

8th December 2016

Agenda Item: 4

**REPORT OF THE CORPORATE DIRECTOR FOR POLICY, PLANNING AND
CORPORATE SERVICES**

**RESPONSE TO CONSULTATION ON NEWARK & SHERWOOD DC
COMMUNITY INFRASTRUCTURE LEVY (CIL) PRELIMINARY DRAFT
CHARGING SCHEDULE**

Purpose of the Report

1. To set out, and seek approval of the County Council's response to the current consultation which is being undertaken by Newark & Sherwood District Council on its Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule (PDCS).

Information and Advice

Introduction

2. Newark and Sherwood District Council adopted a Community Infrastructure Levy (CIL) Charging Schedule in September 2011, which came into force in December 2011. The existing Charging Schedule and Infrastructure requirements are currently being reviewed and a timetable has been set to adopt a revised Charging Schedule by spring 2017. In a similar manner to the preparation of local plans, the CIL has to go through an examination before an independent inspector prior to its adoption by the District Council.
3. CIL will continue to be the primary means by which the District Council secures developer contributions towards specific highway improvements and secondary education provision to mitigate the impact of strategic growth on the district's infrastructure. The existing Charging Schedule will remain in operation until a revised one is adopted by Newark and Sherwood District Council.
4. The Preliminary Draft Charging Schedule (PDCS) identifies the current thinking on the level at which Newark and Sherwood District's CIL might be revised and set. Alongside the PDCS, the District Council have published the following evidence which has led them to identify the proposed amendments to the existing Charging Schedule:
 - Whole Plan & CIL Viability Assessment (and Viability Appraisal Results) – June 2016
 - Valuation Report (Appendix 1)
 - Construction Cost Study (Appendix 2)
 - Draft Infrastructure Delivery Plan (IDP) – October 2016

5. These documents can be viewed at: <http://www.newark-sherwooddc.gov.uk/cil/>. This consultation, which is taking place from 28th October – 9th December, is the opportunity for stakeholders, including the County Council to inform the debate and influence how the Charging Schedule is amended.
6. This consultation will be followed by the production of a Draft Charging Schedule and the County Council will have the opportunity to make representations on this prior to it being submitted for independent examination. It should be noted that representations on the Draft Charging Schedule will be restricted to commenting on the following (and which the inspector will be looking to establish as part of the examination):
 - Whether the Charging Authority (the District Council) has complied with the legislative requirements set out in the Planning Act 2008 and the Community Infrastructure Levy Regulations as amended;
 - Whether the Draft Charging Schedule is supported by background documents containing appropriate available evidence;
 - Whether the proposed rate or rates are informed by and consistent with the evidence on economic viability across the charging authority's area; and
 - Whether evidence has been provided that shows the proposed rate or rates would not threaten delivery of the relevant Plan as a whole as set out in paragraph 173 of the National Planning Policy Framework.

Preliminary Draft Charging Schedule

7. The Preliminary Draft Charging Schedule contains the following information:
 - Purpose of the Preliminary Draft Charging Schedule and an outline of the Community Infrastructure Levy Process to adopt the amended Charging Schedule;
 - Newark and Sherwood's Community Infrastructure Levy evidence findings;
 - Preliminary Draft Charging Schedule – This sets out proposals for four geographical CIL Charging Zones for residential development, which are based on the supporting viability evidence. The residential CIL rates range from £0 (zero) to £100 per square metre whilst for retail development there is a district wide rate of £100 per square metre. It is not proposed to charge CIL on any other types of development; and
 - Further Matters – This sets out the approach to phased payments and instalments along with the District Council's approach to payment in kind i.e. where it may be more appropriate to receive land instead of a financial CIL contribution.

Responding to the consultation

8. The consultation seeks responses on eight questions which cover a range of matters including; the types of infrastructure that CIL will fund and the future of S106 contributions, the approach to CIL charging zones and rates, the CIL evidence base and the CIL collection instalment policy. These questions along with the proposed NCC response in full are appended to this report and can be summarised as follows:

9. In respect of the infrastructure that CIL will fund and the role of S106; the proposed response supports the continued use of CIL monies to fund highways and secondary education in the District. Alongside this it emphasises the importance of having mechanisms in place to ensure that monies are collected and transferred to the County Council in a timely manner so that infrastructure can be delivered both to a high standard and when it is required. In respect of S106 it recognises the continued importance of such agreements to deliver site specific infrastructure whilst there is also reference to the District Council's Developer Contributions Supplementary Planning Document and the County Council's Planning Obligations Strategy which is currently under review.
10. In terms of the proposed CIL charging zones and CIL rates, it is considered that these are based on the supporting evidence base and as such no objections are raised. However, the importance of reviewing the charging schedule (and the supporting evidence base) to ensure that they reflect market conditions and the change in local circumstances is emphasised and that NCC is involved in any review.
11. As part of the changes to the charging schedule it is proposed to exempt commercial development from the payment of CIL. Therefore in responding to the question on this matter the County Council says it would welcome further information about the amount of CIL which is forecast to be collected as a result of the proposed changes and how this compares to the total cost of all the supporting infrastructure which will be required. The purpose of this is to help understand the size of any funding shortfall and the likelihood of the supporting highway and education infrastructure not being constructed.
12. In respect of the CIL instalment policy; the response considers that the current approach, in which payments are phased in proportion to the scale of development proposed remains suitable.

Financial implications

13. Monies collected from the Newark & Sherwood Community Infrastructure Levy will be used to help fund projects which will be delivered by the County Council. It is therefore important to ensure that mechanisms are put in place to allow the forwarding of CIL monies from the District Council to the County Council. This is to help ensure that infrastructure is provided in timely manner.

Other Options Considered

14. The other option would be for the County Council not to submit a response to the CIL consultation.
15. The delivery of infrastructure is very important to the County Council. It is therefore considered appropriate to make representations at all stages of the CIL process to ensure that the County Council's views and aspirations for infrastructure delivery are made known and considered by the District Council. Therefore the alternative is considered inappropriate as it would not allow these issues to be disseminated to the District Council.

Reason for Recommendation

16. The monies collected from the Community Infrastructure Levy will help fund highway and education schemes within the District and which are the responsibility of the County Council. These schemes will be set out on the District Council's CIL 'Regulation 123 List of infrastructure to be funded by CIL.' It is therefore important for the County Council to respond to this, and other formal consultation periods to ensure that its views on the various elements of the CIL Charging Schedule are received and considered both by the District Council and, where appropriate the independent inspector at the CIL examination

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

- 1) That the proposed response set out in Appendix A from the County Council to the Newark & Sherwood CIL Preliminary Draft Charging Schedule be approved and submitted to Newark & Sherwood District Council as part of the current public consultation referred to in paragraph 5 of this report.

Tim Gregory
Corporate Director, Place

For any enquiries about this report please contact: Andrew Norton, Developer Contributions Practitioner, Planning Policy Team, 0115 993 9309

Background Papers

County Council response to the Newark & Sherwood Community Infrastructure Levy Preliminary Draft Charging Schedule.

Constitutional Comments – SLB 14/11/2016

Environment and Sustainability Committee is the appropriate body to consider the content of this report.

Financial Comments (SES 25/11/16)

The financial implications are set out in the report.

Electoral Division(s) and Member(s) Affected

Balderton – Councillor K Walker
Blidworth – Councillor Y Woodhead
Collingham – Councillor M Dobson
Farndon & Muskham – Councillor S Saddington
Farnsfield & Lowdham – Councillor R Jackson
Newark East – Councillor S Wallace
Newark West – Councillor T Roberts
Ollerton – Councillor M Pringle
Rufford – Councillor J Peck
Southwell & Caunton – Councillor B Laughton