

*PART A

Report to: Council
Date of meeting: 19th November 2014
Report of: Head of Regeneration and Development
Title: Community Infrastructure Levy

1.0 **SUMMARY**

- 1.1 Community Infrastructure Levy (CIL) is the mechanism for capturing value from new development to help deliver the infrastructure required in the area. The CIL examiner has concluded that the Watford Borough Charging Schedule provides an appropriate basis for the collection of the levy in the area. The regulations require that the CIL be adopted by the full council and this report seeks adoption of the published CIL Charging Schedule.
- 1.2 Non-regulatory policies, such as instalment and Reg 123 list were consulted on but not examined through the CIL process, and this report requests the Council to approve the supporting policies document.
- 1.3 The Charging Schedule and Supporting Policies document are provided as appendices to this report. Members are asked to note that the graphics and formatting changes will be made in the coming weeks and officers request delegation of approval of final presentation to the Portfolio Holder for planning.

2.0 **RECOMMENDATIONS**

- 2.1 That the Council:

adopts the CIL Charging Schedule attached at appendix 1 for implementation from 1st April 2015.

approves the CIL supporting policies documents also attached at appendix 2

delegates final approval of the CIL Charging Schedule and supporting policies to reflect graphics, formatting and any grammatical updates to the Portfolio Holder for Planning.

Contact Officer:

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Report approved by: Jane Custance, Head of Regeneration and Development

3.0 DETAILED PROPOSAL

3.1 Members will have noted the progress of CIL through the various stages of development and consultation. Further details can be found online at; www.watford.gov.uk/cil

3.2 The following table outlines the process to get to the CIL charges as approved by the examiner.

Viability Evidence Stage 1 + 2	Dec 2012/Feb 2013
Consultation on Preliminary Draft CIL Charging Schedule	March 2013 – April 2013
Consultation on Draft Charging Schedule	February – March 2014
Independent Examination	July 2014
Inspector's Report	August 2014
Adoption of Charging Schedule	November 2014

3.3 Other policy matters

The Draft Charging Schedule submitted for examination included a number of policies which were subject to consultation and examination. This includes policies and information related to

- instalments
- payments in kind
- exceptional and charitable relief

The schedule will be kept under review for future amendments in light of infrastructure delivery, macro economic trends and changes in local land values. Any further changes to the charging schedule will require a new viability study, a fresh set of public consultation and another independent examination.

Effective Date

Under CIL regulations Full Council must adopt CIL and indicate the date on which the charging will take effect. The recommended date of effect is Wednesday 1st April 2015. This means CIL may be charged on developments where a decision notice is issued on or after that date. Where there is a resolution to grant subject to s106 prior to 1 April, CIL will apply unless the s106 is signed and the Decision Notice is issued prior to 1st April.

As per CIL regulation 25, once the full Council has approved adoption of the CIL, officers will publish and notify members of the public and appropriate bodies of the adoption and implementation date for the Charging Schedule.

Section 106

A key driver for implementation of CIL is the pooling restrictions being introduced on the use of section 106 obligations. In practice the S106 pooling restrictions mean that from April 2015 the Council will no longer be able to collect

S106 for generic infrastructure types such as education or open space, which has typically been calculated by way of a standard formula per dwelling.

The pooling restrictions shall not apply to non-infrastructure items, such as affordable housing, on-site habitat mitigation measures, monitoring requirements, etc. S106 agreements will still be available for on-site and direct requirements including for example junctions, roads/cycle-ways, on-site community buildings and allotments and drainage.

4.0 **IMPLICATIONS**

4.1 **Financial**

4.1.1 It is currently estimated that over the Watford Borough Council Plan period CIL receipts will be in the order of £5million compared to an average of £600,000 per year (average over last 4 years).

4.2 **Legal Issues**

4.2.1 The legal implications are contained within the body of the report. Should Council decide not to adopt the charging schedule and accompanying policies the Council will be unable to collect money for infrastructure after 1 April 2015

4.3 **Potential Risks**

Potential Risk	Likelihood	Impact	Overall score
Reduction from s106 funds	3	3	9

Appendices

Appendix 1 – CIL Charging Schedule and Supporting Policy documents

Background Papers

None

File Reference

None