

Scrutiny Paper

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Paper for Scrutiny on: 26 January 2017

Community Infrastructure Levy Proposed Modifications and Draft Developer Contributions SPD

Purpose of briefing paper

1. To seek comments on the proposed modifications to the Council's Community Infrastructure Levy (CIL) Charging Schedule, other associated documents relating to CIL and the Draft Developer Contributions Supplementary Planning Document (SPD) that were published for consultation 15 December 2016.

Background

2. It is essential that new development is supported by infrastructure and the Council intends to secure infrastructure contributions by a combination of two mechanisms :
 - a. Community Infrastructure Levy (CIL), and
 - b. Planning Obligations - Section 106 (S106).
3. CIL is used to contribute funding for strategic, 'off-site' infrastructure. S106 is the primary mechanism for 'on-site' infrastructure provision.
4. We submitted our proposed CIL Charging Schedule to the Secretary of State on 17 April 2015. An independent Planning Inspector, Mr Malcom Rivett has been appointed to preside over the Examination into the CIL Charging Schedule; this is the same Inspector who has dealt with the Vale Local Plan 2031: Part 1.

5. Mr Rivett has requested that the CIL Examination Hearing should follow the publication of his Final Report into the Local Plan Part 1 (Published 1 December 2016).
6. We have reviewed and updated our CIL and S106 documentation in September 2016 to support the Council through the CIL Examination. We are using a consultant advisor, whilst our CIL officer is on maternity leave. Our consultant is Gilian Macinnes who is a former employee of the Planning Advisory Service and a member of Communities and Local Government (CLG) CIL Review Panel.
7. Simon Drummond-Hay was also appointed to update viability evidence relating to Local Plan 2031 Part 2 and CIL/ S106. Simon is an independent consultant and has prepared the viability evidence to support the Vale Local Plan 2031 Part 1, which the Planning Inspector noted complied with the relevant paragraphs of the NPPF and:

“persuasively concludes that the cumulative impact of the proposed policies of the plan would not put its implementation at serious risk”¹.
8. Following review of the Council’s CIL documentation, Gilian Macinnes has recommended a series of modifications/ updates to the CIL Charging Schedule and associated documents. These are, in part, to update the report into the viability of the Local Plan 2031: Part 1 sites to reflect ongoing consideration of planning applications and negotiations that have occurred since April 2015.
9. To complement the CIL Charging Schedule, the Council are also proposing to adopt a Developer Contributions SPD which sets out our approach to collecting developer contributions (predominately S106). The draft document was published for consultation alongside the CIL documentation to allow any comments to be available to inform the CIL Examination Hearing.
10. This report provides a summary of the proposed Modifications and changes to associated documents, and the Draft Developer Contributions SPD.

Summary of Proposed Modifications to the CIL Charging Schedule

11. Twelve modifications are proposed to the CIL Charging Schedule, including some minor modifications (**Appendix 1**). The main changes proposed include:
 - i. Additional sites are proposed to be made exempt from CIL. The original charging schedule proposed that two strategic Local Plan 2031 Part 1 sites were exempt, Crab Hill and Monks Farm. It is now proposed that the following additional sites should be exempt from CIL (i.e. Zero Rated)
 - a. Grove Airfield
 - b. East of Coxwell Road, Faringdon
 - c. Land South of Park Road, Faringdon

¹ Planning Inspectorate (2016). Report on the Examination into Vale of White Horse Local Plan 2031: Part 1. PINS/V3120/429/5.

- d. South Faringdon
- e. North of Shrivenham
- f. Didcot Power Station.

These changes reflect updated viability testing of the sites that indicates that once the necessary S106 contributions are taken into account the prevailing CIL rate results in residual values below the viability threshold, or at the margins of viability. Thus, if CIL was applied to these sites, it could threaten the delivery of sustainable development on these sites.

It is important to note that the decision to zero rate sites for CIL is based purely on viability evidence. The sites will continue to provide for appropriate infrastructure through the S106 route, informed by Town or Parish Councils and neighbourhood plans if they have been made.

- ii. A number of specialised types of residential accommodation are proposed to be combined within the standard CIL Residential Rates, rather than having separate rates. This applies to: self-contained independent living accommodation; student accommodation; and accommodation for the elderly and frail. This is based on viability evidence based on the common understanding of 'residential development' which includes these types of uses.
- iii. Separate CIL Rates for different sizes of development (i.e 1 to 10 houses) are proposed to be deleted as the updated viability evidence demonstrates that a differential rate for small sites can no longer be justified.
- iv. CIL Rates for supermarkets and retail warehousing are updated to reflect a common understanding of what constitutes supermarkets and retail warehousing rather than the specific Sunday Trading definition. This reflects the updated Viability Report.
- v. Minor modifications are made to the CIL Charging Schedule to improve clarity of the document.

12. The updated CIL Charging Schedule is appended as **Appendix 2**.

13. In addition to Proposed Modifications to the CIL Charging Schedule, other changes are made to the various associated documents to ensure they are up-to-date and robust, and thus provide a suitable basis to support the CIL Examination. The updated documents include:

- i. Updated CIL Viability Report – to reflect latest available evidence
- ii. Updated Infrastructure Delivery Plan – to reflect latest available evidence
- iii. Updated CIL Charging Schedule (**Appendix 2**) – to reflect proposed modifications
- iv. Updated Regulation 123 List – to reflect latest available evidence (**Appendix 3**)*
- v. CIL and Infrastructure Funding Report – to reflect latest available evidence

* Please note that the Regulation 123 list includes those infrastructure items the Council intends to fund, or partly fund, by CIL. However, the Council can secure CIL for projects not included in the 123 List and may secure S106 contributions for projects not included on the list of exemptions.

14. The above documents were published for consultation for six weeks (15 December 2016 to 26 January 2017). This accords with our Statement of Community Involvement, adding two extra weeks due to the Christmas period. It is anticipated that the CIL Examination Hearing will take place on the 23 February 2017 with one day (24 February) set aside as a reserve day.
15. It should be noted that the Council's CIL Charging Schedule relates to the Local Plan 2031 Part 1. It will be necessary to update the CIL Charging Schedule once the Local Plan 2031 Part 2 is adopted to reflect any additional sites that may be allocated in the Part 2 plan.

Draft Developer Contributions Supplementary Planning Document

16. The Draft SPD sets out the Council's approach towards developer contributions following the introduction of the Council's CIL Charging Schedule. It outlines each of the contributions mechanism, the legislative and policy context and identifies which contribution mechanism will be used in which circumstances. The SPD will inform all development proposals including residential, employment and retail and sets out what is expected of applicants and what the applicant can expect from the Council in relation to securing infrastructure through planning contributions.
17. In particular, the document considers:
 - i. affordable housing
 - ii. recreation and leisure
 - iii. open space, play, Green Infrastructure, biodiversity and allotments
 - iv. community and cultural infrastructure
 - v. public realm and public art
 - vi. education, including pre-school, primary, secondary, sixth-form and special needs education
 - vii. transport
 - viii. health care
 - ix. fire and rescue
 - x. community safety and policing
 - xi. health and wellbeing, adult day care provision
 - xii. street naming
 - xiii. air quality
 - xiv. flood protection and water management
 - xv. utilities

Recommendation

18. Scrutiny Committee are invited to comment on the published material, which can inform the final version of documents published for consultation, or inform, where appropriate, the Council's approach to the CIL Examination Hearing.

Appendix 1: DRAFT Vale of White Horse Community Infrastructure Levy (CIL) Draft Charging Schedule: Proposed Modifications

Appendix 2: DRAFT Updated Vale of White Horse Community Infrastructure Levy (CIL) Draft Charging Schedule

Appendix 3: DRAFT Vale of White Horse District Council – Regulation 123 List (Draft December 2016)

All documentation relating to the Proposed CIL Charging Schedule and Draft S106 Supplementary Planning Document are available on the Council website at the following webpage:

<http://www.whitehorsedc.gov.uk/services-and-advice/planning-and-building/planning-policy/delivering-infrastructure>