3 - based on the answers provided by the respondents of the survey. L2 - is calculated by subtracting the number in Row K1 from the future number of household growth found in the K2 ($K2 - K1$). L3 - is calculated by subtracting the number in row K1 from the future number of household growth found in the K3 ($K3 - K1$).

5.16. Unmet Need

- Row M – Current Residential Demand (5 year period)
- Row N - Future Residential Demand (remaining plan period)
- Row O – Future Residential Demand
- Row P – Planned Residential Pitch Supply
- Row Q – Unmet Need - over the next 5 year period.
- Row R – Unmet Need over the remaining LDP period.

Table 7 – Estimated Unmet Need

Table Entry:	Row M = 7 Row N = 1 Row O = 1 Row P = 0 Row Q = 8 Row R = 8
Explanation:	This section is concerned with the estimated overall residential or unmet need for additional pitches over the next 5 years and over the remaining LDP period, which for Monmouthshire run concurrently.
Findings:	From the Assessment questionnaire a small number of households identified a demand for future household growth. Due to the small number identified, for calculation purposes we have taken the mid-range figure of 2% of the indicative range of percentage growth figures of between 1.5% and 3% suggested in the Guidance.
Calculation:	M- current residential demand. N – Populated by the number found in Row K2 (5 year period). O - Populated by the number found in Row K3 (remaining LDP period). P - This is the aggregate of Rows C, D and E. Q - Is the calculated by adding current residential demand (Row M) and future 5 year residential demand (Row N) and subtracting the planned residential supply (Row P) [M + N –P]. R – Is calculated by adding current residential demand (Row M) and future residential demand over the remaining LDP period (Row O) and subtracting the planned residential supply (Row P) [M+O-P]

5.17 From Tables 1 to 7 above the estimated unmet need for Monmouthshire for eight pitches to 2021(the remaining plan period).

5.18. Transit Need / Temporary Stopping Need

5.19. Under the Housing Act 2014, Local Authorities have a statutory duty to provide transit sites if an identifiable need is found.

5.20 For Monmouthshire, when taking into account evidence provided by the Welsh Government’s Caravan Count, the Council’s own data on unlawful encampments see paragraph 2.18 above, suggests that there is not a need for a transit site in Monmouthshire.

5.21 However, section E of the survey questionnaire suggests that there is need for temporary stopping places within Monmouthshire and Wales as a whole.

5.22 The Welsh Government has encouraged local authorities to work in partnership to develop a national network of transit sites in the most appropriate locations throughout Wales, this assessment supports this approach to meet the requirements for short-term stopping place accommodation.

Chapter Six

6.0. Conclusions; Recommendations and Next Steps

6.1. This chapter looks at the key conclusions and recommendations in respect of meeting the accommodation needs of Gypsies, Travellers and Showpeople in Monmouthshire. However a note of caution, calculating levels of need for Gypsies, Travellers and Showpeople is not as straight forward as being able to calculate conventional housing need. When looking at the needs of Gypsies, Travellers and Showpeople we are not just considering the need for accommodation but also the need to maintain a way of life – their cultural identity – that is achieved from living in mobile accommodation. It should also be noted that when calculating conventional housing accommodation need, data is available from an extensive number of sources. Due to cultural sensitivities and lack of engagement from the community in general this level of data is not available when undertaking this type of survey.

6.2. Conclusions

6.3. The key issues that came out of the assessment process can be summarised as follows:

- There is an estimated unmet need for eight pitches to 2021, based on overcrowding, unauthorised occupation and the likelihood of cultural aversion to conventional housing.
- There is not a need for a transit site due to the low number of unauthorised encampments in the County.
- A need for stopping places has been identified.
- A need for travelling Showpeople yard has not been identified.
- There is an expectation that the Council should have a waiting list to allow Gypsy & Traveller households to register an interest in obtaining an authorised pitch for a mobile home. This is seen by Welsh Government as a proactive means of engaging with the Gypsy and Traveller community as well as a means of identifying any future accommodation needs of the community;
- A number of households within the community do not understand the Council's Planning Policy in relation to pitch provision.
- No additional households who wanted or needed to live in Monmouthshire have been drawn to the attention of the Council from other Welsh authorities
- Further consideration is given to amending current planning permission to allow lifetime occupation by additional named individuals in order to address identified unmet need.
- That Monmouthshire has a higher number of Gypsy & Traveller households living in the County than had previously been identified through the 2011 census.

6.4. Recommendations

6.5 Based on the key issues identified above at 6.3 it is recommended that consideration is given to the following:

- The Council to conduct in-depth further assessments into the households identified by the assessment as having a likelihood of need based on cultural aversion;
- The Council seek to make provision for appropriate sites to meet identified unmet need by working proactively with the Gypsy and Traveller households to establish their preference for site provision, that is, private or public sites;
- The Council establishes a pitch waiting list policy;
- The Council considers amending current planning permission to allow lifetime occupation by additional named individuals in order to address identified unmet need;
- The Council works collaboratively with neighbouring local authorities to meet identified need for the development of additional temporary stopping places;
- The Council organises an engagement event to enable Gypsy & Traveller households to find out more about the Council's planning policies and procedures so that the Community is able to seek planning advice on development opportunities prior to future land purchases.
- The Council establishes mechanisms are established to enable effective engagement with both settled and Gypsy Traveller communities in relation to the identification of future potential sites.
- The Council forward the Assessment to the Brecon Beacons National Park Authority

6.6. Next Steps

- Undertake more detailed assessment of those households identified through the assessment as having a likelihood of need based on cultural aversion by May 2016 in order to accurately determine unmet need;
- Establish a waiting list and policy during 201;
- Engage with neighbouring local authorities in respect of developing temporary stopping places;
- Organise the Planning briefing session for Gypsy & Traveller households in the spring of 2016 to provide guidance on planning policy / process in the relation of the provision of sites;
- Forward the GTAA to the Brecon Beacons National Park Authority;
- The findings of the GTAA will inform both the Monmouthshire and Brecon Beacons LDP Annual Monitoring Reports (AMRs) and LDP review processes.

Appendix 1

Housing (Wales) Act 2014 (anaw 7) 72

PART 3
GYPSIES AND TRAVELLERS

Meeting accommodation needs

101 Assessment of accommodation needs

- (1) A local housing authority must, in each review period, carry out an assessment of the accommodation needs of Gypsies and Travellers residing in or resorting to its area.
- (2) In carrying out an assessment under subsection (1) a local housing authority must consult such persons as it considers appropriate.
- (3) In subsection (1), “review period” means—
 - (a) the period of 1 year beginning with the coming into force of this section, and
 - (b) each subsequent period of 5 years.
- (4) The Welsh Ministers may amend subsection (3)(b) by order.

102 Report following assessment

- (1) After carrying out an assessment a local housing authority must prepare a report which—
 - (a) details how the assessment was carried out;
 - (b) contains a summary of—
 - (i) the consultation it carried out in connection with the assessment, and
 - (ii) the responses (if any) it received to that consultation;
 - (c) details the accommodation needs identified by the assessment.
- (2) A local housing authority must submit the report to the Welsh Ministers for approval of the authority’s assessment.
- (3) The Welsh Ministers may—
 - (a) approve the assessment as submitted;
 - (b) approve the assessment with modifications;
 - (c) reject the assessment.
- (4) If the Welsh Ministers reject the assessment, the local housing authority must—
 - (a) revise and resubmit its assessment for approval by the Welsh Ministers under subsection (3), or
 - (b) conduct another assessment (in which case section 101(2) and this section apply again, as if the assessment were carried out under section 101(1)).
- (5) A local housing authority must publish an assessment approved by the Welsh Ministers under this section.

103 Duty to meet assessed needs

- (1) If a local housing authority’s approved assessment identifies needs within the authority’s area with respect to the provision of sites on which mobile homes may be stationed the authority must exercise its powers in section 56 of the Mobile Homes (Wales) Act 2013 (power of authorities to provide sites for mobile homes) so far as may be necessary to meet those needs.
- (2) But subsection (1) does not require a local housing authority to provide, in or in connection with sites for the stationing of mobile homes, working space and facilities for the carrying on of activities normally carried out by Gypsies and Travellers.
- (3) The reference in subsection (1) to an authority’s approved assessment is a reference to the authority’s most recent assessment of accommodation needs approved by the Welsh Ministers under section 102(3).

104 Failure to comply with duty under section 103

- (1) If the Welsh Ministers are satisfied that a local housing authority has failed to comply with the duty imposed by section 103 they may direct the authority to exercise its powers under section 56 of the Mobile Homes (Wales) Act 2013 so far as may be necessary to meet the needs identified in the authority’s approved assessment.
- (2) Before giving a direction the Welsh Ministers must consult the local housing authority to which the direction would relate.
- (3) A local housing authority must comply with a direction given to it.
- (4) A direction given under this section—

- (a) must be in writing;
- (b) may be varied or revoked by a subsequent direction;
- (c) is enforceable by mandatory order on application by, or on behalf of, the Welsh Ministers.

105 Provision of information upon request

- (1) A local housing authority must provide the Welsh Ministers with such information (and at such times) as they may require in connection with the exercise of their functions under this Part.
- (2) The Welsh Ministers may exercise their powers under this section generally or in relation to a particular case.

106 Guidance

- (1) In exercising its functions under this Part, a local housing authority must have regard to any guidance given by the Welsh Ministers.
- (2) The Welsh Ministers may—
 - (a) give guidance either generally or to specified descriptions of authorities;
 - (b) revise the guidance by giving further guidance under this section;
 - (c) withdraw the guidance by giving further guidance under this section or by notice.
- (3) The Welsh Ministers must publish any guidance or notice under this section.

107 Duties in relation to housing strategies

- (1) This section applies where a local housing authority is required under section 87 of the Local Government Act 2003 to have a strategy in respect of meeting the accommodation needs of Gypsies and Travellers residing in or resorting to its area.
- (2) The local housing authority must—
 - (a) have regard to any guidance given by the Welsh Ministers in preparing its strategy;
 - (b) take the strategy into account in exercising its functions (including functions exercisable other than as a local housing authority).

General

108 Interpretation

In this Part—

“accommodation needs” (*“anghenion llety”*) includes, but is not limited to, needs with respect to the provision of sites on which mobile homes may be stationed;

“Gypsies and Travellers” (*“Sipsiwn a Theithwyr”*) means—

(a) persons of a nomadic habit of life, whatever their race or origin, including—

- (i) persons who, on grounds only of their own or their family’s or dependant’s educational or health needs or old age, have ceased to travel temporarily or permanently, and
- (ii) members of an organised group of travelling show people or circus people (whether or not travelling together as such), and

(b) all other persons with a cultural tradition of nomadism or of living in a mobile home;

“mobile home” (*“cartref symudol”*) has the meaning given by section 60 of the Mobile Homes (Wales) Act 2013.

109 Power to amend definition of Gypsies and Travellers

- (1) The Welsh Ministers may by order amend the definition of Gypsies and Travellers in section 108 by—
 - (a) adding a description of persons;
 - (b) modifying a description of persons;
 - (c) removing a description of persons.
- (2) An order under this section may also make such amendments of the Mobile Homes (Wales) Act 2013 as the Welsh Ministers consider necessary or appropriate in consequence of a change to the definition mentioned in subsection (1).

110 Consequential amendments

Part 2 of Schedule 3 makes consequential amendments relating to this Part.

Mobile Homes (Wales) Act 2013

PART 5

POWERS OF LOCAL AUTHORITIES

56 Power to provide sites for mobile homes

(1) A local authority may within its area provide sites where mobile homes may be brought, whether for holidays or other temporary purposes or for use as permanent residences, and may manage the sites or lease them to another person.

(2) A local authority has power to do anything appearing to it desirable in connection with the provision of such sites and the things which it has power to do include (but are not limited to)—

(a) acquiring land which is in use as a mobile home site or which has been laid out as a mobile home site,

(b) providing for the use of those occupying mobile home sites any services for their health or convenience, and

(c) providing, in or in connection with sites for the accommodation of Gypsies and Travellers, working space and facilities for the carrying on of activities normally carried on by them.

(3) In exercising its powers under this section a local authority must have regard to any standards specified by the Welsh Ministers under section 10.

(4) Before exercising the power under subsection (1) to provide a site the local authority must consult the fire and rescue authority—

(a) as to measures to be taken for preventing and detecting the outbreak of fire on the site, and

(b) as to the provision and maintenance of means of fighting fire on it.

(5) A local authority must make in respect of sites managed by it, and of any services or facilities provided or made available under this section, such reasonable charges as it may determine.

(6) A local authority may make available the services and facilities provided under this section for persons whether or not they normally reside in its area.

(7) A local authority may, where it appears to it that—

(a) a mobile home site or an additional mobile home site is needed in its area, or

(b) that land which is in use as a mobile home site should in the interests of the users of mobile homes be taken over by the local authority, acquire land, or any interest in land, compulsorily.

(8) The power conferred by subsection (7) is exercisable in any particular case only if the local authority is authorised by the Welsh Ministers to exercise it.

(9) The Acquisition of Land Act 1981 has effect in relation to the acquisition of land, or an interest in land, under subsection (7).

(10) A local authority does not have power under this section to provide mobile homes.

Local Development Plan, Policy H8, Gypsy, Traveller and Travelling Showpeople Sites**Policy H8 – Gypsy, Traveller and Travelling Showpeople Sites**

Where a need is identified for transit or permanent pitches/ plots for the accommodation needs of Gypsies, Travellers and Travelling Showpeople, they will be permitted provided they:

- a) Would enable the established need to be met at a location that is accessible to schools, shops and health care, by public transport, on foot or by cycle;
- b) Have a safe and convenient access to the highway network and will not cause traffic congestion or safety problems;
- c) Are of a suitable size to allow for the planned number of caravans, amenity blocks, a play area (for children on sites housing multiple families), the access road and include sufficient space for the parking and safe circulation of all vehicles associated with occupiers within the site curtilage;
- d) Do not occupy a prominent location and are consistent with LDP policies for protecting and enhancing character and distinctiveness of the landscape and environment. Where necessary the proposal will include mitigating measures to reduce the impact, and assimilate the proposal into its surroundings e.g. screening and landscaping;
- e) Avoid areas at high risk of flooding and proximity to uses with potential sources of pollution or emissions;
- f) Are of an appropriate scale to their location and do not have an unacceptable impact on the amenities of neighbouring land uses;
- g) Are served, or can be served, by adequate on-site services for water supply, power, drainage, sewage disposal and waste disposal (storage and collection), and for Travelling Showpeople that there is a level area for outdoor storage and maintenance of equipment.

Proposals for the use of land for emergency pitches¹ to meet proven need for use by gypsies and travellers will provide basic facilities, meet criteria b, d, e and f of this policy, and the location should be within reasonable travelling distance of a settlement with services and community facilities, including health and education.

Definition of Key Terms and Concepts*

*Source - Welsh Government's 'Undertaking Gypsy and Traveller Accommodation Assessments' Guidance Booklet (May 2015)

Residential site - A permanent residential site can be privately owned or owned by the Local Authority. This site will be designated for use as a Gypsy and Traveller site indefinitely. Residents on these sites can expect to occupy their pitches for as long as they abide by the terms of their pitch agreements, under the Mobile Homes (Wales) Act 2013. Working space may also be provided on, or near, sites for activities carried out by community members.

Temporary residential site - These sites are residential sites which only have planning permission or a site licence for a limited period. Residents on these sites can expect to occupy their pitches for the duration of the planning permission or site licence (or as long as they abide by the terms of their pitch agreements, under the Mobile Homes (Wales) Act 2013 – whichever is sooner).

Transit site - Transit sites are permanent facilities designed for temporary use by occupiers. These sites must be designated as such and provide a route for Gypsies and Travellers to maintain a nomadic way of life. Individual occupiers are permitted to reside on the site for a maximum of 3 months at a time. Specific terms under the Mobile Homes (Wales) Act 2013 apply on these sites. Working space may also be provided on, or near, sites for activities carried out by community members.

Temporary Stopping Place - Also known as a 'stopping place', 'Atchin Tan', or 'green lane', amongst other names. These are intended to be short-term in nature to assist Local Authorities where a need for pitches is accepted, however, none are currently available. Pro-actively identified temporary stopping places can be used to relocate inappropriately located encampments, whilst alternative sites are progressed. Temporary stopping places must make provision for waste disposal, water supply and sanitation at a minimum.

Residential pitch - Land on a mobile home site where occupiers are entitled to station their mobile homes indefinitely (unless stated in their pitch agreement). Typically includes an amenity block, space for a static caravan and touring caravan and parking.

Transit pitch - Land on a mobile home site where occupiers are entitled to station their mobile homes for a maximum of 3 months. Transit pitches can exist on permanent residential sites, however, this is not recommended.

Unauthorised encampment - Land occupied without the permission of the owner or without the correct land use planning permission. Encampments may be tolerated by the Local Authority, whilst alternative sites are developed.

Unauthorised development - Land occupied by the owner without the necessary land use planning permission.

Current residential supply - The number of authorised pitches which are available and occupied within the Local Authority or partnership area. This includes pitches on Local Authority or private sites.

Current residential demand - Those with a need for authorised pitches for a range of reasons, including:

- An inability to secure an authorised pitch leading to occupation of unauthorised encampments;
- An inability to secure correct planning permission for an unauthorised development;
- Households living in overcrowded conditions and want a pitch;
- Households in conventional housing demonstrating cultural aversion;
- New households expected to arrive from elsewhere.
- Future residential demand - The expected level of new household formation which will generate additional demand within the 5 year period of the accommodation assessment and longer LDP period.

Overall residential pitch need - The ultimate calculation of unmet accommodation need, which must be identified through the Gypsy and Traveller accommodation assessment process. This figure can be found by adding the immediate residential need to the future residential demand. The overall residential need will capture the needs across the 5 year period within which the accommodation assessment is considered to be robust.

Planned residential pitch supply - The number of authorised pitches which are vacant and available to rent on Local Authority or private sites. It also includes pitches which will be vacated in the near future by households moving to conventional housing or in other circumstances. Additional pitches which are due to open or private sites likely to achieve planning permission shortly should be included as planned residential supply.

Household In this guidance this refers to individuals from the same family who live together on a single pitch / house / encampment.

Concealed or 'doubled up' household - This refers to households which are unable to achieve their own authorised accommodation and are instead living within authorised accommodation (houses or pitches) assigned to another household. This may include adult children who have been unable to move home or different households occupying a single pitch.

Household growth - In this guidance household growth is defined by the number of new households arising from households which are already accommodated in the area.

Questionnaire

SECTION A – YOUR HOME

A1 Where do you live now?

Local Authority (“Council”) residential site	
Council transit site	
Private site with planning permission	
Private site currently without planning permission	
Unauthorised encampment	
Bricks and Mortar – Socially Rented	
Bricks and Mortar – Privately Rented	
Bricks and Mortar – Owner Occupied	

A2 Are you satisfied with your current accommodation?

Yes	
No	
Prefer not to say	

If ‘no’ please explain what could be improved:

A3 Can you tell me why you live here?

Local connections (family or work)	
No alternative authorised pitch	
Can’t find a house to move into	
Health or age reasons	
Prefer houses to caravans	
Other:	

A4 How long have you lived here?

Less than 1 month	1-6 months	7 - 12 months	1 - 2 years	2-5 years	Over 5 years

A5 If you have moved within the last year, was your last home in this Local Authority?

YES / NO

Please give details below:

Type of accommodation	Did it have planning permission?	Which Local Authority was it in?	Why did you leave?

A6 How long do you think you'll stay here?

1 or 2 days	3 - 28 days	1 - 3 months	3 months - 2 years	2 - 5 years	Over 5 years	Do not intend to move	Don't know

A7 Would you stay longer if changes or improvements were made to your current accommodation?

(Note: The Local Authority may not be able to make these improvements but understanding the problems with your accommodation may help)

YES

NO

Reason	Tick
Repairs needed	
Site made bigger	
Accommodation made safer	
Planning permission granted	
Adaptations needed (please state below)	

Reason	Tick
Just passing through	
Want authorised pitch in other area	
Want to move into housing	
Relationships broken down	
Prefer living in caravan	

Other:

SECTION B – YOUR FAMILY

	Relationship to respondent (eg. Spouse, son/daughter etc)	Age	Gender	Romani / Irish Traveller / New Traveller / Showperson / Roma / Other (Self-ascribed)	Are there any reasons why you cannot continue to live in this accommodation? (give details)
Respondent					
Person 2					
Person 3					

If not living in caravans proceed to B4.

B2 If living in caravans, are there enough sleeping areas for all residents?

YES / NO

B3 Is there room on the pitch for additional trailers to prevent overcrowding?

(Note: guidance suggests that there should be 6 metre gap between trailers and 3 metre gap to boundaries to be safely accommodated on pitch)

YES / NO

If yes, how many additional sleeping areas can be added?

B4 Would anyone in your family like to join the Local Authority waiting list for pitches or housing?

YES / NO

Please provide address for application pack to be posted to below:

Please state if already on a waiting list and which.

SECTION C – YOUR PLANS

C1 Are you planning to move into other accommodation?

Yes	Go to C2	
No	Go to D1	
Prefer not to say	Go to D1	

C2 Where are you planning to move to?

Within the Local Authority	
Another Local Authority in Wales – please state which:	
Somewhere else in the UK	

C3 Why are you planning to move?

Need more space	
Need different facilities	
Local connection (family or work)	
Need to be closer to services – schools etc (Please give details below)	
Employment opportunities	
Other (Please specify below)	

Services:

Other:

--	--

C4 What type of accommodation are you planning to move to?

1. Site	2. Bricks and Mortar
Council / Social rented	Owner / occupied
Private site owned by self	Rent from Council / Housing Association
Private site owned by other	Rent from private landlord

C5 Do you own land in the Local Authority which you would like to be considered as a possible future site?

(Note: Interviewer to explain that there is no guarantee that the site will be allocated or developed but planning officers may contact respondent to discuss their situation and offer support)

Yes	Give details below	
No	Go to C6	
Prefer not to say	Go to C6	

If you like the Local Authority to discuss these plans with you, provide contact details below:

--

		YES	NO
C6	If you are looking for an authorised pitch, would you live on a site managed by the Local Authority if offered one?		
C7	If an authorised pitch was available in another Local Authority, would you consider moving there? If 'yes', which Local Authorities?		

SECTION D - FAMILY GROWTH

D1 Is anyone in your household likely to want to move to their own home in the next 5 years?

Yes	<i>Go to D2</i>	
No	<i>Go to D4</i>	
Don't know	<i>Go to D4</i>	
Prefer not to say	<i>Go to D4</i>	

D2 Will this be in this Local Authority?

Yes	<i>Go to D3</i>	
No	<i>Go to D4</i>	
Prefer not to say	<i>Go to D4</i>	

D3 How many new households will there be and when will these be needed?

	Type of accommodation (LA site; private site; B&M housing)	No. of people	Now	Within a year	1-2 years	2-5 years
Household 1						
Household 2						
Household 3						
Household 4						

D4 Do you have family members living outside this area who camp in this Local Authority regularly?

Yes	Go to D5	
No	Go to E1	
Don't know	Go to E1	
Prefer not to say	Go to E1	

D5 If they would like to be interviewed about the need for pitches, provide their contact details and Local Authority where they currently live below:

SECTION E - TRANSIT SITES

E1 Have you camped by the roadside / on an unauthorised encampment / on a transit site in Wales while travelling in the past year?

(Prompt: this information is only to be used to understand if more transit sites are needed)

Yes	Go to E2	
No	Go to E4	
Prefer not to say	Go to E4	

E2 In which Local Authority areas have you camped?

Prefer not to say

E3 How long would you usually stay in one place whilst travelling?

1 – 2 days	3 days – 1 week	1 – 2 weeks	2 weeks – 1 month	1 – 3 months

E4 Do you think there is a need for more transit sites in Wales?

Yes	Go to E5	
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No	Questionnaire ends	
Prefer not to say	Questionnaire ends	

E5 Where are they needed?

(Probe for Local Authorities and specific locations)

Prefer not to say	

Questionnaire ends.



Llywodraeth Cymru
Welsh Government

www.gov.wales

Undertaking Gypsy and Traveller Accommodation Assessments

Guidance



May 2015



Future Generations Evaluation (includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer completing the evaluation Stephen Griffiths</p> <p>Phone no: 01633 644455 E-mail: stephengriffiths@monmouthshire.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>Gypsy and Traveller Needs Assessment.</p> <p>To determine the level of need within Monmouthshire for Gypsy and Traveller pitch provision.</p>
<p>Name of Service</p> <p>Housing & Community Services</p>	<p>Date Future Generations Evaluation form completed</p> <p>22nd December 2015</p>





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Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>A neutral contribution.</p>	
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>A neutral contribution</p>	

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	It positively contributes to the health of Gypsy and travellers through the provision of good quality site accommodation.	
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	It positively contributes by helping the Gypsy and Traveller community settle in the area while at the same time acknowledge their tradition of being mobile. This will decrease the need for the Gypsy and Traveller community to set up unlawful encampments in unsuitable areas.	Through the provision of official sites both transit and permanent sites.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The Gypsy and Traveller Community will have better facilities that will contribute to better physical wellbeing and will offer the Community the opportunity to better integrated into the general community as a whole.	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	A neutral contribution	

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Long-term Balancing short term need with long term and planning for the future</p>	<p>The Assessment has taken an evidenced based approach in determining the accommodation needs of the Gypsy and Traveller Community in the short term; over the next 5 years and for the remaining period of the Local Development Plan.</p>	
 <p>Collaboration Working together with other partners to deliver objectives</p>	<p>A steering group was set up comprising of important key stakeholders and members of the Gypsy and Traveller community. The purpose of the group was to take ownership and oversee the assessment process.</p>	
 <p>Involvement Involving those with an interest and seeking their views</p>	<p>A steering group was set up comprising of important key stakeholders and members of the Gypsy and Traveller community. The purpose of the group was to take ownership and oversee the assessment process.</p>	
 <p>Prevention Putting resources into preventing problems occurring or getting worse</p>	<p>No applicable</p>	

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p data-bbox="145 343 313 375">Integration</p> <p data-bbox="324 215 526 399">Positively impacting on people, economy and environment and trying to benefit all three</p>	<p data-bbox="548 215 963 239">This requires further consideration.</p>	

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	None	None	
Disability	None	None.	
Gender reassignment	None	None	
Marriage or civil partnership	None	None	
Race	The assessment will have a positive impact on the Gypsy and Traveller community by the provision of suitable sites	None	
Religion or Belief	None	None	
Sex	None	None	
Sexual Orientation	None	None	
Welsh Language	None	None	

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4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities? For more information please see the guidance note <http://hub/corporatedocs/Democratic%20Services/Equality%20impact%20assessment%20and%20safeguarding.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	None	<i>No negative impacts</i>	
Corporate Parenting	None	No negative impacts	

5. What evidence and data has informed the development of your proposal?

Census Data
Housing Register data
Household Questionnaires

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The main positive benefits of this mandate are:

- Additional accommodation options for Gypsy and Traveller households
- The Council is better able to meet its statutory duties under the Part 3 Housing (Wales) Act 2014
- The reduction in unlawful encampments within the County

The main negative impacts are:

7. Actions. As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable. No

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What are you going to do	When are you going to do it?	Who is responsible	Progress

8. Monitoring: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review. – Not Applicable

The impacts of this proposal will be evaluated on:	Not Applicable
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SUBJECT:	CROESONEN SECTION 106 FUNDING
MEETING:	CABINET
DATE:	3rd FEBRUARY 2016
DIVISION/WARDS AFFECTED:	CROESONEN AND MARDY

1. PURPOSE:

1.1 To decide on the allocation of grants to specific projects from the Section 106 funding available from the Croesonen Section 106 Agreements.

2. RECOMMENDATIONS that

2.1 the projects set out below and as detailed in **APPENDIX A** to this report be approved:

Project	Amount
	£
01 Development of new allotments at Nantgavenny Lane	18,900.00
02 Installation of play equipment at Community Centre	14,527.00
03 Provision of audio visual equipment at Llanddewi Skirrid Hall	444.00
Unallocated Balance	<u>6,129.00</u>
Total	40,000.00

2.2 grant offers be made to each of the successful applicants subject to the standard terms and conditions of grant set out in **APPENDIX B** to this report.

3. KEY ISSUES:

- 3.1 In February 2011 Cabinet considered a report on the allocation of £78,300 worth of off site recreation funding from the Croesonen Farm and Croesonen Infants School Section 106 Agreements. At that meeting it was decided to allocate grants to ten local projects.
- 3.2 Of the ten projects awarded funding nine have been completed – one of the projects awarded funding was unable to proceed due to the applicant being unable to obtain the match funding required, so there is an outstanding balance of £40,000 that is still available to spend. There is no deadline by which the funding has to be spent.
- 3.3 At its meeting on 3rd June 2015 Cabinet decided that a new application process should be undertaken in respect of the £40,000 available to be spent on off site recreation projects in the Llantilio Pertholey Community Council area and that a new assessment panel should be set up to consider the applications received and to formulate recommendations for future consideration by Cabinet.
- 3.4 The assessment panel was convened in December 2015 to consider the four applications received and it took into account the following criteria when carrying out the assessments:
- open space considerations;
 - relationship to the application sites;

CROESONEN SECTION 106 APPLICATIONS – ASSESSMENT NOTES

No	Applicant/Project	Grant Recommended £	Consideration
01	New allotment site – Mardy Allotments Society	18,900.00	Provision of 26 new allotments at Nantgavenny Lane, Llantilio Pertholey. Shortage of allotment provision in Abergavenny area identified in LDP Open Spaces Survey
02	Installation of play equipment at Llantilio Pertholey Community Centre	14,527.00	The main play area at Mardy Recreation Ground is located at the far end of the site, away from the community centre, adjacent to Gwent Road. This proposal is to provide a safe, fenced play area for smaller children at the rear of the Llantilio Pertholey Community Centre.
03	Llanddewi Skirrid Village Hall, audio visual equipment	444.00	Small scale project easy to achieve – applicant is providing 50% match funding. Asset value of new equipment estimated at least ten years+
04	Fencing of grass playing area at Mardy Recreation Ground – Mardy Juniors FC	0.00	<p>When the Croesonen S106 funding was allocated originally, Mardy Juniors FC was allocated a £40,000 grant towards an estimated cost of £100,000+ to provide a small 3G training area at Mardy Recreation Ground. The club was unable to secure any other external funding towards this project, so it was unable to proceed. The club then drew up proposals to establish a fenced & floodlit grass training area at the same site but the landowner (Llantilio Pertholey Community Council) did not support that development. A further proposal was then put forward to develop a new junior grass pitch at another site in the Llantilio Pertholey area on land leased from a local farmer. Unfortunately that proposal was also unable to proceed as the club could only secure a maximum four year lease from the landowner concerned.</p> <p>This latest application from Mardy Juniors is to create an enclosed grass training area – the lowest cost option would be £11,000 to erect a chainlink fence around the area and the higher cost option would be to provide floodlights and pitch markings in addition to the fence enclosure, at a total cost of approximately £24,000.</p> <p>The higher cost option is not affordable, given the priority of the other applications under consideration and the lower cost option is for fencing an existing grassed area that can still be used for training purposes.</p>

**STANDARD CONDITIONS OF
SECTION 106 GRANT AID IN MONMOUTHSHIRE**

TERMS AND CONDITIONS OF GRANT

1. The grant will be used towards the purchase/improvement of a new or existing asset in the area of benefit defined in the Section 106 Agreement.
2. The grant will be used solely the provision of new or improved open spaces and/or recreational facilities.
3. The grant will be used for capital expenditure and will not be used towards the day-day running costs of my organisation.
4. The grant will only be used as bona fide expenditure towards the project described in the application form that I have signed and submitted.
5. I will submit, in support of my request for grant payments, invoices or receipts relating to expenditure legitimately incurred on items that form part of the approved project.
6. If it is established that part of the grant has been used for any purpose other than that described in the application form then that part of the grant will, within one month of notification being received from the County Council, be repaid to the Council for reallocation to another project.
7. If any part of the grant remains unclaimed within three years of the date of the grant approval letter, the County Council reserves the right to review the allocation of funding and, if considered reasonable, to reallocate that grant to another project.
8. Colour photographs taken before work starts, and when the work is completed, are to be supplied digitally (j.peg files) to Monmouthshire County Council.
9. An end of scheme report will be completed and submitted to the Council upon completion of the works and periodic reports will also be submitted annually for three years following completion of the project. This is to enable the Council to monitor the impact of the grant awards in line with the Future Generations Evaluation completed as part of the grant approval process.

NOTE:

- This grant award is proportionate to the overall project cost as set out in the application form submitted.
- The proportion of grant awarded, as a percentage of the total project cost will be set out clearly in the grant award letter, which you will be asked to sign before proceeding with your project.
- If the total project cost reduces after the award of the grant then the grant will reduce in similar proportions – in other words, if the grant offer letter states that the grant award is 50% of the total project cost and the total project cost reduces, then you can expect to receive a proportionate reduction in the grant payment(s) made to you.



Name of the Officer: Mike Moran Phone no: 07901 854682 E-mail: mikemor@monmouthshire.gov.uk	Allocation of Section 106 funding
Name of Service: Enterprise	Date completed: 5 th January 2016

NB. Key strategies and documents that may help you identify your contribution to the wellbeing goals and sustainable development principles include: Single Integrated Plan, Continuance Agreement, Improvement Plan, Local Development Plan, People Strategy, Asset Management Plan, Green Infrastructure SPG, Welsh Language Standards, etc





4 Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.


Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The applications recommended for approval in this report will enable applicants to access grants from other external bodies, making efficient use of the available resources.	Officers will support and work with the successful applicants to help them to access grants from other external bodies
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Neutral	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	All of the grant applications recommended for approval involve improving peoples' physical and mental well being.	
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The applications recommended for approval will contribute to the safety and cohesiveness of the local communities in which they are sited.	
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Neutral	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	There are no specific proposals in this report to promote and protect the Welsh language but all of the grants recommended will encourage people to participate in recreational activities	Encourage successful applicants to use Welsh language in their standard stationery, publicity and on site signage.
A more equal Wales People can fulfil their potential no matter what their background or circumstances	All applicants will welcome and encourage participation by disabled people.	Continue to promote DDA compliance in all schemes receiving grant aid and to provide participation opportunities for people of all ages and backgrounds.

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
--	--	--

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>One of the main areas of assessment for all applications received is the achievability and sustainability of the various projects submitted. In each case the applicants have provided evidence of the longer term sustainability of their projects.</p>	<p>In some cases there is further work to be done with the applicants to ensure that proper measures are in place to sustain their projects beyond the initial ten year lifespan.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>All of the projects involve some joint or partnership working with other parties or partners. The landowners and/or other funding agencies have been involved in developing the projects recommended for approval.</p>	
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>The main stakeholders are the members of the applicant groups & their funding partners or landlords. All of these stakeholders have been involved, as well as the organisations to which the various applicants are affiliated. The views of the local members and the appropriate Community Councils have also been sought.</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>Most of the projects involve the enhancement of facilities or the development of services, as per the broad intention of the Section 106 Agreements from where the money has arisen. Problem prevention is not the basis upon which the funding has been given but by investing in new assets or improving existing facilities this will help to prevent problems occurring.</p>	

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>Individually, these projects will have a positive impact on the health & well being of people living in the area of benefit stipulated in the Section 106 Agreements.</p> <p>Taken together on a collective basis, the projects will significantly improve the well being of local residents across different age ranges for the foreseeable future.</p>	

3. **Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below. For more detailed information on the protected characteristics, the Equality Act 2010 and the Welsh Language Standards that apply to Monmouthshire Council please follow this link:

<http://hub/corporatedocs/Equalities/Forms/AllItems.aspx> or contact Alan Burkitt on 01633 644010 or alanburkitt@monmouthshire.gov.uk

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	<p>No employment/training issues identified</p> <p>The grant recommendations represent a reasonable balance between the respective age groups in the local community.</p>		<p>Continue to promote the need for applicant bodies to take into account the needs of people with protected characteristics when formulating their proposals</p>
Disability	<p>All of the applications recommended for approval in this report, insofar as they relate to buildings, land and services will be designed to be accessible to people with disabilities.</p>		

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Gender reassignment	Neutral		
Marriage or civil partnership	Neutral		
Pregnancy or maternity	Neutral		
Race	Neutral		
Religion or Belief	Neutral		
Sex	The applications recommended for approval in this report are of equal benefit to both males and females.		It may be possible in the future, when advertising the availability of S106 funding to place an emphasis on encouraging applications from groups that have a positive benefit on females
Sexual Orientation	Neutral		
Welsh Language	Neutral	Although the report's recommendations are considered to be neutral they do nothing to promote use of the Welsh language	It may be possible in the future, when advertising the availability of S106 funding, to encourage applications that actively promote the Welsh language

4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Neutral		
Corporate Parenting	Neutral		

5. What evidence and data has informed the development of your proposal?

- Page 506
- Quantitative and qualitative data supplied by individual applicants
 - Local population data taken from the 2011 Census figures
 - Information provided by third parties, e.g. governing bodies of sport, partner organisations, Community Councils, etc.

SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

Positive Impacts

- The proposals comply with the statutory tests relating to Section 106 funding
- All of the applications recommended for approval will have a positive impact upon the health and well being of local residents
- The package of proposals, taken as a whole, will benefit new & existing residents across all age ranges in the community
- Groups of people with protected characteristics will benefit from some of the projects recommended for grant approval

Negative Impacts

- It is difficult to demonstrate in all cases that the projects will have a meaningful benefit for promoting the Welsh language

The above impacts have not materially changed the recommendations of the assessment panel but it may be prudent in the future to invite applications that will have a more positive impact on women and on promoting the use of the Welsh language.

7. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress

8. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	Impacts to be reviewed on 1 st April 2019 (use by date for funding recommended) – to be reported to Section 106 Working Group
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9. VERSION CONTROL: The Future Generations Evaluation should be used at the earliest stages of decision making, and then honed and refined throughout the decision making process. It is important to keep a record of this process so that we can demonstrate how we have considered and built in sustainable development wherever possible.

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
1	Application stage – applicants were issued with protected characteristics with application packs	Prior to December 2015	Clarification sought from applicants prior to assessment of applications being undertaken
2	At assessment of applications on 18 th December 2015	18 th December 2015	Information considered as part of the assessment process
3	Post assessment panel meeting	December 2015 – January 2016	Further clarification sought from applicants
4	Consultation with local elected members, relevant Area Committee members and appropriate Town and Community Councils	January 2016	Observations sought on the recommendations of the assessment panel
5	Consideration of report by MCC Cabinet	3 rd February 2016	Final decision on allocation of funding sought

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SUBJECT: CAPITAL BUDGET 2016/17: SECTION 106 FUNDING

MEETING: CABINET

DATE: 3RD FEBRUARY 2016

DIVISION/WARDS AFFECTED: LLANELLY HILL, GOETRE FAWR, LLANBADOC

1. PURPOSE:

- 1.1 To recommend the setting up of a Capital Budget in 2016/17 for the Gilwern and Little Mill Off Site Open Space/Recreation Funding; and
- 1.2 To decide on the allocation of grants to specific projects from the Section 106 funding available in 2016/17.

2. RECOMMENDATIONS that

- 2.1 capital budgets of £91,377 and £74,480 be created in 2016/17 to carry out the projects emboldened in 2.3 and 2.3 below and that these are funded respectively from corresponding contributions from the Section 106 balances held by the County Council in respect of the Ty Mawr and the former sawmill site in Little Mill;
- 2.2 the off site adult recreation contribution of £216,616 from the Cae Meldon site be included in the 2016/17 Capital Budget when this is received from the developer;
- 2.3 the projects set out below and as detailed in **APPENDICES C and D** to this report be approved, with the schemes not emboldened being carried out when the remaining funding is received:

Project	Amount
Gilwern S106 Funding	£
03 Upgrading of canal towpath in Gilwern	18,000.00
04 Extension/improvement of Gilwern Scooter Park	21,555.00
05 Install fitness equipment at Gilwern Playing Field	7,065.00
06 Construct petanque terrain in Gilwern	3,960.00
08 Heaven Scent Garden/Learning Zone, Ty Mawr	12,000.00
09 Clydach Playing Field Spectator Barrier	5,940.00
10 Gilwern OEC – toilets/kitchen/glazing	56,802.00
11 Upgrade Gilwern bowling green/pavilion	26,751.00
12 Gilwern Playing Field Improvements	34,391.00
13 Clydach – additional junior playing pitches	53,000.00
14 Incredible Edibles Llanelly Hill food project	1,215.00
15 Llanelly Hill Welfare Hall car park	22,441.00
Unallocated Balance	<u>44,873.00</u>
Total	307,993.00

Little Mill S106 Funding	
02 Upgrade Little Mill village playground	12,095.00
05 New cricket wicket and changing rooms	20,000.00
06 Install floodlights at Goytre playing field	14,285.00
08 Establish section of Usk-Little Mill cycleway	<u>28,100.00</u>
Total	74,480.00

2.4 Grant offers be made to each of the successful applicants subject to the standard terms and conditions of grant set out in **APPENDIX B** to this report.

3. KEY ISSUES:

- 3.1 The Section 106 Agreements relating to Ty Mawr and Cae Meldon in Gilwern are the first ones where the County Council has received off site adult recreation contributions from residential developments in the Brecon Beacons National Park. The £91,377 contribution from the Ty Mawr site was received in August 2014 and the £216,616 from the Cae Meldon site is likely to be received within the next six months (it is due to be paid by the developers prior to the occupation of the 24th housing unit on the site and there are currently 16 units occupied).
- 3.2 The £74,480 off site open space contribution from the development of the former sawmill site at Little Mill was received in August 2015.
- 3.3 Applications were invited earlier in 2015 for both areas – it was decided to invite applications in the Gilwern area for both the Ty Mawr and the Cae Meldon sites at the same time to avoid duplication and to enable the full range of community aspirations to be considered at the same time. The “area of benefit” (the area in which the money can be spent) for both Gilwern sites is defined as the administrative area of the Llanelly Community Council. The area of benefit for Little Mill is defined as within a three mile radius of the application site.
- 3.4 By the time of the respective closing dates, 16 applications were received in Gilwern and 8 applications in Little Mill. A list of the applications received for both areas is set out at **APPENDIX A** to this report. In Gilwern the Community Council submitted 7 applications but it subsequently withdrew its application for allotments provision.
- 3.5 An assessment panel was convened to consider the applications and took into account the following criteria when carrying out the assessment:
- Open space considerations;
 - Relationship to the application sites;
 - Achievability and sustainability;
 - Community support.
- Other factors taken into account by the panel were the equality impact assessment and corporate parenting/safeguarding considerations and future management implications.
- 3.6 At the end of the assessment process the panel arrived at a recommendation to support 12 of the 15 applications in Gilwern and 4 of the 8 applications in Little Mill.
- 3.7 For each of the successful applications, the panel is recommending that applicants should provide at least 10% match funding towards the capital cost of their projects. The grant awards recommended in this report are calculated on the basis that the maximum grant is 90% of the total project costs.
- 3.8 The recommendations of the assessment panel are set out in para 2.3 of this report and attached at Appendices C and D are some notes relating to each of the applications concerned.

4. REASONS:

- 4.1 The funding needs to be included in the Council’s Capital Budget for 2016/17 to enable the grants to be paid when the works are in progress or have been completed.
- 4.2 The panel assessed each application in turn to make sure that it was measured accurately against the assessment criteria.

APPENDIX A

TY MAWR AND CAE MELDON SECTION 106 APPLICATIONS RECEIVED				
No	Applicant/Project	Scheme Cost £	Match Funding £	S106 Grant Request £
01	Allotments and Community Orchard	Application withdrawn		
02	Extension and improvement of Gilwern MUGA	49,250.00	4,925.00	44,325.00
03	Canal Walk and Fitness Trail	29,950.00	2,995.00	26,955.00
04	Extension and improvement of Gilwern scooter park	23,950.00	2,395.00	21,555.00
05	Play upgrade and fitness equipment, Gilwern playing field	7,850.00	785.00	7,065.00
06	Construction of petanque terrain	4,400.00	440.00	3,960.00
07	Central heating for Gilwern Community Centre	12,750.00	1,275.00	11,475.00
08	Heaven Scent Garden/Learning Zone at Ty Mawr	25,000.00	13,000.00	12,000.00
09	Clydach Playing Field spectator barrier	6,600.00	0.00	6,600.00
10	Gilwern Outdoor Education Centre – toilets/kitchen/glazing	63,113.00	6,311.00	56,802.00
11	Upgrade Gilwern bowling green and pavilion	30,951.00	4,200.00	26,751.00
12	Gilwern playing field spectator barrier & improvements	56,330.00	0.00	56,330.00
13	Clydach additional junior playing pitch provision	60,000.00	7,000.00	53,000.00
14	Incredible Edibles Llanelly Hill food project	1,350.00	0.00	1,350.00
15	Llanelly Hill Welfare Hall car park	24,934.00	0.00	24,934.00
16	Hopscotch Childcare – Gilwern school outdoor play	78,935.00	0.00	78,935.00
	Totals	475,363.00	43,326.00	432,037.00

LITTLE MILL SECTION 106 APPLICATIONS RECEIVED				
No	Applicant/Project	Scheme Cost £	Match Funding £	S106 Grant Request £
01	Community Woodlands Management Plan	5,225.00		5,225.00
02	Upgrade Little Mill Village Playground	18,000.00	2,000.00	16,000.00
03	New MUGA (multi use games area) for Goytre	96,600.00	12,000.00	84,600.00
04	Upgrade existing MUGA at Little Mill	45,377.00	8,500.00	36,877.00
05	New cricket wicket and changing rooms	50,000.00	20,000.00	30,000.00
06	Install floodlights at Goytre football field	65,593.55	48,600.00	16,993.55
07	Two new team shelters at Goytre football field	4,743.50	1,000.00	3,743.50
08	Establish section of Usk-Little Mill Cycle Trail	37,369.00		37,369.00
	Totals	322,908.05	92,100.00	230,808.05

**STANDARD CONDITIONS OF
SECTION 106 GRANT AID IN MONMOUTHSHIRE**

TERMS AND CONDITIONS OF GRANT

1. The grant will be used towards the purchase/improvement of a new or existing asset in the area of benefit defined in the Section 106 Agreement.
2. The grant will be used solely the provision of new or improved open spaces and/or recreational facilities.
3. The grant will be used for capital expenditure and will not be used towards the day-day running costs of my organisation.
4. The grant will only be used as bona fide expenditure towards the project described in the application form that I have signed and submitted.
5. I will submit, in support of my request for grant payments, invoices or receipts relating to expenditure legitimately incurred on items that form part of the approved project.
6. If it is established that part of the grant has been used for any purpose other than that described in the application form then that part of the grant will, within one month of notification being received from the County Council, be repaid to the Council for reallocation to another project.
7. If any part of the grant remains unclaimed within three years of the date of the grant approval letter, the County Council reserves the right to review the allocation of funding and, if considered reasonable, to reallocate that grant to another project.
8. Colour photographs taken before work starts, and when the work is completed, are to be supplied digitally (j.peg files) to Monmouthshire County Council.
9. An end of scheme report will be completed and submitted to the Council upon completion of the works and periodic reports will also be submitted annually for three years following completion of the project. This is to enable the Council to monitor the impact of the grant awards in line with the Future Generations Evaluation completed as part of the grant approval process.

NOTE:

- This grant award is proportionate to the overall project cost as set out in the application form submitted.
- The proportion of grant awarded, as a percentage of the total project cost will be set out clearly in the grant award letter, which you will be asked to sign before proceeding with your project.
- If the total project cost reduces after the award of the grant then the grant will reduce in similar proportions – in other words, if the grant offer letter states that the grant award is 50% of the total project cost and the total project cost reduces, then you can expect to receive a proportionate reduction in the grant payment(s) made to you.

TY MAWR AND CAE MELDON S106 APPLICATIONS – ASSESSMENT NOTES

No	Applicant/Project	Grant Recommended £	Consideration
01	Allotments and Community Orchard	0.00	Application submitted by Community Council for allotment & community orchard but was subsequently withdrawn due to the lack of a suitable available site.
02	Extension and improvement of Gilwern MUGA (multi use games area)	0.00	Gilwern MUGA is a double court size and was provided a number of years ago. There is currently no sports use of the existing MUGA and there is no effective management/maintenance regime in place. The application is to provide a 3G training area but the national strategy for 3G provision is for one full size 3G pitch in south Monmouthshire (already provided in Caldicot) & one full size pitch in the north. The cost of providing a 3G surface is £49,250 and the cost of the 3G surface plus extending the court (including floodlights) is circa £80,000.
03	Canal Walk and Fitness	18,000.00	This application was submitted by the Community Council in partnership with the Canal and Rivers Trust to upgrade the towpath between bridges 102 and 104 in Gilwern and to provide some items of outdoor fitness equipment. The panel felt the towpath upgrading should be supported but considered that outdoor fitness equipment in this location would be isolated and difficult to manage & maintain.
04	Extension and improvement of Gilwern scooter park	21,555.00	The scooter park at Gilwern playing field would benefit from extension & upgrading – this would allow more and better use of an already well used facility.
05	Play upgrade and fitness equipment at Gilwern playing field	7,065.00	This application is to provide some outdoor fitness equipment next to the existing children's play area at Gilwern playing field. Contributions for upgrading this play area will be made from both the Ty Mawr and Cae Meldon sites – the outdoor equipment proposed will be inspected & maintained at the same time as the children's play area.
06	Construction of petanque terrain	3,960.00	This will be sited next to the Gilwern community centre, adjacent to the playing field and will provide participation opportunities in one of the fastest growing recreational activities in Wales – there are already petanque terrains in other Monmouthshire locations and there is also a league structure in South Wales.
07	Central heating for Gilwern Community Centre	0.00	The panel felt that this project would make no effective contribution to off site recreation provision for either the Ty Mawr or Cae Meldon sites.

08	Heaven Scent Garden/Learning Zone at Ty Mawr site	12,000.00	This application is to provide a new garden/learning zone next to the existing sensory facility at the Youth Service building at Ty Mawr. Whilst it will benefit a number of groups/individuals with protected characteristics (e.g. disability, sexual orientation and transgender status), it will also be used by visiting school groups and the wider community. The Ty Mawr site is immediately adjacent to the Ty Mawr housing development and approx. 500 yds from Cae Meldon.
09	Clydach playing field spectator barrier – Clydach Wasps Football Club	5,940.00	The original application was for a galvanised & powder coated steel barrier with mesh infill panels below but the specification was later reduced to a wooden post and rail barrier costing £23,000 less than the original submission.
10	Gilwern Outdoor Education Centre – upgrade toilets, kitchen and glazing	56,802.00	This application is for building improvements to enable better utilisation of the outdoor areas at Ty Mawr and to provide a local recreation centre for the new residents of Ty Mawr and Cae Meldon as well as the wider community.
11	Upgrade Gilwern bowling green and pavilion	26,751.00	Gilwern bowling green is in need of significant improvements and future maintenance of the facility has passed from the County Council to the bowling club. The pavilion improvements will enable the facility to be used for county/regional fixtures.
12	Gilwern playing field improvements, including spectator barrier – Gilwern Football Club	34,391.00	The application is for a range of pitch/pavilion improvements, including a galvanised powder coated steel spectator barrier around the pitch. The panel felt that the application should be supported but it could not justify the cost of the steel barrier at a cost of £28,118 compared to a wooden post & rail barrier costing some £18,000 less.
13	Clydach junior playing pitch provision – Clydach Junior Football Club	53,000.00	This application is to purchase/develop land in the Clydach area to provide additional junior playing pitches. The proposal is to purchase land that is surplus to requirements following the duelling of the A465 Heads of the Valleys Road. There are two areas of land currently being considered - provision of additional junior playing pitches in the area would help to address the shortfall in this provision, identified in the Open Spaces Survey undertaken to underpin the Council's LDP.
14	Incredible Edibles Llanelly Hill food project	1,215.00	This is a small scale, self help project to provide organic growing beds adjacent to the Llanelly Hill Welfare & Memorial Hall.
15	Llanelly Hill Welfare Hall car park	22,441.00	This application is to provide a much needed car park for the Welfare & Memorial Hall, which can also be used in connection with the playing field and children's play area located opposite the site.
16	Hopscotch Childcare – Gilwern school outdoor play provision	0.00	Project is for children's play whereas funding is intended primarily for off site adult recreation provision – school also in receipt of £345,000 funding from the two sites.

LITTLE MILL S106 APPLICATIONS – ASSESSMENT NOTES

No	Applicant/Project	Recommended Grant £	Consideration
01	Management of Community Woodlands – Llanbadoc Community Council	0.00	The Community Council manages five woodlands in its area – this application is for tree works at one site & developing a management plan for all five sites. The panel felt that the relatively small cost of £5,225 could be met from the Community Council precept, as a woodland management plan is a prerequisite for woodland owners.
02	Upgrade main village play area Little Mill Village Hall Management Committee	12,095.00	The village play area in Little Mill is sited next to the village hall and is a well used local facility. There was no play provision made on the former sawmill site but the developer has funded the cost of a puffin crossing, which means the occupants of the new houses can cross the road safely to access the community facilities on the opposite side of the road. The grant proposed will enable the updating of the existing village play area and include equipment suitable for a wider age range.
03	New MUGA at Goytre Playing Field – Goetre Fawr Community Council	0.00	The proposal to establish a new MUGA at the main village playing field in Goytre is logical, given the increase in the local population and the relative difficulty for Goytre residents in accessing the MUGA at Little Mill. However, this application was for a grant of £84,600 (more than the funding available) and if it were to be supported then none of the other applications could have been supported. There is some off site recreation funding due to be received from the Section 106 Agreement relating to two housing development sites off School Lane in Goytre, so this would be the appropriate mechanism for funding a new MUGA in Goytre village.
04	Upgrade existing Little Mill MUGA – Goetre Fawr Community Council	0.00	Little Mill was one of the first MUGA developments in the county and the facility is run by the Village Hall Committee, with support from the Community Council. The County Council has funded the capital cost of several MUGAs in rural areas but, with the exception of the MUGAs located on the Leisure Centre sites, has left the ongoing management/maintenance of these facilities to be dealt with locally. If the capital cost of the new MUGA at Goytre is funded in its entirety from the School Lane S106 Agreement, this means the match funding pledged by the Community Council for that project can be used towards the upgrading of the Little Mill MUGA.

05	New cricket wicket & changing rooms – Monkswood Cricket Club	20,000.00	Monkswood is a forward thinking club with a thriving junior membership, which runs three teams and allows its current cricket ground to be used by other groups from the local community, including the scouts and a local archery club. The proposal is to develop a second cricket wicket on land close to the club's existing ground and to provide additional changing accommodation so that two teams can play their fixtures at home on the same day, whilst the other team plays its away fixture. The original application was for a grant of £50,000 but since the application closing date this project has been flagged up by the Governing Body (Cricket Wales), so there is a good possibility of some grant aid from that source. A grant offer of £20,000 would help to secure the remaining funding to allow this project to proceed.
06	Install floodlights at Goytre Football Pitch – Goytre Football Club	14,285.00	Out of all the football clubs in Monmouthshire, Goytre plays at the highest level within the Welsh football league structure and, as such it is a “target club” of the Welsh Football Trust, which means it is more likely to qualify for investment in facilities. However, the club only has one playing pitch – the new floodlights will enable the club to train, coach and play matches in the evenings and to develop under 18s and under 19s teams with the prospect of developing players to feed into the senior side. The cost of the project is £65,584 and has been offered a grant from the Welsh Football Trust of £48,600.
07	Two new team shelters at Goytre Football Pitch – Goytre Football Club	0.00	This is a second application from Goytre Football Club but is considered of less significance than the floodlighting project, for which most of the funding has been secured. The project cost is £4,643 and there are possible alternative sources of funding for which the club could apply.
08	Establish section of Usk-Little Mill Cycleway – UTAG (Usk Trail Access Group)	28,100.00	This application forms part of a larger project to develop the former Usk-Little Mill railway line for use as a footpath and cycleway, eventually linking into Pontypool and giving access to the national cycleway network. The project is to establish that section of the cycleway between the sawmill site at Little Mill and Rumble Street in Monkswood. The overall project involves four landowners, including ROF Glascoed & Network Rail and this phase of works is to be carried out by UTAG and its members.

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Name of the Officer: Mike Moran Phone no: 07901 854682 E-mail: mikemoran@monmouthshire.gov.uk	Allocation of Section 106 funding
Name of Service: Enterprise	Date completed: 5 th January 2016

NB. Key strategies and documents that may help you identify your contribution to the wellbeing goals and sustainable development principles include: Single Integrated Plan, Continuance Agreement, Improvement Plan, Local Development Plan, People Strategy, Asset Management Plan, Green Infrastructure SPG, Welsh Language Standards, etc





4 Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.


Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	A number of applications recommended for approval in this report will enable applicants to access grants from other external bodies, making efficient use of the available resources.	
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Neutral	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	Most of the grant applications recommended for approval involve improving peoples' physical and mental well being.	
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Neutral	
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Neutral	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	There are no specific proposals in this report to promote and protect the Welsh language but grants are recommended for a number of sports clubs or organisations that encourage people to play sport and/or participate in recreational activities	Encourage successful applicants to use Welsh language in their standard stationery, publicity and on site signage.
A more equal Wales People can fulfil their potential no matter what their background or circumstances	A number of prospective grant recipients have equality or equal rights policies in place, many encourage participation by disabled people and one application in particular will benefit people involved in gender reassignment	

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>One of the main areas of assessment for all applications received is the achievability and sustainability of the various projects submitted. In each case the applicants have provided evidence of the longer term sustainability of their projects.</p>	<p>In some cases there is further work to be done with the applicants to ensure that proper measures are in place to sustain their projects beyond the initial ten year lifespan.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>Most of the projects involve some joint or partnership working with other parties or partners. For sports-based projects for example, the support of the appropriate Governing Bodies has been obtained, whereas in other cases the landowners and/or other funding agencies have been involved.</p>	
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>The main stakeholders are the members of the applicant groups & their funding partners or landlords. All of these stakeholders have been involved, as well as the Governing Bodies or organisations to which the various applicants are affiliated. The views of the local members and the appropriate Community Councils have also been sought.</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>Most of the projects involve the enhancement of facilities or the development of services, as per the broad intention of the Section 106 Agreements from where the money has arisen. Problem prevention is not the basis upon which the funding has been given but by investing in new assets or improving existing facilities this will help to prevent problems occurring.</p>	

<p>Sustainable Development Principle</p>	<p>Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.</p>	<p>Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?</p>
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>Individually, these projects will have a positive impact on the health & well being of the existing and prospective new members of the applicant bodies and users of their services. Taken together on a collective basis, the projects will significantly improve the well being of local residents across all age ranges for the foreseeable future.</p>	

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below. For more detailed information on the protected characteristics, the Equality Act 2010 and the Welsh Language Standards that apply to Monmouthshire Council please follow this link: <http://hub/corporatedocs/Equalities/Forms/AllItems.aspx> or contact Alan Burkitt on 01633 644010 or alanburkitt@monmouthshire.gov.uk

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<p>Protected Characteristics</p>	<p>Describe any positive impacts your proposal has on the protected characteristic</p>	<p>Describe any negative impacts your proposal has on the protected characteristic</p>	<p>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</p>
<p>Age</p> <p>Families 29%</p> <p>CYP (0-20) 33%</p> <p>Adults (20-60) 18%</p> <p>Older (60+) 20%</p>	<p>No employment/training issues identified</p> <p>The grant recommendations represent a reasonable balance between the respective age groups in the local community, with grants distributed broadly as indicated in Column 1.</p>	<p>The grant distribution percentages shown are intended only as a broad indication but they do show that all age groups in the local community stand to benefit to some degree.</p>	

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Disability	All of the applications recommended for approval in this report, insofar as they relate to buildings, land and services will be designed to be accessible to people with disabilities.		
Gender reassignment	One of the applications recommended for approval engages specifically with transgender people, so the investment recommended will have a positive effect on these individuals		
Marriage or civil partnership	Neutral		
Pregnancy or maternity	Neutral		
Race	Neutral		
Religion or Belief	Neutral		
Sex	Although a number of the applications recommended for approval in this report are of equal benefit to both sexes, due to the nature of the applications received on balance there are likely to be benefits to more men than women	There are no negative impacts as such on women but some of the applications recommended for approval will benefit men only (e.g. three of the football teams involved cater only for male participants)	It may be possible in the future, when advertising the availability of S106 funding to place an emphasis on encouraging applications from groups that have a positive benefit on females
Sexual Orientation	Neutral		

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Welsh Language	Neutral	Although the report's recommendations are considered to be neutral they do nothing to promote use of the Welsh language	It may be possible in the future, when advertising the availability of S106 funding, to encourage applications that actively promote the Welsh language

4. **Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities?** For more information please see the guidance <http://hub/corporatedocs/Democratic%20Services/Safeguarding%20Guidance.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

Page 526	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	For those applications from sports clubs that are recommended for approval, the clubs concerned either have their own safeguarding policies or they have adopted the safeguarding policies of their respective Governing Bodies.		When applications from sports clubs are received for S106 funding, it is a pre-requisite that they either have their own safeguarding policies in place or, as an alternative, they have adopted the safeguarding policy of the appropriate Governing Body.
Corporate Parenting	Neutral		

5. **What evidence and data has informed the development of your proposal?**

- Quantitative and qualitative data supplied by individual applicants
- Local population data taken from the 2011 Census figures
- Information provided by third parties, e.g. governing bodies of sport, partner organisations, Community Councils, etc.

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

Positive Impacts

- The proposals comply with the statutory tests relating to Section 106 funding
- All of the applications recommended for approval will have a positive impact upon the health and well being of local residents
- The package of proposals, taken as a whole, will benefit new & existing residents across all age ranges in both communities
- Groups of people with protected characteristics will benefit from a number of the projects recommended for grant approval

Negative Impacts

- It is difficult to demonstrate in some cases that women will benefit from the projects to the same extent as men; and
- It is difficult to demonstrate in all cases that the projects will have a meaningful benefit for promoting the Welsh language

The above impacts have not materially changed the recommendations of the assessment panel but it may be prudent in the future to invite applications that will have a more positive impact on women and on promoting the use of the Welsh language.

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7. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress

8. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	Impacts to be reviewed on 1 st April 2019 (use by date for funding recommended) – to be reported to Section 106 Working Group
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9. VERSION CONTROL: The Future Generations Evaluation should be used at the earliest stages of decision making, and then honed and refined throughout the decision making process. It is important to keep a record of this process so that we can demonstrate how we have considered and built in sustainable development wherever possible.

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
1	Application stage – applicants were issued with protected characteristics with application packs	Prior to December 2015	Clarification sought from applicants prior to assessment of applications being undertaken
2	At assessment of applications on 18 th December 2015	18 th December 2015	Information considered as part of the assessment process
3	Post assessment panel meeting	December 2015 – January 2016	Further clarification sought from applicants
4	Consultation with local elected members, relevant Area Committee members and appropriate Town and Community Councils	January 2016	Observations sought on the recommendations of the assessment panel
5	Consideration of report by MCC Cabinet	3 rd February 2016	Final decision on allocation of funding sought