

Meeting Executive
Portfolio Area Planning and Regulation
Date 12 October 2022



COMMUNITY INFRASTRUCTURE LEVY (CIL) - ALLOCATIONS AND GOVERNANCE

KEY DECISION

1 PURPOSE

- 1.1 To inform Members of the amounts of Community Infrastructure Levy (CIL) secured and projected.
- 1.2 To seek agreement that current Charging Schedule (CS) be maintained and reviewed in 2023/2024 linked to the Local Plan work.
- 1.3 To change the approval process for CIL expenditure and allocate money locally.

2 RECOMMENDATIONS

- 2.1 That the amounts of Community Infrastructure Levy (CIL) secured and projected are noted.
- 2.2 That the current Charge Schedule (CS) rates be maintained and the rates reviewed in 2023/2024.
- 2.3 That Executive approval, rather than Planning & Development Committee approval, is required to allocate and spend more than £75,000 of CIL income.
- 2.4 That the allocation of £15,000 per Co-operative Neighbourhood area, per year from 2023, be approved for local infrastructure (as per CIL Regulations) improvements which support Climate Change improvements and carbon reduction measures.

3 BACKGROUND

- 3.1 The Community Infrastructure Levy (CIL) is a planning charge introduced by the Planning Act 2008, as a tool for local authorities to help deliver infrastructure to support the development of their area. It allows local authorities to raise funds from developers undertaking new building projects. The money can be used to fund a wide range of infrastructure, such as transport schemes, schools, community facilities, parks and leisure facilities, which are needed as a result of development taking place.
- 3.2 CIL is fairer, faster and more certain and transparent than the system of planning obligations (S106), which causes delay as a result of lengthy negotiations and is subject to viability. The benefit of CIL is that once it is collected it can be used to deliver any infrastructure that the Council wish – it is not ring-fenced for a specific scheme or type of project.
- 3.3 S106 would still be used for site specific mitigation, particularly for the larger schemes i.e. where a whole school is required as part of a specific development (e.g. North Stevenage and West of Stevenage) or where road/cycleway improvements are required within or in close proximity to the development. S106 is only allowed for infrastructure that is directly related to the scheme and is required in order for the development to be acceptable.
- 3.4 When the Executive and Council, in 2019/ 2020, agreed the current rates of CIL they also agreed to review it after a year. Since the 1st of April 2020, the Council has been charging the rates below:

Table 1: Existing CIL levy rates

Development type	CIL rate	
	Zone1: Stevenage Central	Zone 2: Everywhere else
Residential Market housing	£40/m ²	£100/m ²
Sheltered Housing	£100/m ²	
Extracare housing	£40/m ²	
Retail Development	£60/m ²	
All Other Development	£0/m ²	

Table 2: CIL due confirmed over the next few years.

Application No	Site Address	Demand Amount	Receipt Amount
20/00671/FP	Land Adjacent To 24 Shackledell, Stevenage, Herts, SG2 9AE	9,752.71	9,752.71
20/00672/FP	Garages And Forecourt Area To Rear Of 13-19 The Chace, Stevenage, Herts, SG2 8QS	21,136.53	2,113.65
20/00593/FP	49 Fellowes Way, Stevenage, Herts, SG2 8BS	12,900.00	1,290.00
20/00142/FP	Courtlands, Chantry Lane, Todds Green, Stevenage, Herts, SG1 2JE	7,100.00	7,100.00
20/00133/FP	Former Shephall Green Infant School , Shephall Green, Stevenage, Herts, SG1 9XR	22,800.00	22,800.00
19/00123/FPM	Land To West Of A1(M) And South Of Stevenage Road, Todds Green, Stevenage, Herts	1,130,989.00	113,098.90
20/00053/FPM	Former Chells Play Area, Eliot Road, Stevenage, Herts, SG2 0LJ	0*	0*
Total		1,204,678.24	156,155.26

*subject to disqualifying event (100% relief offered)

Table 3 – overview. “Potential” means there is a CIL liability but they haven’t commenced on site. “Due” means they have commenced on site.

	Potential 23/26	Due	Collected	Allocated	Spent
Totals	£7,901,688	£1,204,678	£156,155	£0.00	£93,000 (prep. and admin 2019-22)

Application No	Site Address	Ward	Due	Strategic	Neighbourhood	Admin
21/00536/FPM	Land To The North West Of Junction 7 Of The A1(M), Knebworth Park, Knebworth, Herts, SG1 2AX	Roebuck	9,536.55	7,629.24	1,430.48	476.83
19/00721/FP	19 Made Feld, Stevenage, Herts, SG1 1PQ	Bedwell	5,168.00	4,134.40	775.20	258.40
21/00328/FP	4 Shackleton Spring, Stevenage, Herts, SG2 9DF	Shephall	5,802.57	4,642.06	870.39	290.13
21/00847/FP	Car Park, Bragbury End Sports Ground, Aston Lane, Aston, Stevenage, Herts	Longmeadow	132,203.59	105,762.87	19,830.54	6,610.18
21/00886/FPH	27 Boswell Gardens, Stevenage, Herts, SG1 4SB	Woodfield	12,731.77	10,185.42	1,909.77	636.59
21/00898/FP	Land Adjacent To 39 Jessop Road, Stevenage, Herts, SG1 5LG	Martins Wood	23,928.14	19,142.51	3,589.22	1,196.41
21/01244/FP	42 Sandown Road, Stevenage, Herts, SG1 5SF	Martins Wood	8,449.10	6,759.28	1,267.37	422.46
22/00019/FP	39 Fishers Green Road, Stevenage, Herts, SG1 2PD	Symonds Green	5,785.15	4,628.12	867.77	289.26
22/00491/FP	Chells Manor House, Chells Lane, Stevenage, Herts, SG2 7AA	Manor	39,625.29	31,700.23	5,943.79	1,981.26
21/00957/FP	12 Hollyshaws, Stevenage, Herts, SG2 8NZ	Longmeadow	7,477.54	5,982.03	1,121.63	373.88
21/00709/FP	69 Whitney Drive, Stevenage, Herts, SG1 4BH	Woodfield	0*	0*	0*	0*
19/00647/FPM	Former BHS Store, 7 The Forum, Town Centre, Stevenage, Herts, SG1 1ES	Bedwell	738,263.00	590,610.40	110,739.45	36,913.15
21/00704/RM	MKG Motor Group Limited, Chells Way, Stevenage, Herts, SG2 0LZ	Chells	34,496.41	27,597.13	5,174.46	1,724.82
21/01162/FP	Land To Rear Of 36 Fellowes Way And 57 Woodland Way, Stevenage, Herts, SG2 8BW	Roebuck	11,530.54	9,224.43	1,729.58	576.53
19/00474/FPM	Land To The West Of Lytton Way, Stevenage, Herts	Old Town	4,300,000.00	3,440,000.00	645,000.00	215,000.00
17/00862/OPM	Land To The North Of Stevenage, Stevenage, Herts, SG1 4DE	Woodfield	2,566,691.00	2,053,352.80	385,003.65	128,334.55
Total			7,901,688.65	6,321,350.92	1,185,253.30	395,084.43

*subject to disqualifying event (100% relief offered)

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

Recommendation 2.2: That the current rates of CIL are maintained and reviewed in 2023/2024.

- 4.1 It can be seen that there has been only a limited amount of CIL funding secured and paid so the Council is still in the early days of assessing the impact of the rates. However more schemes are coming forward which are liable to CIL.
- 4.2 The pandemic has had a variety of impacts on the development and housing markets within high levels of Planning activity, but mixed effect on the residential housing prices. It appears houses prices and land values have been resilient so far, but the future is unclear.
- 4.3 There is, however, substantial demand for offices, and research and development space and is currently £0 rated for CIL. As the large number of this office space was not envisaged for at the time of the Local Plan or the CIL Charge schedule we would like to review all the rates and those types of uses covered by CIL as part of the Local Plan update.

- 4.4 It is proposed to review the rates in the next financial year, 2023/2024.

Recommendation 2.3: That Executive approval, rather than Planning & Development Committee approval, is required to allocate and spend more than £75,000 of CIL income.

- 4.5 CIL and S106 income and expenditure will be reported annually and published on the Council's website, along with infrastructure priorities and local needs, most of which are linked to our Local Plan and associated Infrastructure Delivery Plan (IDP).
- 4.6 The IDP details the expected level of infrastructure that is required to support the planned growth in the Local Plan. The IDP highlights a significant level of un-funded infrastructure that the CIL is only part able to fill. As such, strategic decisions on the best infrastructure schemes will need to be made by the Executive in due course.
- 4.7 CIL infrastructure expenditure below £75,000 will be delegated to the Assistant Director of Planning & Regulation, in conjunction with the Portfolio Holder. Expenditure of CIL on infrastructure of £75,000 and above has been determined by the Planning & Development Committee. There has yet to be any spend above £75,000.
- 4.8 The recommendation is for approval of expenditure above £75,000 to be taken back by Executive, to allow the Executive itself to approve that expenditure in line with most financial expenditure of that magnitude in the Council. This should better align CIL expenditure with the corporate objectives of the Council and, where possible, provide greater impact for infrastructure provision by taking that higher level view.

Recommendation 2.4: That the allocation of £15,000 per Co-operative Neighbourhood area, per year from 2023, be approved for local infrastructure (as per CIL Regulations) improvements which support Climate Change improvements and carbon reduction measures

- 4.9 As the Council wanted to ensure that the larger amounts of CIL are effectively used at a strategic level, the Council wants to ensure that local neighbourhoods see and feel some of the benefits of improved infrastructure at their local level. This approach works in sync with that of the Portfolio Holder for Climate Change and Environment's approach to local neighbourhood and street level engagement
- 4.10 The recommendation seeks agreement to allocate £15,000 of 'local' CIL to each of the 6 neighbourhood areas, each year from 2023. This funding would be suitable for local physical infrastructure improvements, that accord with the CIL Regulations. Where possible this will align with ideas for local climate change and carbon reduction measures that local people might have. This funding commitment would enable local people at street and neighbourhood

level to make the decision, through councillors, on what physical infrastructure improvements would benefit them and their area. These may include trees, biodiversity improvements, pedestrian crossing, lighting etc.

- 4.11 As there is a considerable amount of CIL funding that may or may not come forward, the proposal gives ward members certainty of some funding at the neighbourhood level in each area. Once the approach has been established and when larger schemes payments are starting to be triggered the amount per neighbourhood area can be reviewed.
- 4.12 More details on the approach to Neighbourhood Greening Planning and street level, interventions are covered in the October 2022 Climate Change update.

5 IMPLICATIONS

Financial Implications

- 5.1 The financial expectations remain as previously reported.
- 5.2 The costs of implementing CIL will be met from the 5% CIL income the Council is allowed to keep for administration purposes in the long term (this includes the costs of Examination). In the meantime, it is being funded through the agreed departmental budget of the Planning Policy Team.

Legal Implications

- 5.3 The preparation of Community Infrastructure Levy is given effect by the 2008 Planning Act.
- 5.4 Detailed statutory requirements for the preparation of CIL, including consultation requirements, are set out in The Community Infrastructure Levy Regulations 2010 (as amended).

Risk Implications

- 5.5 None.

Environmental & Climate Change Implications

- 5.6 CIL has the potential to have a positive impact on the environment, as monies can be used towards improving/maintaining/new environmental infrastructure. The proposed allocation of sizeable amount of funding to local neighbourhoods for climate change improvements offers an opportunity for local people to identify climate change improvement measures for their area.

BACKGROUND DOCUMENTS

None.

Appendix 1 – Approximate income from future large schemes yet to be approved

App Number	Address	Ward	Start Date	Approx income
19/00743/FPM	SG1 Phase 1	Bedwell	2023/4	1.8 Million
19/00743/FPM	SG1 Phases 2, 3, 4	Bedwell	2024/5	2.4 Million
21/00356/FPM	Land To The West Of Stevenage Phase 1	Symonds Green	2023	850,000
21/00356/FPM	Land To The West Of Stevenage Phase 2	Symonds Green	2025	2.5 Million
N/A	South Stevenage	Longmeadow	2025	3 Million
Total				10.55 Million