

WAVERLEY BOROUGH COUNCIL

SPECIAL EXECUTIVE

31 OCTOBER 2018

Title:

COMMUNITY INFRASTRUCTURE LEVY – ADOPTION OF CHARGING SCHEDULE

[Portfolio Holder: Cllr Chris Storey]

[Wards Affected: all]

Summary and purpose:

The purpose of this report is to seek approval from Council to the adoption and implementation of the Community Infrastructure Levy (CIL) including associated policies.

How this report relates to the Council's Corporate Priorities:

The implementation of CIL will support the corporate priorities relating to People and Place.

Financial Implications:

CIL monies will make an important contribution towards the funding of infrastructure in the area to support new developments. Waverley Borough Council, local Parish Councils and Surrey County Council will all receive contributions to use within the area for infrastructure improvements. The new CIL procedure will also allow Waverley to benefit from contributions towards administrative costs to enable infrastructure improvements.

Waverley residents will benefit from the council seeking funding for infrastructure improvements. Extra resource will help to support additional house building in the area, in line with the Local Plan.

Legal Implications:

There are no direct legal implications resulting from this report. The examining Inspector satisfactorily concluded that "the Waverley Borough Council Draft Community Infrastructure Levy Charging Schedule satisfies the requirements of Section 212 of the 2008 Act and meets the criteria for viability in the 2010 Regulations (as amended). I therefore recommend that the Charging Schedule be approved". The legal services team will continue to support planning services throughout the adoption and implementation of the levy.

Background

1. The Community Infrastructure Levy (CIL) is a tariff system that enables contributions to be collected from development towards infrastructure projects. CIL takes the form of a rate that is charged per square metre of additional floorspace. Liable developments include residential and commercial developments including

extensions. CIL will make a significant contribution towards the funding of infrastructure. Affordable Housing and other site specific infrastructure will continue to be secured by S106 agreements. A key part in determining the appropriate CIL rate is considering the impact it could have on development viability. The details are set out in the Council's approved CIL Charging Schedule, which has gone through two stages of consultation, prior to independent examination. Members may recall considering reports on CIL both at the stage of the Preliminary Draft Charging Schedule last summer and the Draft Charging Schedule towards the end of last year. Both of these were subject to consultation. On 24 April 2018 the Council formally approved the Draft Charging Schedule for submission for Examination. The CIL rates that were proposed for residential development ranged from £372 per square metre to £452 per square metre. There was also a lower rate for some forms of retail development.

2. The Council's Draft Charging Schedule was examined during the period of July to September 2018, with a formal hearing on 17th July.

Examiner's report

3. The Examiner's report was received on 1 October. It concludes that the Council's Charging Schedule 'provides an appropriate basis for the collection of the levy in the area' and that the Council can 'demonstrate that it has sufficient evidence to support the Schedule and can show that the levy rates would be set at levels that will not put the overall development of the area....at risk'. The full Examiner's report is attached at Annexe 1.
4. The Examiner has also made a recommendation that the Council should 'monitor closely the local impacts of the CIL on development delivery and to timetable an early review of the CIL after three years of its operation'.

Next steps

5. The Executive is asked to recommend to the Council that the CIL Charging Schedule and Regulation 123 list be adopted, and subject to the comments of the Overview and Scrutiny Committee, approve the supporting policies on instalments, phasing and payments in kind. Copies of the Charging Schedule and supporting documents are attached as Annexe 2.
6. The Regulation 123 list details the broad project categories that will, and will not, receive funding from CIL. The specific projects that will receive funding will be determined via the Governance process currently being developed, and will be the subject of a separate report to Overview and Scrutiny, Executive and Council. It is likely that this decision-making process will be informed by the Infrastructure Delivery Plan (IDP) which is currently being updated. The Regulation 123 list may need to be revised periodically to reflect infrastructure priorities in line with the IDP and its future iterations.
7. Subject to the Adoption of the Charging Schedule and related documents by Council on 31 October, it is proposed that the Council implements CIL with effect from 1st March 2019. This affords the Council an appropriate length of time to prepare internal teams, (Development Management, Legal and Finance) for the implementation of CIL and sufficient time to liaise with the development industry to

enable them to complete their negotiations and prepare their applications in the knowledge of whether or not they are liable to pay CIL. The proposed lead-in time is similar to the average time allowed by other Councils that have already implemented CIL. Planning decisions for development that is liable for CIL, made on or after 1st March 2019 will be subject to the requirements of the Charging Schedule, regardless of when the applications were submitted.

Environment Overview & Scrutiny Committee Comments

Environment Overview & Scrutiny Committee considered the Examiner's report and the policies on instalments, phasing and payment in kind at its meeting on 22 October.

The Committee endorsed the adoption of the CIL Charging Schedule, with implementation from 1 March 2019, and the supporting policies on Instalments, and Phasing and Payments in Kind. The Committee looked forward to seeing further detail on how decisions about accepting in-kind payments would be addressed when the CIL governance arrangements come forward.

Recommendation

That the Executive recommends to Council to:

1. adopt the Community Infrastructure Levy (CIL) Charging Schedule and supporting documents, including the Regulation 123 list, policies on instalments, phasing and payment in kind;
2. agree that the CIL Charging Schedule and supporting documents will be implemented and effective on 1st March 2019; and,
3. agree delegated powers to the Head of Planning Services in consultation with the Portfolio Holder for Planning, for future changes to the Regulation 123 list.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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