ENVIRONMENT CULTURE AND COMMUNITIES OVERVIEW AND SCRUTINY PANEL 10 JANUARY 2012

COMMUNITY INFRASTRUCTURE LEVY Director of Environment, Culture and Communities

1 PURPOSE OF REPORT

- 1.1 To update the Panel on member involvement in creating the Community Infrastructure Levy (CIL).
- 2 RECOMMENDATION(S)
- 2.1 That the Overview and Scrutiny Panel note the report being considered by the Executive, attached as an Annexe.
- 3 REASONS FOR RECOMMENDATION(S)
- 3.1 The recommendation informs the Panel of how the Executive expect to secure broad member support for the creation of the CIL.
- 4 ALTERNATIVE OPTIONS CONSIDERED
- 4.1 None

5 SUPPORTING INFORMATION

- 5.1 Following a briefing given to the Environment, Culture and Communities Overview and Scrutiny Panel in October 2011, Members expressed an interest in being involved in the development of the CIL.
- 5.2 At a meeting immediately prior to this one, the Executive will consider a report which, if agreed, will seek support from the membership of the Overview and Scrutiny Commission to help establish the CIL.
- 5.3 The Executive report is attached as an Annexe. The Director will brief the Panel on the Executive's decision.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 Nothing to add to the report

Borough Treasurer

6.2 Nothing to add to the report

Equalities Impact Assessment

6.3 Not applicable for this report.

Strategic Risk Management Issues

6.4 None as a consequence of this report.

7 CONSULTATION

Principal Groups Consulted

7.1 None

Method of Consultation

7.2 Not applicable

Representations Received

7.3 Not applicable

Background Papers

CIL Briefing note - ECC O/S Panel, October 2011

Contact for further information

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ANNEXE 1

TO: EXECUTIVE

10 JANUARY 2012

COMMUNITY INFRASTRUCTURE LEVY Director of Environment, Culture and Communities

1 PURPOSE OF REPORT

1.1 To establish a Member working group to support the development of the Council's first Community Infrastructure Levy.

2 RECOMMENDATION(S)

- 2.1 That the Overview and Scrutiny Commission be invited to establish a working group to support the development of the Council's first Community Infrastructure Levy;
- 2.2 That the Commission considers inviting a representative of the Town and Parish Councils onto the working group.

3 REASONS FOR RECOMMENDATION(S)

3.1 The Community Infrastructure Levy (CIL) will become the key mechanism by which the Council will secure money to create and modify infrastructure to ensure the impact of development is mitigated. The levy is important for the entire Council and all its services and therefore it would be beneficial if a representative group of Members were to support the creation of it.

4 ALTERNATIVE OPTIONS CONSIDERED

4.1 The Executive could rely on Officers to generate the proposed levy structure without seeking support from the Overview and Scrutiny Commission.

5 SUPPORTING INFORMATION

- 5.1 CIL is a standardised tariff system for collecting contributions towards infrastructure provision from developers of residential and commercial development. It is up to Councils whether or not to introduce a CIL, but if they do not, then by April 2014, they will not be able to continue with their own system via s106 planning obligations for pooled contributions as the Council presently does through the 'Limiting the Impact of Development' Supplementary Planning Document. CIL is very important for Bracknell Forest where planned development will result in the need for significant highway improvement works and a new secondary school, among other infrastructure requirements.
- 5.2 CIL payments will be calculated by applying a tariff rate to the net increase in floor area resulting from a development. The rate to be set will be based on a schedule that can set different levels of charge for different land uses (residential, business,

retail etc.) and for different geographic areas. The rates, and any variations within them must be set at a level that will ensure that most development is viable. Any variations between uses and geographic areas must be based on there being quantifiable differences in their viability.

- 5.3 It is important that a CIL charging regime is established to ensure that the Council is in a position to secure funding for necessary infrastructure to support growth and mitigate the impacts of planned development in the Borough. From 6 April 2014 the Council will not be able to pool contributions for a piece of infrastructure from more than 5 developments.
- 5.4 In order to achieve this, CMT asked the Director of Environment, Culture and Communities to initiate an Officer project group from across the Council to ensure that all relevant service area needs are identified and that the financial, constitutional and legal matters are effectively addressed.
- 5.5 Although developing the CIL is an Executive function, following a briefing given to the Environment, Culture and Communities Overview and Scrutiny Panel in October 2011, Members expressed an interest in being involved in the development of the CIL. This support is welcomed but given the Council wide impact that the CIL would have, Officers believe Member input would be even more effective if there was representation from all the Overview and Scrutiny Panels. Consequently, the Executive is asked to invite the Overview and Scrutiny Commission to establish a representative working group to support both the Executive Member for Planning and Economic Development and the Director of Environment, Culture and Communities in preparing the CIL prior to subsequent Executive approval and public examination. While clearly the Commission can determine who will form part of the support group, given where the bulk of any money received from CIL would be spent, it is considered essential that there should be representatives from the Environment, Culture and Communities and Children, Young People and Learning Overview and Scrutiny Panels.
- 5.6 The working group would be expected to contribute to the steps that would need to be followed to introduce a CIL:
 - Collecting evidence of infrastructure needs and shortfalls (a lot of this work has already been done in preparing the Infrastructure Delivery Plan to support the Site Allocations DPD);
 - Commissioning of specialist work to establish the viability of different forms of development in different parts of the Borough and confirm the cost of meeting the identified shortfall in infrastructure;
 - Drawing up a charging schedule proposing rates in £/sq.m;
 - o Rate to be set at a level that will not make development unviable in most cases within the area as a whole:
 - o Can vary the rate in different parts of the Borough;
 - o Can apply different rates to different types of land use;
 - Consultation on the preliminary draft charging schedule;

- Reviewing the draft charging schedule and consultation responses prior to them being considered by an Independent Examiner;
- Publishing and adopting the charging schedule following report of the examiner,
- Shaping a mechanism for the governance of CIL and the allocation of funds; and
- Engaging with the Town and Parish Councils under the new legislation, a proportion of CIL will be allocated to them to spend on very local infrastructure projects.
- 5.7 With regards to the latter point above, the Commission could also be asked to consider inviting a representative from the Town and Parish Councils onto the working group.
- 5.8 The intention is to have a CIL regime in place before Autumn 2013. While this timescale may seem quite distant, the complexity of the process is such that this is an achievable but challenging timescale and, if agreed, Member input would be sought as soon as practically possible in 2012.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 The Borough Solicitor is a part of the Officer group established to support the development of the CIL.

Borough Treasurer

The Borough Treasurer is a part of the Officer group established to support the development of the CIL.

Equalities Impact Assessment

6.3 An EIA would be undertaken prior to the CIL being published.

Strategic Risk Management Issues

6.4 None as a consequence of this report.

7 CONSULTATION

Principal Groups Consulted

7.1 None

Method of Consultation

7.2 Not applicable

Representations Received

7.3 Not applicable

Background Papers

CIL Briefing note – ECC O/S Panel, October 2011

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