

Scrutiny Committee

Venue:	Committee Room
Date:	18 December 2013
Present:	Councillors J Crawford (Chair), L Casling, I Chilvers, M Hobson, D Mackay, J McCartney and M Jordan (as substitute for M Dyson)
Also Present:	Councillors Crane (Leader of the Council) and C Lunn (Executive Member)
Apologies for Absence:	M Dyson and D Peart.
Officers Present:	Jonathan Lund - Deputy Chief Executive, Andy McMillan – Policy Officer, Matt Whiteley – Peter Brett Associates and Richard Besley - Democratic Services Officer.
Press:	None

19. DISCLOSURES OF INTEREST

There were no declarations of interest.

20. CHAIR'S ADDRESS TO THE SCRUTINY COMMITTEE

The Chair welcomed the Committee and the Members of the Executive present, to consider the Committee's Call In of an Executive decision,

21. CALL IN – DECISION E/13/40 – COMMUNITY INFRASTRUCTURE LEVY – NON KEY DECISION

In presenting the report the Chairman asked the Policy Officer, Andy McMillan, to take the Committee through a presentation that provided background to Community Infrastructure Levy (CIL)

The Policy Officer introduced Matt Whiteley of Peter Brett Associates, the company commissioned by Selby DC to prepare a report on CIL for the Council.

The Policy Officer informed the Committee that CIL was introduced in 2010 by government to fund strategic infrastructure not covered by section 106 Agreements (s106).

As s106 covers specific areas it cannot be used to fund projects in other neighbouring communities that may for example be affected by that development, CIL will offer greater support strategically for the District.

CIL also is generated by smaller developments that would not qualify for s106 and where levels of s106 can be negotiated the levels of CIL are fixed.

The Policy Officer confirmed that CIL is meant to make development more attractive to villages with a share from the levy going to Parish Councils.

So far 20 Local Authorities have set up CILs since 2010 with many like Selby preparing evidence and expected to introduce CILs before the March 2015 deadline.

The representative from Peter Brett Associates, Matt Whiteley confirmed that the Charging Schedule was the key document for the Council as it sets out the rate per square metre on net additional floor space. It will generate a pool of funds for planning development but can't be used to backfill shortfalls from previous planning developments.

As well as capturing small sites, CIL assists Councils at a time when there is less Central Government funding and DCLG feels it will be fairer, faster and more transparent. It does give developers certainty upfront and the charge is set after full consultation and examination.

The presentation highlighted the intention that CIL will become the main source of development contribution and will be due from the date development commences.

CIL will be exempt on social housing and charities projects, when s106 will still be available on affordable housing.

Charging Zones are researched on property sales value, land purchase costs, build prices, etc; and these sums are studied and form the cost for the charge. Councils will then consider whether those costs are viable. Councils levy CIL between 50% - 75% of the viable maximum.

Zones are defined on the analysis of a number of factors, including Land Registry sales price, average prices of various property types. This was demonstrated in the 4 maps accompanying the report of prices for Detached/Semi Detached houses, terraced houses and flats across the district.

The Chair thanked the Policy Officer for the presentation and the Committee moved to its concerns on the proposed Charging Schedule and Zones that had prompted the Call In.

The Committee shared the view that the clear North (higher levy) / South (lower levy) divide across the District seemed to benefit the North Zone at the expense of the South and asked if a single rate could be applied in its place.

Mr Whiteley confirmed that a £25 rate across the district would limit the amount of levy collected.

The Policy Officer informed the Committee that levies collected from the North and South Zones are pooled into a central fund that can be spent on infrastructure where it is needed.

The Committee agreed that as development tends to be in the South Zone the CIL collected would balance with the income from CIL collected in the North.

The Committee asked at what stage neighbouring authorities were with their adoption of CIL.

In Yorkshire:

- East Yorks (agreement in principle), Richmondshire and York had not started.
- Doncaster and Scarborough and had not adopted CIL
- Harrogate & Hambleton adopted £85 CIL across their districts
- Ryedale adopted £35 (low) & £65 (high)

The Policy Officer presented Appendix A of the report and explained the need for an Infrastructure Regulation 123 List (Reg 123) that itemises the Council's proposed Infrastructure projects that would be subject to CIL and the amount of potential levy to be collected.

The Reg 123 recognises a meaningful proportion to local communities with Town & Parish Councils obtaining funding top-sliced from the levy:

- 15% where no neighbourhood plan
- 25% where neighbourhood plan in place

The Policy Officer shared some example sums of CIL available to Town & Parish Councils based on average house prices and confirmed that although there was a cap to the amount of CIL that can be collected it was unlikely that the level of development required to reach that amount would be reached.

There is a time limit for Town & Parish Councils to spend their share but there is no restriction on the type of project it can be spent on.

The Policy Officer also advised that a percentage element can be claimed by the District Council to cover the administration costs of charging CIL.

The Reg 123 list shown as example in Appendix A of the report is a guide and a formal list will be prepared when CIL is adopted by Selby DC.

The Policy Officer confirmed that the next stage would be to go to a public consultation.

RESOLVED

- i) Agree with the decision made by the Executive**
- ii) Following comments from Committee Councillors to the Policy Officer a simplified summary version of the document is prepared to go to all Councillors and Parish Councils**
- iii) The item is placed on the Scrutiny Committee Work Programme for a future meeting**

The meeting closed at 6:23pm