PLACES SCRUTINY PANEL BRIEFING NOTE

25 April 2013

Verbal update to be presented by Brett Culpin

COMMUNITY INFRASTRUCTURE LEVY: PROGRESS REPORT

UPDATE ON CIL

- 1 A decision was made at the 19th March Cabinet to;
 - Approve the CIL Preliminary Draft Charging Schedule (PDCS) subject to Table 3.1 and the related supporting text being further refined (Table 3.1 sets out service areas within which CIL funded projects would be delivered) and;
 - A Preliminary Draft Infrastructure Projects List being published alongside the PDCS.
- Agreement has now been reached on the above following further discussions with the Leader and Portfolio Holder for Finance and Asset Management in accordance with the above Cabinet decision. This means that the Council is now able to commence a 6 week public consultation exercise on the above documents. The Consultation period will now run from Monday April 29th to Monday 10th June.
- After we have considered responses, made any necessary adjustments to the Draft Charging Schedule and Infrastructure List (along with meeting other regulatory requirements) we will conduct a further consultation exercise on our proposals. Any objections not resolved will be put to a public examination process. Assuming the planning inspectors report supports the Council's proposals (or with any necessary modifications), we can then proceed to adopt CIL.

FURTHER PROPOSED CHANGES TO THE COMMUNITY INFRASTRUCTURE LEVY

- 4 CIL Regulations were issued in March 2010 with amendments in 2011 and 2012 covering relatively minor adjustments to the way CIL would be implemented.
- In December 2012 more substantial revised guidance was issued, particularly on the evidence required to support CIL setting through formal examination. A key focus on this was the relationship between CIL and S106 agreements as a mechanism for securing developer contributions, including affordable housing.
- In January the Planning Minister issued further revisions in respect of the requirement, introduced through the Localism Act, for charging authorities to put a "meaningful proportion" of CIL receipts back into the neighbourhoods where the CIL paying development is taking place.
- 7 The PDCS now agreed by the Council is compliant with the above new requirements.
- A further <u>consultation</u> issued 15th April proposes changes that are aimed to boost development and the building of new homes and businesses by making the levy "fairer, faster, more certain and more transparent".

- 9 The main proposals are summarised as follows;
 - Councils that have not adopted the levy will not be restricted on 'pooling' Section 106 money until April 2015.
 - Authorities will need to provide evidence at examination of "an appropriate balance" between funding infrastructure through CIL and development viability across the area.
 - Developers will be allowed to pay CIL by providing infrastructure in kind, and/or in phases, for all kinds of planning permissions, not just outline permissions.
 - Liability for CIL will be removed on vacant buildings being refurbished or redeveloped, so that it would only be payable on any increase in floorspace resulting from such schemes.
 - Self-built properties exempt where evidence of self-build is provided.
 - Councils can set different CIL rates according to size of the development.
 - Making it easier to apply for CIL relief in "exceptional circumstances".
 - Allowing appeals against charges after development has started if planning permission is retrospective or changes are made to a scheme.
- These are important changes and a suggested response is being discussed with the Portfolio Holder for Finance and Asset Management.
- Any changes introduced by government before the Council finalises its CIL proposals will obviously need to be taken into account.