

IMPROVING PLACES SELECT COMMISSION
Thursday, 7th March, 2019

Present:- Councillor Mallinder (in the Chair); Councillors Atkin, Buckley, B. Cutts, Elliot, Jepson, Jones, Khan, McNeely, Reeder, Sheppard, Vjestica, Walsh, Whysall and Wyatt.

Also in attendance Mrs. W. Birch and Mrs. L. Shears (Rotherfed), Co-optees.

Apologies for absence were received from Councillors Fenwick-Green and Sansome.

The webcast of the Council Meeting can be viewed at:-
<https://rotherham.public-i.tv/core/portal/home>

44. DECLARATIONS OF INTEREST

Councillor Sheppard declared a personal interest as he was Chair of the Planning Board so was technically involved with the Community Infrastructure Levy from the Planning Board perspective.

45. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

There were no questions from members of the public.

46. COMMUNICATIONS

There were none.

47. MINUTES OF THE PREVIOUS MEETING HELD ON 14TH FEBRUARY, 2019

Resolved:- (1) That the minutes of the previous meeting of the Improving Places Selection Commission held on Thursday, 14th February, 2019 be deferred due to a number of comments having been received after the agenda had been published.

(2) That the minutes of the previous meeting be included for consideration as part of the agenda pack for the meeting scheduled for Thursday, 18th April, 2019.

(3) That prior to consideration of the minutes in April, 2019, further information be provided to the Select Commission on the outcome of the decision with funeral directors and circulation of the Project Liaison Group minutes.

48. UPDATE ON THE ROTHERHAM COMMUNITY INFRASTRUCTURE LEVY

Consideration was given to the report introduced by Councillor Lelliott, Cabinet Member for Jobs and the Local Economy, which provided an update on the implementation of the Rotherham Community Infrastructure Levy (CIL), which was a financial charge via the Planning system, introduced as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area.

The Community Infrastructure Levy was introduced by the Planning Act 2008 and adopted by the Council in 2017 and was intended to largely replace Section 106 agreements on individual planning permissions. It was intended to help to fund infrastructure such as:-

- Extra school places
- Road improvements
- Public transport improvements
- Better green spaces

Rotherham's CIL was prepared in tandem with the Local Plan Core Strategy. The strategy included an Infrastructure Delivery Plan summarising what infrastructure was required to support Local Plan growth. Government regulations set out that the Council could only spend CIL income on infrastructure to support the development of its area. It could not be used for general funding. CIL would help to fund this infrastructure, however, the total cost of the infrastructure required (£50m) far exceeded the likely income from CIL (£15m). Therefore, other sources of funding would still be required and the Council will have to prioritise how CIL income was spent.

With the aid of powerpoint Bronwen Knight, Acting Assistant Director for Planning, Regeneration and Transport, and Andy Duncan, Acting Head of Planning and Building Control, provided a presentation which detailed the aim to deliver a local plan development plan to guide all future development.

The presentation covered:-

- Strategy and sites to deliver growth.
- Rotherham Local Plan – Core Strategy.
- Rotherham Local Plan – Sites and Policies.
- Employment Growth Areas.
- Housing Growth Areas – Regulation 123 List.
- Local Plan Housing Sites.
- Why CIL was needed – 83 new housing sites, 36 employment sites and 30,200² m retail floorspace.
- Community Infrastructure Levy – implemented July, 2017.
- Rotherham CIL Documents – Charging Schedule, Regulation 123

- List and Instalments Policy.
- Rotherham CIL Charge Rates.
- Rotherham Residential Charging Zones.
- When CIL applied
- When CIL did not apply.
- New Infrastructure.
- Example - RAG rating for schools.
- Regulation 123 List.
- Projected CIL Income – Estimate £14.7 million for the plan period = £1.3 million per year.
- CIL income received to date.
- How CIL spent was spent – Strategic (85%), Local (15%) and Admin (5%).
- CIL spend approval route.
- Payments to Parish Councils.
- CIL and Neighbourhood Planning.
- CIL income due to Parishes.
- How Parishes could spend CIL.
- Parishes supporting development.
- Parish spend of CIL.
- Parish CIL reporting – annual statement.
- Benefits of CIL over Section 106 Agreements.
- Section 106 Agreements.
- Section 106 Account in last five years.
- Section 106 spend in last five years.
- Changes to CIL and Section 106 Agreements.

A discussion and a question and answer session ensued and the following issues were raised and subsequently clarified:-

- ❖ Payments to Parish Councils of either 15% or 25% and whether it was possible to pool together CIL for joint infrastructure projects to get maximum return.

There was scope in the regulations to pool on negotiation to support a scheme.

- ❖ Decision making process for non-parished areas and whether Ward Members could be involved or views sought.

The views of Ward Members would be taken on board.

- ❖ How do Rotherham's CIL regulations compare with others in South Yorkshire.

Other authorities were comparable with Rotherham being a little cheaper than Sheffield and the same as Bassetlaw. Part of the decision for CIL had looked at other areas and demand.

- ❖ Payment of CIL to Parish Councils and whether there were checks and balances on high expenditure items.

Accrued CIL was issued direct to Parish Councils on a six monthly basis and any money owed had to be paid. The only restriction placed on funds was for it to be spent on infrastructure to support local development.

- ❖ CIL would provide financial support for community infrastructure for development in a particular community, but was there any consultation for non-parished areas.

Consultation would take place with local communities, including Ward Members and neighbourhood partnerships and CIL would be provided for those areas.

- ❖ Catcliffe Parish Council's precept would be impacted on with the new Waverley Parish Council. Could the funds due to them from CIL support their revenue to help maximise their loss.

The 15% of CIL due to Catcliffe must be spent on infrastructure development and this would have to be evidenced in the area.

- ❖ Oversight of the regulations and timeframes for CIL would be undertaken by the Housing and Regeneration Programme Delivery Board, but what happened if companies went bankrupt.

CIL had to be paid upfront to safeguard when development began on site. Developers had a certain time limit to notify the Council and in not doing so faced a stringent fine on top of the CIL.

The Housing and Regeneration Programme Delivery Board was not politically influenced or biased and all decisions made were fair and equitable.

- ❖ How were the CIL charging rates determined when supermarkets paid £60 and retail warehouses only paid £30.

The rates for CIL were derived following technical work with consultants about market rates, viability and land costs and looked at typical land values resulting in a benchmark for the borough.

- ❖ For Parishes adopting a neighbourhood plan would parishers pay less precept.

Adoption of a neighbourhood plan would result in a Parish Council being eligible for 25% of CIL. However, this was a separate regime to the parish precept and this would not be affected by the charge.

- ❖ As there were no adopted neighbourhood plans in the borough payments to parishes were calculated at 15% with up to 5% retained by the Council to cover the cost of applying the charge. Did this 5% come from the strategic or the local CIL.

The Council could potentially use some of the income from CIL to administer at that point. This would be an amount up to 5% and any leftover would transfer into the general pot.

- ❖ Would Parish Councils suffer from paying an administration charge or would they get their full 15% local CIL.

Up to 5% of CIL could be used by the Council to administer the process. At which point the administration charge was deducted would be clarified further.

- ❖ Would affordable housing bought by Local Authority be liable for CIL (example properties in South Anston) and would reducing the number of properties, therefore, reduce the CIL.

Properties would need to meet the defined criteria to be exempt and meet the definition for affordable housing. This would then deem them exempt from a CIL payment.

- ❖ In terms of Parish Council infrastructure works would a cemetery extension fall into this remit.

The monies paid to Parish Councils were somewhat flexible and if it could be evidence and demonstrated that this was infrastructure then this was within the rules. The Council was happy to work with Parish Councils to help them understand the rules and provide guidance on suggested proposals.

- ❖ Why had it taken six months for CIL payments to commence when the framework was approved in 2017.

There was a six month lead in time for developers and to get the logistics for CIL put into place given the complexities of the software package. These were the reasons for the delay.

- ❖ Why was there no reference to demand and income or mention of increases in the child birth rate.

CIL was directly related to new housing and new employment sites which required new infrastructure to support the development that was going to go ahead.

Local plan sites were directly related to population growth and this was about developers contributing to infrastructure requirements that the Council could collect from this process.

- ❖ Section 106 funds had to be given back if it was not used. Did this apply to CIL money and would this money be used to contribute towards any grants applied for within a pool if CIL money was left for several years.

Section 106 funds for new school places had to be used within five years. In terms of CIL pooled funds there was a grants gap of around £50 million, but CIL would only amount to about £15 million. It could be used as match funding to gain Government grants and maximise the potential for use in communities.

- ❖ If CIL was not spent would this disadvantage communities that did not have a Parish Council or could it just end up in a bigger pot.

CIL money had to be spent on communities. Work would take place with neighbourhoods, Parish Councils and non-parished areas to ensure everyone had a say on how this money was spent in their area.

- ❖ How was it decided on how many houses could be built and when did the charge for CIL commence.

Planning permission would specify how many houses would be built on a development. The CIL charge was made on individual properties.

- ❖ What were the reasons for the differences in charges between the £55 and the £15 larger amount in certain areas.

The scale of charges was based on the viability of that particular area and cost of particular sites. Land values were higher in Wickersley and the values and build costs were determined on how much an area could stand. This was the reason for this tiered charging process.

- ❖ Was there a difference for CIL if land was being sold and additional pieces of lesser value were included.

If both pieces of land were in the same area the same CIL rate was applied, but this was subject to land values and the charges set to make developments more affordable.

- ❖ Why was the CIL charge for Bassingthorpe Farm much cheaper than Wickersley - £55 and £15 was the difference.

- ❖ The Bassingthorpe Farm ground conditions required some remedial work and the building out of this development would require huge infrastructure costs.

- ❖ How was the Rotherham CIL Charging Schedule adopted and were Members involved in the decision making for CIL.
- ❖ The Rotherham CIL Charging Schedule was adopted by Council. Discussion would take place with Cabinet and Ward Members prior to the Housing and Regeneration Programme Delivery Board considered CIL spend. The Board would need some political input, but within an open and transparent process.
- ❖ Was there a rationale behind the breakdown of Section 106 spend by service area as the lowest appeared to be Transportation.

The spend by service area needed SYPTE and Transportation to be considered together. It was normal for £500 to be sought per property towards sustainable travel and the costs were then taken as a whole.

Resolved:- (1) That officers be thanked for their very informative presentation.

(2) That the contents of the report be noted.

(3) That any updates on the progress of Neighbourhood Plans and on the Infrastructure Development Group with Ward Members be reported to the Improving Places Select Commission.

(4) That clarification be provided to the Improving Places Select Commission on the stage at which the administration charges up to 5% were deduced from CIL.

49. DATE AND TIME OF THE NEXT MEETING

Consideration was given to the date and time of the next meeting and in doing so the Commission were also asked to give some thought about the Work Plan for 2019/20. Any suggestions should be sent through to the Scrutiny Adviser.

Resolved:- That the next meeting of the Improving Places Select Commission take place on Thursday, 18th April, 2019 commencing at 1.30 p.m.