



**REPORT of  
HEAD OF PLANNING SERVICES**

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to  
**PLANNING AND LICENSING COMMITTEE  
14 NOVEMBER 2013**

**MALDON DISTRICT COMMUNITY INFRASTRUCTURE LEVY AND UPDATES  
TO THE INFRASTRUCTURE DELIVERY PLAN AND LOCAL DEVELOPMENT  
PLAN VIABILITY STUDY**

**1. PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to outline the project plan for the production of a Maldon District Community Infrastructure Levy (CIL) Charging Schedule, and inform Members on updates being produced to the Infrastructure Delivery Plan (IDP) and Viability Study.
- 1.2 This report was presented to the Planning Policy Panel on 28 October 2013. Members raised concerns about future restrictions on the pooling of five or more Section 106 agreements which was proposed to come into force in April 2014. Government has since announced that this deadline will be delayed until April 2015.

**2. AREA FOR DECISION / ACTION**

This report is for Members' information only.

**2.1 Maldon District Community Infrastructure Levy**

**2.1.1 Background**

- 2.1.1.1 The Community Infrastructure Levy Regulations 2010 came into force in April 2010. The Community Infrastructure Levy (CIL) is a mechanism which local authorities can use to raise funds from new development to pay for new or improved infrastructure unrelated to a particular development. CIL is designed to make the process of obtaining planning obligations (Section 106 agreements) fairer, faster, and more transparent, by giving local authorities the freedom to set their own priorities for directing contributions, providing a predictable funding stream for future infrastructure provision, and giving developers more certainty on required financial contributions.
- 2.1.1.2 Section 106 agreements can still be used to gain financial contributions from developers for infrastructure directly related to a particular development, however following 1 April 2014 local authorities will only be able to pool up to five section 106 contributions for any one piece of infrastructure. CIL provides the opportunity to obtain financial contributions from new development for infrastructure across the whole District, through payments shared accordingly between Essex County Council,

Maldon District Council, and relevant parish / town councils<sup>1</sup>. Unlike section 106 agreements, CIL payments are not designated for particular infrastructure. Instead, CIL payments can be pooled by the receiving authority to be used for any new infrastructure or improvements to existing infrastructure required to support new development across the District.

2.1.1.3 The rates that developers would be required to pay through CIL are identified within a CIL Charging Schedule produced by Maldon District Council. The CIL Charging Schedule outlines what development is liable for CIL, proposes charge rates and zones for all types of development, estimates potential CIL receipts, and explains how CIL will be implemented. The Charging Schedule should identify the total cost of infrastructure required to support the delivery of development proposed in the Local Development Plan (LDP), and identify available funding sources<sup>2</sup>. This should be used to provide evidence of a funding gap for the delivery of infrastructure in the District, which demonstrates the need to introduce a CIL.

## 2.1.2 The production of a CIL Charging Schedule

2.1.2.1 A CIL Charging Schedule should be supported by an evidence base which includes a Viability Study to consider the amount of CIL which can be charged without rendering development in certain areas of the District unviable, and an Infrastructure Delivery Plan which identifies the total cost of development required to deliver the plan and available funding sources. Further evidence base work included within the Charging Schedule should establish a local case for CIL to identify proposed rates and potential income from the levy, and consider potential portioning of funding sources across development sites in the District where appropriate.

2.1.2.2 Following the production of supporting evidence base work, the production of a CIL Charging Schedule should include two periods of consultation and an examination in public. A proposed project plan for the production of a Maldon District CIL Charging Schedule is provided in **APPENDIX 1**. The key tasks and proposed estimated timeframes are summarised below (these timescales are considered to be optimistic and may be subject to review at a later date):

- Update Infrastructure Delivery Plan and Viability Study (Oct – Nov 2013);
- Six week consultation on the Draft Preliminary CIL Charging Schedule (Dec 2013 – Jan 2014);
- Four week consultation on the Draft CIL Charging Schedule (March – April 2014);
- Submit CIL Charging Schedule to Government (Summer 2014);
- Examination and adoption of CIL Charging Schedule (late 2014).

2.1.2.3 The recommended timeframe would allow the Charging Schedule to be completed alongside the completion of the Local Development Plan, with a potential opportunity to have a joint examination towards the end of 2014 if the Planning Inspectorate

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*1 Parish / town councils receive 15% of CIL payments from new development within their boundary. Parish / town councils with a completed neighbourhood plan receive 25% of CIL payments within their boundary.*

*2 Including funding sources that would continue beyond the implementation of CIL, Central Government funding, known sources of other funding schemes, and section 106 agreements*

would consider this appropriate. This possibility will be further discussed at a meeting taking place with the Planning Inspectorate on 11 November 2013.

### 2.1.3 External assistance to support the production of a Maldon District CIL Charging Schedule

2.1.3.1 Due to the current demands on the Council's Planning Policy Team to produce the LDP, external assistance is required to complete the CIL Charging Schedule within the timeframes outlined in the project plan. The project brief included in **APPENDIX 2** has therefore been circulated to relevant companies to seek assistance in the completion of the following key tasks:

- a) Identification of a list of infrastructure required to support growth in the LDP (Regulation 123 list), demonstration of a funding gap, and proposed portioning of available funding.
- b) Assessment of potential funding from proposed CIL rates.
- c) Production of a Draft Preliminary CIL Charging Schedule consultation document, and review of representations following the consultation.
- d) Production of a Draft CIL Charging Schedule consultation document, and review of representations following the consultation.

## 2.2 **Updates on the Infrastructure Delivery Plan (IDP) and Viability Study**

### 2.2.1 Background

2.2.1.1 To support the production of the Draft LDP, the Council produced the Maldon District Infrastructure Delivery Plan Baseline (IDP) in June 2012 and the Infrastructure Delivery Plan Schedule Update in June 2013. Infrastructure providers and parish / town councils were consulted to identify existing, proposed, and required infrastructure in the District which can support growth. The findings of the IDP were used to inform the production of the Draft LDP.

2.2.1.2 The Maldon District Council Local Plan and CIL Viability Study was produced in August 2013 to replace the 2010 Viability Study, to support the production of the Draft LDP, and to provide an initial evidence base to support preliminary consideration of CIL. Assessments within the August 2013 Viability Study were based on growth scenarios being considered by Council in June / July 2013 and information available on infrastructure costs at that time, and therefore did not assess the final strategic growth areas identified within the Draft LDP consultation document.

### 2.2.2 Proposed updates and timeframes

2.2.2.1 To ensure that the production of the Pre-Submission version of the Local Development Plan is based on an up to date evidence base, and also to support the production of a Maldon District CIL Charging Schedule as outlined above, an update of the IDP and Viability Study is required.

2.2.2.2 The update to the IDP will review information within the 2012 IDP Baseline report using up to date information from Essex County Council, key infrastructure providers, developers associated with the Strategic Growth Areas in the LDP, and parish / town

councils. The IDP will develop an up to date list of existing and required infrastructure in the District to support growth within the LDP.

2.2.2.3 The update of the IDP will include the circulation of a questionnaire to all parish / town councils, and consultation with all infrastructure providers and developers associated with the strategic growth areas through a workshop event. The purpose of this consultation is to finalise information on key infrastructure requirements and costs across the District and specifically within the LDP Strategic Growth Areas, and to consider the portioning of infrastructure costs across various development sites.

2.2.2.4 The key tasks and timeframes related to the IDP update are as follows:

- Questionnaire circulated to all parish / town councils (Oct 2013)
- Workshop with developers and key infrastructure providers (early Nov 2014)
- Completion of final version of the IDP (scheduled to be completed by 29 Nov 2013)

2.2.2.5 The update to the Viability Study will take into account the agreed Strategic Growth Areas in the Draft LDP, any emerging changes to the LDP following consultation, and the collection of up to date information on infrastructure requirements and costs through the update of the IDP. This will provide an up to date assessment of viability of strategic sites to inform the production of the Pre-Submission version of the LDP, and will provide an up to date test of the viability of strategic sites based on proposed rates of CIL.

2.2.2.6 The Viability Study update will be undertaken by HDH Planning and Development. The consultants will participate in the workshop with developers and key infrastructure providers in early November 2013. The update of the Viability Study is scheduled to be completed by 27 November 2013.

### **3. IMPACT ON CORPORATE GOALS**

3.1 A Maldon District CIL Charging Schedule has the potential to support the following corporate goals which underpin the Council's vision for the District:

- Enabling, supporting and empowering communities to be safe, active and healthy;
- Protecting and shaping the District and balancing the future needs of the community; and
- Meeting the housing needs of the District.

### **4. IMPLICATIONS**

- (i) **Impact on Customers** - The adoption of a CIL Charging Schedule for the District would provide parish / town councils, Essex County Council, and Maldon District Council with greater certainty over the amount of financial contributions which can be gained from new development. Areas allocated for a specific level of growth through the LDP may therefore be able to forward plan for financial assistance towards the provision of new or improved infrastructure.

The production of a CIL Charging Schedule would provide customers with knowledge of the Council's priorities for the delivery of infrastructure across the District.

CIL provides the opportunity for the District to obtain a greater amount of contributions towards new and improved infrastructure from new development.

- (ii) **Impact on Equalities** – CIL is designed to make the process of obtaining planning obligations (Section 106 agreements) fairer, faster, and more transparent.
- (iii) **Impact on Risk** – The production of a Maldon District CIL Charging Schedule could take resources within the Council's Planning Policy Team away from the production of the LDP.
- (iv) **Impact on Resources (financial)** – The production of a Maldon District CIL Charging Schedule requires two stages of consultation and examination which will be financed by Maldon District Council.

As the charging authority, the Council will be required to administer the collection, management, and distribution of CIL payments.

The production of a Maldon District CIL Charging Schedule requires a large amount of officer time to produce the evidence base, two consultation documents, reviewing consultation responses, and participation in an examination.

- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – CIL provides the opportunity for the District to obtain a greater amount of contributions towards new and improved infrastructure in the District.

## **5. CONCLUSIONS**

- 5.1 The proposed project plan set out in **APPENDIX 1** outlines how the Council can produce a Maldon District CIL Charging Schedule by late 2014. The adoption of a CIL Charging Schedule for the District will provide the Council with an improved process for obtaining planning obligations, which will allow the Council to have increased control over directing contributions, provide a predictable funding stream for future infrastructure provision in the District, and provide developers with more certainty over required financial contributions.
- 5.2 Updates to the Infrastructure Delivery Plan and Viability Study will ensure that the production of the Maldon District CIL Charging Schedule and Pre-Submission version of the Local Development Plan will be based on an up to date evidence base.

## **6. RECOMMENDATION**

That the Maldon District Community Infrastructure Levy project plan set out in **APPENDIX 1** and the work being undertaken by the Planning Policy Team to update the Infrastructure Delivery Plan and Viability Study, be noted.

### Background Papers:

The Community Infrastructure Levy Regulations (2010 and 2013 amendments)

Community Infrastructure Levy Guidance (DCLG, 2013)

National Planning Policy Framework (DCLG, 2012)

Enquiries to: Tim Parton, Planning Policy Officer, (Tel: 01621 876203).

Maldon District Community Infrastructure Levy Project Plan

Maldon District Community Infrastructure Levy Project Plan			Key:																		
			Work to be undertaken by MDC			Potential external support															
Task	Date started	Date finished	2013			2014															
			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec				
Agreement of CIL Project Plan																					
Report to PPP / P&L	P&L 14/11/2013	P&L 14/11/2013																			
Update IDP			X	X	X																
Review LDP consultation responses for relevant updates																					
Update baseline doc																					
Consult with parish/town councils, infrastructure providers and developers																					
Relevant strategic sites Developer Forum Workshop																					
Regulation 123 list, funding gap assessment, proposed portioning of S106																					
Critical assessment of draft IDP 2013 Update																					
Report to PPP / P&L	Special P&L	needed Dec																			
Establishing local case for CIL																					
Identification of proposed CIL rates and zones																					
Assessment of potential income from proposed CIL rates																					
Report to PPP / P&L	Special P&L	needed Dec																			
Preliminary Charging Schedule			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Produce consultation document																					
Approve consultation document: PPP / P&L / Full Council	Special P&L	needed Dec																			
Produce promotional consultation material																					
Minimum six week consultation period																					
Review consultation responses, produce consultation statement																					
Report to PPP / P&L	P&L 06/03/2013	P&L 06/03/2013																			
Changes / amendments to IDP, Viability Study, funding gap assessment																					
Draft CIL Charging Schedule																					
Produce consultation document																					
Approve consultation document: PPP / P&L / Full Council	P&L 06/03/2013	P&L 06/03/2013																			
Produce promotional consultation material																					
Minimum four week consultation period																					
Review consultation responses, produce consultation statement																					
Report to PPP / P&L	May-14	May-14																			
Changes / amendments to CIL Charging Schedule																					
Submission of CIL Charging Schedule to Government																					
Prepare additional information to support submission																					
Approve final document: PPP / P&L / Full Council	Jun-14	Jun-14																			
Submission																					
Preparation of internal CIL implementation plan																					
Produce draft plan																					
Report to PPP / P&L	Aug-14	Aug-14																			
Examination	Sep-14	Sep-14																			
Adoption	Oct-14	Oct-14																			

**Maldon District Community Infrastructure Levy  
External Assistance Project Brief**

Background

Maldon District Council is currently consulting on the Draft Maldon District Local Development Plan (LDP). Further information on the Draft LDP and links to the evidence base documents are available from [www.maldon.gov.uk](http://www.maldon.gov.uk). The following key relevant background documents are available from the [evidence base](#) page of the Council’s website:

- Draft Maldon District Local Development Plan consultation document (2013)
- Maldon District Infrastructure Delivery Plan Baseline Report (2012)
- Maldon District Infrastructure Delivery Plan Schedule Update (2013)
- Maldon District Local Plan and Community Infrastructure Viability Study (2013)

It is proposed that the LDP pre-submission consultation will be undertaken at the end of the year, and the Plan will be submitted to Government in February 2014.

Maldon District Community Infrastructure Levy Project Plan

Alongside the completion of the LDP, the Council is seeking to produce a Community Infrastructure Levy Charging Schedule. As part of the production of the draft LDP, the Council has recently produced infrastructure and viability based documents which will support the production of the CIL Charging Schedule. The Council is therefore seeking to update relevant existing evidence base documents by the end of this year, and complete the production of a CIL Charging Schedule in 2014.

Oct-Nov 2013	Dec-March 2014	March-June 2014	July- Nov 2014
<ul style="list-style-type: none"> <li>• Update Infrastructure Delivery Plan</li> <li>• Establish a Local Case for CIL</li> <li>• Produce Draft Preliminary Charging Schedule consultation document</li> </ul>	<ul style="list-style-type: none"> <li>• Consultation on Draft Preliminary Charging Schedule</li> <li>• Review consultation responses</li> <li>• Produce consultation statement</li> <li>• Make changes to Draft Charging Schedule</li> <li>• Produce Draft CIL Charging Schedule consultation document</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake Draft CIL Charging Schedule consultation</li> <li>• Review consultation responses</li> <li>• Produce consultation statement</li> <li>• Make required changes to Draft Schedule</li> </ul>	<ul style="list-style-type: none"> <li>• Submit CIL Charging Schedule to Government</li> <li>• Examination</li> <li>• Adoption</li> </ul>

**APPENDIX 1** outlines the project plan for the production of a Maldon District CIL Charging Schedule.

Project brief for required external assistance

The project plan in **APPENDIX 1** outlines where the Council would benefit from external assistance on key tasks in preparation of the Preliminary CIL Charging Schedule consultation, which are as follows:



1. Regulation 123 list, funding gap assessment, and proposed portioning of Section 106 (S106)

Tasks required:

- Review the update of the LDP Infrastructure Delivery Plan (IDP) and LDP Viability Study, and the results of associated consultation with parish/town councils, infrastructure providers and developers, to collate a list of required infrastructure projects in the District.
- Produce a 'Regulation 123 list' of projects which should be funded through CIL, and identify infrastructure projects which should be funded through S106.
- Using the updated IDP and your previous experience, provide an assessment of required infrastructure and available funding to produce a calculation of the funding gap.
- Using the updated IDP, evidence from consultation with developers, and your previous experience, identify how S106 requirements for strategic growth areas within the Draft LDP should be portioned between individual developers.

Timelines:

- An update of the IDP and results from consultation with parish/town councils, infrastructure providers and developers will be provided to you on the 12 November 2013.
- Final draft to be provided to the Council by 22 November 2013 for comment.
- Completed version by 27 November 2013.

2. Critical assessment of updates to IDP

Tasks required:

- Provide a critical friend assessment of the updates to the IDP to consider the appropriateness of the document to support the production of the CIL Charging Schedule.

Timelines:

- Draft update of the IDP will be provided to you on the 12<sup>th</sup> November 2013.
- Recommendations to be provided to the Council by 18<sup>th</sup> November 2013.

3. Assessment of potential income from proposed CIL rates

Tasks required:

- Using recommended CIL rates from the LDP Viability Study, identify the amount of proposed dwellings to be built during the Draft LDP plan period which will be liable to pay CIL.
- Based on the proposed CIL rates identified in the LDP Viability Study, calculate the projected CIL receipts to Maldon District Council, Essex County Council, and parish/town councils in the District.

Timelines:

- Final draft to be provided to the Council by 22 November 2013 for comment.
- Completed version by 27 November 2013.

4. Produce CIL Preliminary Charging Schedule consultation document

Tasks required:

- Using the results and conclusions of all above tasks, produce a CIL Preliminary Charging Schedule consultation document.

Timelines:

- Final draft to be provided to the Council by 22 November 2013 for comment.
- Completed version by 27 November 2013.

5. Review CIL Preliminary Charging Schedule consultation responses

Tasks required:

- Review all consultation responses provided in relation to the CIL Preliminary Charging Schedule.
- Produce a summary report outlining the comments made and the proposed response to comments.

Timelines:

- All consultation responses will be provided to you by 3 February 2013.
- Final draft to be provided to the Council by 21 February 2013 for comment.
- Completed version by 28 February 2013.

6. Produce Draft CIL Charging Schedule consultation document

Tasks required:

- Using the results and conclusions of the Preliminary Draft CIL Charging Schedule consultation, produce a Draft CIL Charging Schedule consultation document.

Timelines:

- Final draft to be provided to the Council by 21 February 2013 for comment.
- Completed version by 28 February 2013.

7. Review Draft CIL Charging Schedule consultation responses

Tasks required:

- Review all consultation responses provided in relation to the Draft CIL Charging Schedule.
- Produce a summary report outlining the comments made and the proposed response to comments.

Timelines:

- All consultation responses will be provided to you by 25 April 2013.
- Final draft to be provided to the Council by 9 May 2013 for comment.
- Completed version by 16 May 2013.

8. Produce CIL Charging Schedule submission document

Tasks required:

- Using the results and conclusions of the Draft CIL Charging Schedule consultation, produce a CIL Charging Schedule submission document.

Timelines:

- Final draft to be provided to the Council by 6 June 2013 for comment.
- Completed version by 13 June 2013.

*Please note that all dates provided are provisional and subject to change.*

Quotation

If you would like to provide a quote to assist the Council in producing the Maldon District CIL Preliminary Charging Schedule, please detail how your company proposes to comply with the above project brief, and provide a detailed programme plan demonstrating how you will meet or exceed the required timelines. Please provide a separate cost for each of the above 8 sections of work, and any recommendations or amendments to the proposed project brief are welcomed within the submission.

**THE DEADLINE FOR SUBMISSIONS IS FRIDAY 18<sup>TH</sup> OCTOBER 2013.**

Please provide proof of professional liability insurance of £1,000,000 as part of your submission.

Please confirm within your submission any conflicts of interest which should be considered in relation to other current or future work being undertaken by your company.

Please complete the form provided in appendix 2 and include this with your submission.

Contact details

Please send your submission to the following contact details (submissions by email are preferred):

Email: [tim.parton@maldon.gov.uk](mailto:tim.parton@maldon.gov.uk)

Postal: Tim Parton, Planning Policy Team, Maldon District Council Offices, Princess Road, Maldon, Essex, CM9 5DL

Evaluation Methodology

The contract will be awarded largely on the basis of the most economically advantageous quote, taking into consideration the following criteria:

Criteria / Sub Criteria	Marks	Weightings
Price	/5	40%

Quality	Ability to comply with the specification	/5	30%	60%
	Ability to meet the work programme	/5	30%	

A minimum mark of 3/5 for each criterion will be required for a submission to be shortlisted.

Price Evaluation

<p>Example Calculation</p> <p>Price will be evaluated using the ratio calculation below:</p> <p>Lowest price scores a full 5 marks.</p> <p>Prices after this are calculated by: <math>\frac{\text{Lowest Price}}{\text{Next Price}} \times 5 = \text{Mark}</math></p> <p>For example only; lowest price = £15,000</p> <p>Next price = £19,000</p> <p><math>\frac{15000}{19000} \times 5 = 3.9</math></p> <p>Therefore the Tender for £19,000 scores 3.9 out of 5 for price.</p>
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Quality Evaluation

The Quality evaluation will be based on your method statement responses.

*Please note that Method Statements are essential in the evaluation of this quotation, therefore failure to submit all requested Method Statements may result in your quote being rejected.*

The Quality Criteria will be scored by evaluating the corresponding method statement responses to the headings listed below.

Criteria	
Method Statement 1	Please provide full details of how you propose to comply with the project brief, including full details of materials to be used and work to be carried out. Please also outline relevant previous experience in undertaking similar tasks.
Method Statement 2	Please provide an initial work programme which can demonstrate your ability to meet the required timescales.

## APPENDIX 2

The following scoring methodology will be used for the quality criteria;

5	Excellent response exceeds all and adds significant value
4	Evidence given meets requirement with some added value
3	Evidence given meets requirement
2	Some evidence given, unsatisfactory level of detail listed to meet requirement
1	Limited evidence, not specifically related to requirement
0	No evidence given

The resultant price and quality scores will be transferred across to the overall evaluation model where weightings will be applied to give total scores out of 100%.