



## CABINET – 12TH DECEMBER 2018

**SUBJECT: SUDS APPROVAL BODY (SAB) SERVICE LEVEL AGREEMENTS WITH LOCAL AUTHORITIES**

**REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES**

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### 1. PURPOSE OF REPORT

- 1.1 Cabinet agreed to the Implementation of the Sustainable Drainage Systems Approval Body (SAB) on 25<sup>th</sup> April 2018. This further report is requesting Cabinet approval to deliver Sustainable Drainage Approval Body (SAB) technical services and functions for other neighbouring local authorities via Service Level Agreements (SLA's) as highlighted in the previous Cabinet report.

### 2. SUMMARY

- 2.1 Schedule 3 of the Flood and Water Management Act (FWMA) 2010 requires surface water drainage for new developments to comply with mandatory National Standards for Sustainable Drainage systems (SuDs). It also requires surface water drainage systems to be approved by a SuDs Approving Body (SAB) before construction work with drainage implications may begin.
- 2.2 The responsibility for delivery of the SAB functions rests with the 22 local authorities in Wales alongside their duties as Lead Local Flood Authority (LLFA); the SAB function will commence on 7<sup>th</sup> January 2019.
- 2.3 Caerphilly County Borough Council is seen as a lead authority with regard to SAB implementation and operation. Cabinet approval is sought to establish Service Level Agreements (SLA's) with other local authorities to undertake technical services and functions on their behalf.

### 3. LINKS TO STRATEGY

- 3.1 This report links directly to the Well-being goals within the Well-being of Future Generations Act (Wales) 2015:
- *A prosperous Wales*
  - *A resilient Wales*
  - *A healthier Wales*
  - *A more equal Wales*
  - *A Wales of cohesive communities*
  - *A globally responsible Wales*
- 3.2 The report links to the authority's Well Being Objective 4: Promoting a modern, integrated and sustainable transport system that increase opportunity, promotes prosperity and minimises the adverse impacts on the environment

- 3.3 There are further links to the Engineering Services Division Objectives:
- 3.3.1 To promote safe and efficient transport and land drainage infrastructure through quality service delivered by means of cost effective management, maintenance and improvement of the networks.
- 3.3.2 To develop engineering solutions and methods which have regard to the value of the natural and built environment and to the principle of sustainable development.
- 3.4 Effective regulation and Management of flooding/flood risk promotes sustainable development, which does not exacerbate flooding. This links to the Caerphilly County Borough Council (CCBC) Flood Risk Management Strategy and Plan.

#### **4. THE REPORT**

- 4.1 Schedule 3 of the Flood and Water Management Act 2010 requires surface water drainage for new developments to comply with mandatory National Standards for Sustainable Drainage Systems (SuDs). It also requires surface water drainage systems to be approved by a SuDs Approving Body (SAB) before construction work with drainage implications may begin.
- 4.2 As a lead authority on SuDS and SAB, CCBC have been approached to undertake some of the technical services and functions associated with the SAB for other local authorities covered under an SLA. Each SLA would be bespoke for each local authority based on a mixture of fees and recharges.
- 4.3 Preliminary discussions with some neighbouring authorities have already taken place. There is a readiness for these authorities to access the specialist service CCBC can provide.
- 4.4 Appropriate legal advice has been sought to ensure that any such opportunities are feasible. It is anticipated that the SLA will initially last two years which ties into the SAB financial review period stated by Welsh Government (WG).
- 4.5 The recently approved SAB organisational structure allows both new and existing roles to be flexible to enable all staff to undertake current duties and the new statutory functions of the Flood and Water Management Act 2010.
- 4.6 The income generation from the SAB is predicted to cover all salary costs and overheads associated with supplying this statutory function for CCBC. Any income generation from other authorities will produce efficiencies within the service which can further reduce the risk in supplying these self-funded services; however, additional resources may also be procured to meet service demands if the income generation and business case require.
- 4.7 Caerphilly is a lead authority on the SAB and these SLA's will mean we are also leading the way on a collaborative regional approach to SAB delivery.

#### **5. WELL-BEING OF FUTURE GENERATIONS**

- 5.1 This report contributes to the Well-being Goals as set out in paragraph 3.1. The effective regulation of flooding and managing flood risk links to the following Well-being goals of the Well-being of Future Generations Act (Wales) 2015 and is also consistent in all of the five ways of working as defined within the sustainable development principle in the Act that it supports:
- 5.1.1 **A resilient Wales**  
The new statutory function will lead to a better sustainable integrated approach for dealing with rainwater that uses the landscape to protect developments from flooding and prevent

pollution, delivering a controlled flow of clean water that can be used for amenity and wildlife benefits. The implications of flooding can be significant on local businesses so flood prevention enables our businesses and communities to be more resilient. The involvement of residents, businesses and communities is vital to the success of sustainable development in the long term.

#### 5.1.2 **A prosperous Wales**

The new statutory function will lead to sustainable drainage systems that contribute to the quality and functionality of host landscapes providing usable and attractive places for local community users to enjoy. The implications of flooding can be significant on local businesses so flood prevention enables our businesses and communities to be more prosperous. Collaborative networks have been set up with National Resources Wales, Welsh Water, other local authorities and local communities, integrating with council's internal departments (Countryside and Landscape, Planning, Environmental Health and Urban Renewal) which prevent duplication of task undertaken.

#### 5.1.3 **A healthier Wales**

A clean, green environment where water is seen as a resource, with access to open space, clean air and water are key elements of health and well-being. For instance by working closely with Caerphilly's Planning and Countryside departments and local developers promoting nature based solutions this will also be a key element of health and well-being. This integrated working of services will be critical to successful outcomes being achieved with the SAB implementation.

#### 5.1.4 **A more equal Wales**

Some of our poorest environmental quality is associated with our most deprived areas. Ensuring that everyone across the county borough has equal access to a clean, green and an attractive environment is a core element of our work, and is a supported SAB function.

#### 5.1.5 **Wales of cohesive communities**

By managing flood risk and engaging with the community through creative solutions this will provide SuDs features that offer multi-functionality and successfully integrating sustainable management of water into the surrounding local landscapes. This demonstrates that we promote communities to be caring and environmentally conscious. This in turn helps to create a tidier, more attractive place for residents, visitors and potential inward investors

#### 5.1.6 **A globally responsible Wales**

One of Caerphilly's corporate objectives is to reduce carbon emissions and reduce our contribution to global warming. Multiple biodiversity and a reduction in carbon emissions will be achieved by promoting sustainable development over the long term.

## 6. **EQUALITIES IMPLICATIONS**

- 6.1 An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified; therefore a full EIA has not been carried out.

## 7. **FINANCIAL IMPLICATIONS**

- 7.1 The SAB will deal with a technical statutory approval process and be able to charge and recover costs for various services under the SLA's (See Appendix A – Statutory Application Costs and Appendix B - for the Additional chargeable services set by CCBC)
- 7.2 Full applications – Under the current proposal by WG one property or above (or development above 100sq.m or with drainage implications) would require SAB approval. This process is chargeable at rates set by WG. Application costs start from £350 (minimum) up to £7,500

(maximum) calculated by reference to the size of the construction area. (See Appendix A – Statutory Application Costs)

- 7.3 SAB pre-applications – This is a key function of the SAB to engage with developers for technical pre-application discussions, steering developers to comply with the National Standards. These pre-application comments are a chargeable service, although SAB pre-application engagement is limited to a high level overview. Detailed comments will be provided at the Full application stage. The charges for pre-application will range from £150 - £750 depending on the size of the development. (See Appendix B – Additional Chargeable Services set by CCBC)
- 7.4 Additionally, there are fees for other technical services offered to applicants e.g. site meetings at £168 per officer per site visit; consult with statutory consultees at the pre- application stage at £120; technical advice for discharge of conditions at £60 per hour and also a charge for a Full Application Validation Check at £78. (See Appendix B – Additional Chargeable Services set by CCBC).
- 7.5 Inspection of assets – SuDs schemes will need to be inspected by the SAB during construction, to ensure they are built to appropriate standards. WG have set a proposed rate at £168 per officer per site visit for this inspection. The frequency of inspections will depend on the size and complexity of the site.
- 7.6 Adoption arrangement – SuDs which meet the specified adoption criteria can be offered for adoption to the SAB. Adoption of the drainage assets by the other local authorities will be via a bespoke legal agreement and commuted sums or maintenance charges which reflect the maintenance /replacement plan that will be required by each LA respectively for the lifetime of the development. All commuted sums worked out for the other local authorities will be based on cost recovery via an hourly rate. All legal agreements will be undertaken and completed by the local authority adopting the assets.
- 7.7 The current financial predictions are based on historical planning application submissions and were detailed in the Cabinet report on the 25 April 2018. These projections demonstrate a robust business case for the delivery of the SAB function which is based upon an average of 350 applications per year plus some 250 Pre –SAB applications, giving an estimated income potential of some £200k per annum. Any additional work undertaken for surrounding authorities via an SLA will allow the service to be more efficient in its delivery which will improve the business case for this service provision.

## **8. PERSONNEL IMPLICATIONS**

- 8.1 The current organisation does not allow for this statutory function to be undertaken and specialist dedicated expertise is required to deliver this Service, as identified within the previous Cabinet report on 25 April 2018. These additional resources will be recruited in an incremental manner as determined by the internal workload and requirements for services from other local authorities.

## **9. CONSULTATIONS**

- 9.1 All consultees' comments have been incorporated within the report.

## **10. RECOMMENDATIONS**

- 10.1 That Cabinet authorises the Head of Infrastructure to enter into discussions with other Local Authorities with a view to Caerphilly CBC delivering technical SAB services and functions in accordance with service level agreement(s).

10.2 That approval of formal terms and implementation of each SLA be delegated to the Head of Infrastructure in consultation with the relevant Cabinet Member and Head of Legal Services.

## **11. REASONS FOR THE RECOMMENDATIONS**

11.1 To allow CCBC to enter into SLA's enabling income generation for CCBC while providing a collaborative approach with neighbouring local authorities for the statutory requirement under Schedule 3 of the Flood and Water Management Act 2010 to deliver the SAB. This will allow CCBC to provide continuity of work for staff via income generation and contribute to the ethos of collaboration and regional working.

## **12. STATUTORY POWER**

12.1 Flood and Water Management Act 2010  
s.101 Local Government Act 1972  
s.19 Local Government Act 2000

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Consultees: Councillor Sean Morgan, Deputy Leader and Cabinet Member for Economy, Infrastructure, Sustainability and Wellbeing and Future Generations Champion  
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Marcus Lloyd, Head of Infrastructure Division  
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Mike Eedy, Finance Manager  
Anwen Cullinane, Senior Policy Officer (Equalities & Welsh Language)  
Clive Campbell, Transportation Engineering Manager  
Kevin Kinsey, Acting Engineering Projects Group Manager  
Chris Adams, Acting Highway Operations Group Manager  
Gareth Richards, Highways Maintenance Manager

Appendices:

Appendix A Statutory Sustainable Drainage Application Fees  
Appendix B Additional Chargeable Services

Background Papers:

Implementation of the Sustainable Drainage Systems Approval Body (SAB) – Cabinet 25/4/18