

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member and Advisers for Regeneration and Development
2.	Date:	Friday 17 May 2013
3.	Title:	Community Infrastructure Levy
4.	Directorate:	Environment and Development Services

5. Summary

This report seeks exemption from Standing Orders 47.6.2 and 47.6.3 to allow the appointment of consultants Peter Brett Associates LLP to assist with preparing and implementing a Rotherham Community Infrastructure Levy (CIL).

6. Recommendations

That Cabinet Member:

- 1. Approves the exempting of the proposed appointment of Peter Brett Associates LLP to assist with preparing and implementing a Rotherham Community Infrastructure Levy (CIL) from Standing Orders 47.6.2 (requirement to invite at least two oral or written quotations for contracts with an estimated value of £5,000 but less than £20,000) and 47.6.3 (requirement to invite at least three written quotes for contracts with a value of between £20,000 and £50,000).**

7. Proposals and Details

The Planning Act 2008 introduced new powers for the Council to introduce a Community Infrastructure Levy (CIL) to raise money to support local infrastructure. The levy will apply to most new development.

Peter Brett Associates LLP were appointed by the Council in September 2011 and September 2012 to undertake an Infrastructure Delivery Study and Whole Plan Viability Study primarily to support preparation of the Rotherham Local Plan but also as early evidence for development of a Rotherham CIL. Further work is now required to progress to consultation on preliminary draft CIL proposals.

The Infrastructure Delivery Study (May 2012) has provided an up to date assessment of the actual and estimated cost of the infrastructure required to support development in Rotherham over the next 15 years. The study compared the need against actual and expected sources, and lack of, funding to confirm the existence of a significant funding gap in the costs of delivery of this infrastructure.

The Whole Plan Viability Study (Jan 2013) considered how the economic viability of development accords with the relevant policies of the Local Plan's Core Strategy. The study further enhanced viability evidence building upon the findings of the Infrastructure Delivery Study. *However, it does not contain enough information to allow the CIL rate setting process to occur.*

The further assistance of Peter Brett Associates is required using their local experience and knowledge gained through the above two previous studies to work with the Council to introduce a Rotherham CIL. The timetable to prepare CIL, including the initial focus to allow consultation on a preliminary draft charging schedule, and longer term work towards adoption of CIL, is summarised below:

	<u>Deadline</u>
Consultation : Preliminary Draft Charging Schedule	July 2013
<i>(Examination : Rotherham Core Strategy</i>	<i>September 2013)</i>
Consultation : Draft Charging Schedule	January 2014
Submission : Charging Schedule	March 2014
Examination : Charging Schedule	May 2014
<i>Adoption</i>	<i>Prior to April 2015</i>

Although other consultants could arguably undertake the required work, they would not be able to meet the timetable for examination of Rotherham's Local Plan Core Strategy. Appointment of alternative consultants would also significantly increase costs.

Peter Brett Associates remain a market leader in experience and knowledge of the Community Infrastructure Levy. This consultancy leads on national training on CIL, as a new funding mechanism for infrastructure, and are supporting a number of CIL "front runner" authorities with advice on developing the evidence base and implementing a CIL. In doing this, they are working directly alongside DCLG, the Planning Inspectorate and the Planning Advisory Service.

8. Finance

The total cost of services required from Peter Brett Associates LLP is currently being negotiated. The cost will be dependent on the amount of work required to ensure robustness of economic viability evidence to set preliminary draft charge rates. Peter Brett Associates LLP has also been requested to quote for additional costs arising from future stages in the preparation of the CIL leading to its adoption and implementation, including support at any examination in public, of the proposed CIL charging schedule. These costs will be met from Planning Policy Team budget.

The estimated figure to prepare and consult on a preliminary draft charging schedule is between £20,000 to £25,000. This is subject to further negotiation prior to award of contract.

The Council is also a member of the Planning Advisory Service CIL direct support programme. This will provide a “critical friend” oversight of the brief and costs to appoint Peter Brett Associates LLP.

It should be noted that the Community Infrastructure Levy Regulations (as amended) 2010 allow for up to 5% of CIL revenue to pay for administration in the setting up and running of the CIL. This revenue could be used to pay towards the costs of work undertaken so far and work required via this new commission.

9. Risks and Uncertainties

Seeking three tenders for this work, leading to the potential appointment of alternative consultants could jeopardise the successful examination of Rotherham’s Local Plan Core Strategy. The examination Inspector will need to be satisfied that the Council is seriously investigating how to meet the funding gap for infrastructure required to support the new housing, employment and other development proposed in the Plan. It is essential to show that the Council is examining the potential of CIL as one funding source to narrow the gap. Consulting on a preliminary draft charging schedule for CIL before the Core Strategy EIP is required to demonstrate this progress.

10. Policy and Performance Agenda Implications

The appointment of consultants with previous detailed knowledge of the project will enable the Council to adhere to its timetable for examination of the Core Strategy in September 2012.

11. Background Papers and Consultation

Consultation on this report has been undertaken with the Council’s legal and financial programme areas. The Director of Legal and Democratic Services, supports the recommendation for the reasons outlined in the report and, as the contract with Peter Brett Associates LLP was let in September 2012 following an original appointment in September 2011, their fees are likely to be still competitive.

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