

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF PLANNING POLICY SUB-COMMITTEE on 18 June 2019

PART A : REPORT

SUBJECT: Community Infrastructure Levy Draft Charging Schedule Consultation Update and Proposal to Submit

REPORT AUTHOR: Nicki Faulkner, Principal Planner

DATE: EXTN: x 37645

PORTFOLIO AREA: Planning

EXECUTIVE SUMMARY:

This report advises members of the Planning Policy Sub Committee of the results of the Arun CIL Draft Charging Schedule consultation by providing a summary of the representations received. This includes a schedule of modifications that are required with reasons. The report seeks consent to submit the Draft Charging Schedule to the independent Examiner in accordance with Regulation 19 of the CIL Regulations 2010 (as amended).

RECOMMENDATIONS:

1. That the Planning Policy Sub-Committee recommends to Full Council that the Draft Charging Schedule (Submission Version) (the DCS Submission Version) (provided as Background Paper 3 to this report) along with all required supporting documentation, as required, are submitted to the appointed independent Examiner in accordance with Regulation 19 of the CIL Regulations (as amended) on the 31 July, or as close as that date as possible.

1. BACKGROUND:

- 1.1 The Planning Policy Sub-Committee of 27 February 2019 agreed that the Arun Community Infrastructure Levy (CIL) Draft Charging Schedule March 2019 (the DCS), should be published for public consultation from 21 March 2019 until Thursday 2 May 2019 in accordance with Regulation 16 of the CIL Regulations 2010 (as amended). The intention of publishing the DCS is to consult on the document which the Charging Authority intends to submit for examination.
- 1.2 The report also sets out the next steps in the process to achieving an adopted CIL Charging Schedule which is via the submission of the DCS to the CIL Examiner for Examination in Public, subject to agreement by Full Council.
- 1.3 In response to the DCS consultation, a total of twenty two representations were received from nineteen representors. Of those representations, five were objecting, one was supporting and sixteen were commenting on the DCS. A Statement of

Representations (which, subject to agreement by Full Council, will be sent as part of the submission documents to the Examiner), summarising the responses from the DCS consultation is provided in Background Paper 1.

1.4 The main points raised as part of the consultation are as follows (for the Council's responses to these points, please refer to Appendix 2 of Background Paper 1):

- DCS20194 Concern that the strategic housing allocations remain zero rated;
- DCS20196 Objection by Littlehampton Town Council that the development of town centre shops would not generate an income from CIL;
- DCS20197 Objection to zero rating developments larger than 11 units in Zone 4 as shown in Appendix 1 of the Draft Charging Schedule;
- DCS201913 Request to include a better definition of 'residential' in the DCS Table 7.1 to ensure there is clarity over how 'static caravans for holiday purposes' are treated;
- DCS201914 Comment that the CIL Viability Update Report 2018 does not test viability of development on existing residential land. Concern that small housebuilders haven't been considered and request to better define Student Accommodation and Build to Rent in the Charging Schedule;
- DCS201920 Request for clarity as to whether garden centres would fall under the "Retail Warehouse" category or under "all other development";
- DCS201921 Objection to "extra care housing" being included under the category of "Older People's Housing; and
- DCS201922 Concern over a lack in clarity over how CIL and S106 will be spent.

1.5 It is considered that the main points raised through the consultation do not materially affect the DCS charges and so no changes are proposed for the charges set out in Table 7.1 of the DCS. However, it is accepted that a number of minor points of clarification are required on the DCS. These are set out in Background Paper 2 which presents the Statement of Modifications (SoM).

1.6 The modifications shown within the SoM are presented within the DCS Submission Version (in Background Paper 3). All matters raised will be considered by the CIL Examiner as part of the Examination in Public process as covered below.

2. Next Steps

2.1 The next steps towards adopting a CIL Charging Schedule is submission of the DCS Submission Version for examination. The Examiner must consider whether it has been prepared in compliance with the Planning Act 2008 and the CIL Regulations 2010 (as amended) in establishing the rates set for chargeable development. This means that it has been prepared based on robust viability and infrastructure evidence and that the CIL rates proposed would not put the delivery of the 'relevant plan' at risk (the 'relevant plan' being the Arun Local Plan 2018).

2.2 Upon submission of the DCS Submission Version, any person who made representations on the DCS and indicated their preference to be informed of submission, will be notified. Furthermore, all consultation bodies consulted at the Preliminary Draft Charging Schedule (PDCS) (between 10 December 2018 and 21

January 2019) will be sent a copy of the SoM, and the SoM will be published on the Council's website.

2.3 If anyone wishes to be heard in relation to the SoM, they must inform the Charging Authority in writing within four weeks of the date the SoM was submitted to the Examiner. The charging authority must submit a copy of each request it receives to the Examiner as soon as practicable after the expiry of that four week period.

2.4 The Examiner will hold hearings on the DCS Submission Version as part of the examination approximately 6 to 10 weeks after submission. Following examination, the Examiner will make their recommendations in accordance with section 212A of the Planning Act 2008 and give reasons for those recommendations.

2.5 The options available to the Examiner in making their recommendations are:

- a) to reject the draft due to non-compliance with the drafting requirements where non-compliance can't be remedied with modifications; or
- b) To recommend any modifications, if required, which would be necessary to remedy any non-compliance; or
- c) Subject to a) and b), the Examiner must recommend the draft be approved.

2.6 In accordance with Regulation 23 of the CIL Regulations 2010 (as amended), the Examiner's recommendations and reasons for those recommendations must be submitted to the charging authority. As soon as practicable after the day on which it receives the recommendations and reasons, the charging authority must make the Examiner's report available for inspection, publish it on the website and give notice to those who requested to be notified of the Examiner's recommendations.

2.7 Following the receipt and publication of the Examiner's recommendations, a further report will be brought to Planning Policy Sub-Committee setting out any modifications recommended by the Examiner and recommending the approval of the CIL charging schedule as modified. At this stage, the council cannot make any further modifications to the charging schedule – only those as recommended by the Examiner. The final Charging Schedule will set out the date on which it will take effect i.e. the day that Arun District Council will commence charging CIL.

3.0 Conclusion

3.1 A significant amount of work and resource has been invested into progressing and preparing a CIL Draft Charging Schedule in accordance with the Planning Act 2008 and the CIL Regulations 2010 (as amended). Subject to achieving an approved charging schedule, CIL will provide an important income stream to support planned development to 2031 and beyond.

2. PROPOSAL(S):

That the Draft Charging Schedule is submitted for examination

3. OPTIONS:

Not to submit the CIL Draft Charging Schedule Submission Version will mean a significant delay to the preparation of the CIL charging schedule or even the decision not to proceed with CIL. Delaying or stopping the progression of the CIL draft charging schedule will

mean that the estimated £30 million of CIL receipts may not be achieved to be spent on infrastructure projects and there will be a continued reliance on S106 contributions which are subject to pooling restrictions in accordance with Regulation 123 of the CIL Regulations 2010 (as amended).

Furthermore, Town and Parish Councils with 'made' neighbourhood plans will no longer be able to plan ahead with the understanding that they will receive 25% of CIL receipts from the development on non-strategic sites; windfall sites or deliverable HELAA sites in their areas.

4. CONSULTATION:

| Has consultation been undertaken with: | YES | NO |
|--|-----|----|
| Relevant Town/Parish Council | x | |
| Relevant District Ward Councillors | x | |
| Other groups/persons (please specify) | | x |

**5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES:
(Explain in more detail at 6 below)**

| | YES | NO |
|---|-----|----|
| Financial | x | |
| Legal | x | |
| Human Rights/Equality Impact Assessment | | x |
| Community Safety including Section 17 of Crime & Disorder Act | | x |
| Sustainability | | x |
| Asset Management/Property/Land | x | |
| Technology | | x |
| Other (please explain) | | |

6. IMPLICATIONS:

Subject to the CIL Charging Schedule being approved, an implementation date will need to be set. Implementation of CIL will have impacts on financial processes.

There is a requirement for Legal to be involved in supporting the preparation of the CIL Charging Schedule and as part of the implementation/collection of CIL receipts.

Where the council proposes development on its own land/property, the department should be aware of the CIL liability. It should be noted that relief can be granted from CIL as part of the development of social housing.

7. REASON FOR THE DECISION:

8. EFFECTIVE DATE OF THE DECISION: 17 July 2019

9. BACKGROUND PAPERS:

Background Paper 1: Statement of Representations and Compliance with Consultation Requirements (in accordance with Regulation 15, 16, 17 and 19 of the Community Infrastructure Levy Regulations 2010 (as amended))

Background Paper 2: Statement of Modifications and Draft Charging Schedule Submission Version

Background Paper 3: Draft Charging Schedule (Submission Version)