

PWYLLGOR CRAFFU CYMUNEDAU

29^{ain} O FEDI 2016

Ardoll Seilwaith Cymunedol

Ystyried y materion canlynol a chyflwyno sylwadau arnynt:

- Mae'r adroddiad hwn yn rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor Craffu Cymunedau ar gynnydd ystyried yr Ardoll Seilwaith Cymunedol ar gyfer Sir Gaerfyrddin a'r ymgynghoriad parhaus cyfredol ar y Rhestr Codi Tâl Ddrafft Ragarweiniol.
- Y Rhestr Codi Tâl Ddrafft Ragarweiniol yw'r cam cyntaf i sefydlu'r Ardoll Seilwaith Cymunedol, ac mae'n amlinellu'r cyfraddau codi tâl arfaethedig ar gyfer Sir Gaerfyrddin. Mae'r adroddiad hwn yn amlinellu cynnwys yr ymgynghoriad ffurfiol parhaus.

Rhesymau:

- Mae deddfwriaeth i bob pwrpas wedi lleihau cwmpas cytundebau Adran 106. Os nad yw'r Cyngor yn gweithredu'r Ardoll Seilwaith Cymunedol fe gall colli cyfraniadau wrth ddatblygwyr i dalu am seilwaith hanfodol sydd angen i weithredu dyraniadau'r Cynllun Datblygu Lleol a chynlluniau adfywio'r Cyngor yn gyffredinol.

Angen cyfeirio'r mater at y Bwrdd Gweithredol er mwyn gwneud penderfyniad: Nac Oes

Aelod(au'r) Bwrdd Gweithredol sy'n gyfrifol am y Portffolio:

- Cyng. L Mair Stephens (Cynllunio)

Y Gyfarwyddiaeth: Adran yr Amgylchedd	Swyddi:	Rhifau Ffôn / Cyfeiriadau E-bost:
Enw Pennaeth y Gwasanaeth: Llinos Quelch	Pennaeth Cynllunio	Telephone 2918 Email LQuelch@Sirgar.gov.uk
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EXECUTIVE SUMMARY

COMMUNITY SCRUTINY COMMITTEE 29th SEPTEMBER 2016

Community Infrastructure Levy

Background

The CIL is a planning charge, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010 which set out how local authorities can introduce a CIL and changed the way in which planning obligations can be sought through Section 106 Agreements. It should be noted that whilst the adoption of a CIL charge is not mandatory, it is prudent to fully consider the respective benefits or otherwise it may have in delivering infrastructure improvements necessary to facilitate regeneration and growth.

If the Council elect to adopt a CIL then a range of developments will be liable for a charge under the Charging Schedule which will identify the level of CIL that will be applied to each type of chargeable development. If introduced, the CIL will be mandatory and will be charged against all new development that meets the qualifying criteria. The money generated from CIL can be used to fund a wide range of infrastructure that is needed to support growth in the area. This can include things such as community facilities, education and transport improvements.

Two reports have previously been reported to the Community Scrutiny Committee on CIL – firstly on the 2 May 2015 and secondly on 9 November 2015. When the CIL was first reported to the Committee a commitment was given to provide future updates as and when the Head of Planning considered it appropriate to do so.

On the 13th January 2016 the Council resolved to progress work on further exploring the detail of a Community Infrastructure Levy (CIL) for Carmarthenshire and authorised the production of a Preliminary Draft Charging Schedule, and to conduct a formal consultation on its content along with the associated evidence base.

The responses received as part of this consultation will be reported to the Council once the consultation has ended. At that stage the Council will consider the appropriateness of the CIL in light of responses received and determine whether or not to proceed to consult on a Draft Charging Schedule and subsequently submit it for examination.

Preliminary Draft Charging Schedule

The formal consultation on the Preliminary Draft Charging Schedule commenced on the 7 September for an 8 week period and will end on 4 November. The Preliminary Draft Charging Schedule is the first stage in establishing the CIL, and it sets out the proposed charging rates for Carmarthenshire. Comments have been invited on the content of this document and the supporting evidence.

Carmarthenshire County Council commissioned the District Valuer Services – Valuation Office Agency to undertake a CIL economic viability study for Carmarthenshire. The Draft Study was completed in November 2015 and provides a comprehensive up-to-date evidence base upon which the proposed CIL rates are based. The Viability Study can be viewed via the following link: <http://ilocal.carmarthenshire.gov.uk/media/96628/Study-into-the-Viability-of-Charging-CIL-Background-Document.pdf>

To test the financial viability of introducing a potential CIL within Carmarthenshire the Study tested 33 actual and/or potential development sites located across the Local Authority area. These sites covered a range of intended uses from new housing to a broad range of commercial uses such as retail, office, industrial etc.

In respect of the residential development sites tested, the Study indicated that viability varied significantly between different geographical locations. It concluded that residential developments in some areas of Carmarthenshire could make a contribution to infrastructure and remain economically viable while others could not. Those sites which produced positive viability results have been grouped geographically and are located in the following areas:

- Llandeilo and Llandovery;
- Carmarthen;
- Llanelli;
- Ammanford / Cross Hands;and,
- St Clears / Whitland

The Study also concludes that private retirement housing (falling within C3 use class) could viably accommodate a CIL charge and recommends one charge be applied across the County.

The Study indicates that the majority of commercial land uses would not remain viable with a CIL imposed, it concludes that retail developments could accommodate a CIL charge whilst remaining commercially viable. The retail sites tested included a selection of comparison and convenience, as well as small and large scale retail developments, and the variety of sites which were tested largely produced similar results.

The Study makes recommendations for proposed charging rates and these are reflected in the Preliminary Draft Charging Schedule outlined below:

Development Type	CIL Rate: £/m ²
Residential Development (within Viable Areas - please refer to map in Appendix 1)	£60
Residential Development (outside of Viable Areas – please refer to map in Appendix 1)	Nil
Private Retirement Housing C3	£60
Comparison Retail	£70
Convenience Retail	£70
Other chargeable Development	Nil

The Preliminary Draft Charging Schedule and the associated Map of Residential Charging Zones can be viewed on the i-local page at:

<http://ilocal.carmarthenshire.gov.uk/consultations/community-infrastructure-levy-preliminary-draft-charging-schedule/>

Infrastructure Requirements

The Council prepared an Infrastructure Background Paper in 2013 to inform the production of the Local Development Plan (adopted in 2014). For the purposes of informing the consideration of adopting a CIL further information was needed on Carmarthenshire's infrastructure requirements and the cost for delivering it. Additionally, it is a requirement for the Charging Authority to demonstrate an aggregate funding gap – the disparity between the funding needed and the funding available to deliver the infrastructure required to facilitate and support development in Carmarthenshire. As such a further Infrastructure Assessment Background Paper has been produced.

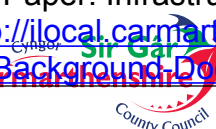
This Paper updates the existing evidence and supplements it with information relating to additional types of infrastructure not previously fully considered. The Paper identifies the infrastructure costs and potential sources of funding. The Infrastructure Paper estimates that there is a total funding gap of £272,964,111.

The Paper also proposes a list of the types of infrastructure which should be funded by the CIL, this is referred to as the Regulation 123 List.

It is expected that during the process of considering and progressing a CIL that the infrastructure schemes identified in this paper would progress and the funding arrangements will evolve and change. It is therefore likely that further updates will be required to this paper during this process and the recommendations made in this paper consequently changed. It should therefore be noted that the contents of this Paper is likely to be amended, including the draft Regulation 123 list of infrastructure projects, following consultation.

The CIL Background Paper: Infrastructure Assessment can be viewed via this link at the i-local webpage: <http://ilocal.carmarthenshire.gov.uk/consultations/community-infrastructure-levy-preliminary-draft-charging-schedule/>

[Assessment Report-Background Document.pdf](#)



Next Steps

Comments from this consultation will be taken into account in considering the suitability of a CIL for Carmarthenshire and in producing a Draft Charging Schedule for further consultation. When those consultation responses have been received and any amendments or clarifications made, this will then be submitted to an Independent Inspector.

The timetable below shows the series of stages involved in the preparation of a CIL Charging Schedule as outlined by the CIL Regulations.

Definitive Stages: The stages in the preparation of a CIL Charging Schedule up to and including the Draft Charging Schedule consultation. These stages of the process are under the direct control of the Council and therefore the timetable is as realistic as possible. Every effort will be made to avoid deviations from the timetable during these stages.

Indicative Stages: The Council has less control over the later stages of the process, as they are dependent on many factors beyond the Council's control such as the number of representations that need to be handled and the requirements, capacity and availability of the Independent Planning Inspector to conduct the Examination. The indicative timetable will therefore be formalised and defined at the close of the Draft Charging Schedule consultation period or further to the consideration of representation to any modifications.

Stage in Plan Preparation	Timescale
Definitive Stages	

Evidence Base		
a) Assess Infrastructure Capacity across the County	June 2015	November 2015
b) Establishing Total Cost of Infrastructure and Funding Gap	June 2015	December 2015
c) Viability Assessment and consideration of outcomes	June 2015	January 2016
d) Addressing Evidence Gap	June 2015	February 2016
e) Reporting – Authority to formally consult on PDCS	November 2015	January 2016
Preliminary Draft Charging Schedule (PDCS)		
a) Informal consultation on Viability Study	February 2016	March 2016
b) Prepare the Preliminary Draft Charging Schedule (PDCS)	February 2016	August 2016
c) Formal Consultation (6 weeks) on PDCS, Viability and Infrastructure Evidence	September 2016	November 2016
Draft Charging Schedule		
a) Report to Council – Responses to PDCS and Authority to Consult on Draft Charging Schedule and subsequently submit for examination	December 2016	January 2017
b) Prepare and publish Draft Charging Schedule	February 2017	March 2017
c) Consultation (6 weeks)	May 2017	June 2017
Indicative Stages		
Submission of Charging Schedule	August 2017	August 2017
Examination	October 2017	October 2017
Approval and Publication of Charging Schedule (incorporating Report to Council)	February 2018	February 2018
DETAILED REPORT ATTACHED?	NO	

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report.

Signed: **Llinos Quelch** **Head of Planning**

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	YES	NONE	YES	YES

Policy and Crime & Disorder

The purpose of implementing CIL is to pay for the infrastructure needed to support the development and regeneration of the County. To this end, it supports the aims and objectives of the Local Development Plan's Objectives and Policies and also the Council's commitment to regeneration. If the Council resolves to prepare a CIL Charging Schedule then this will need to be done in accordance with equal opportunities policies and will need to ensure that the correct consultation procedures are complied with in accordance with the Community Infrastructure Levy Regulations 2010 (as amended).

Legal

The Local Authority currently secures planning contributions as governed by Section 106 of the Town and Country Planning Act 1990. The Planning Act 2008 makes provision for local authorities to prepare a Community Infrastructure Levy. On the 6th April 2010 the Community Infrastructure Levy Regulations 2010 came into force in England and Wales which established the procedure for introducing CIL.

Finance

Provision has been made in the Planning division budget to meet the cost of a Contributions Officer for an additional 12 months and to fund ongoing evidential requirements. Provision is also made in 2016-17 for the Examination.

Provision has already been made for further update work required to the Viability Study in order to take account of any representations made during the Preliminary Draft Charging Schedule consultation. Provision has also been made for the support of the District Valuer at the Examination.

The CIL Regulations include the provision for councils to claw back some of the outlay cost in preparing and implementing CIL, by allowing them to reclaim 5% of the total CIL revenue for the first 3 years that CIL is levied. In addition to this the CIL Regulations make provision for councils to use up to 5% of each year's CIL revenue to offset the CIL administrative costs of charging a CIL for that year. This covers the years following the initial three year period and can continue to be recovered for as long as the CIL is being charged.

In considering the relative costs of preparing CIL, it should be noted that they will have to be borne up front, whilst the clawing back of the costs will only be realised once the CIL Schedule is implemented at the end of the preparation process. Therefore the Council will have to bear the costs of preparation before any costs can be clawed back, should Planning Division Budget not be in a position to provide this initial provision and application will be made to the Development Fund. The preparation work undertaken to date are being funded by funds held in reserve.

ICT

If the Council elects to adopt the CIL then a new systems will be required to manage and monitor CIL liability and the collection of funds.

Staffing Implications

A member of staff has been seconded to the Contributions Officer post for a period of 30 months, this secondment will need to be reviewed as progress is made.

Physical Assets

May impact on land values when disposing of land, while certain categories of development may incur CIL if undertaken by the authority, this will be determined in the final charging schedule.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

Signed: L Quelch Head of Planning

1. Local Member(s) – The Leader of each political group as well as non affiliated members has been contacted to arrange an informal session on the CIL generally and the current consultation. To date one political grouping has taken this opportunity to have an informal session and another has arranged a session at the end of September.

2. Community / Town Council – Each Town and Community Council has been notified of the current CIL consultation and they are welcome to comment.

3. Relevant Partners – A presentation was given to the Public Service Board on the 12 May 2016 and the partners of the Board were invited to contribute during the production of the Preliminary Draft Charging Schedule, and especially to inform the content of the CIL Background Paper: Infrastructure Assessment. In addition a number of service providers have been engaged through the Strategic Asset Steering Group and the Section 106 Infrastructure Working Group.

4. Staff Side Representatives and other Organisations – Numerous organisations have been notified of the current consultation on the Preliminary Draft Charging Schedule.

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THESE ARE DETAILED BELOW:

Title of Document	File Ref No. / Locations that the papers are available for public inspection
Preliminary Draft Charging Schedule	English: http://ilocal.carmarthenshire.gov.wales/media/96622/Preliminary-Draft-Charging-Schedule-Consultation-Document.pdf Cymraeg: http://lleoli.sirgar.llyw.cymru/media/96619/Preliminary-Draft-Charging-Schedule-Consultation-Document-Welsh.pdf
Study into the economic viability of charging CIL in Carmarthenshire	English: http://ilocal.carmarthenshire.gov.wales/media/96628/Study-into-the-Viability-of-Charging-CIL-Background-Document.pdf Cymraeg: http://lleoli.sirgar.llyw.cymru/media/96625/Study-into-the-Viability-of-Charging-CIL-Background-Document-Welsh.pdf
CIL Background Paper: Infrastructure Assessment	English: http://ilocal.carmarthenshire.gov.wales/media/96610/Infrastructure-Assessment-Report-Background-Document.pdf Cymraeg: http://lleoli.sirgar.llyw.cymru/media/96607/Infrastructure-Assessment-Report-Background-Document-Welsh.pdf
Carmarthenshire Local Development Plan	English: http://www.carmarthenshire.gov.wales/home/residents/planning/policies-development-plans/local-development-plan/#.V-AO11IUUy9 Cymraeg: http://www.sirgar.llyw.cymru/cartref/preswylwyr/cynllunio/cynlluniau-datblygu-a-pholisi/y-cynllun-datblygu-lleoli/#.V-AO6FIUUy8