

BOROUGH OF KETTERING

Committee	PLANNING POLICY	Item 7	Page 1 of 3
Report Originator	Head of Development Services	<i>Fwd Plan Ref No:</i>	
Wards Affected	All Wards	31 st July 2014	
Title	COMMUNITY INFRASTRUCTURE LEVY		

1. PURPOSE OF REPORT

To make Members that officers are undertaking a further review of the Community Infrastructure Levy (CIL) ahead of a recommendation as to whether the Council should progress a CIL charge for Kettering Borough.

2. INFORMATION

Background

- 2.1 In 2010 the Government introduced legislation to enable local authorities to introduce a Community Infrastructure Levy (CIL). CIL is a standard pre-set charge which local planning authorities are empowered, but not required, to charge on all new developments over a minimum size. It is intended to replace most Section 106 Agreements.
- 2.2 CIL is a charge levied on new buildings and extensions to buildings according to their floor area. The rate is based upon a charging schedule set by the local authority. The charging schedule is set only after a formal process, concluding in an Examination in Public. In setting and revising a charging schedule, it requires that local authorities monitor sales values, build costs and developer activity. CIL can not be revised without going through that process again. Finance raised from development is to help fund strategic and local infrastructure, such as highways improvements, schools, leisure facilities and other community facilities.
- 2.3 Members may recall that a detailed report was presented to this Committee on 7 November 2013 (Minute 13.PP.31 refers). At that meeting concern was expressed over uncertainties caused by changing regulations; the high estimated cost of implementing CIL; and the low level of anticipated receipt likely. As a result, it was agreed that the Council put preparing a CIL charge for the Borough on hold, and review the changing regulations in six months time. The six month period has now been reached, and as a result officers are reviewing the costs and benefits of approving a CIL charge for Kettering Borough.
- 2.4 However, since CIL was last discussed at Committee there has been a further review of CIL Regulations. These will be reported, to the next meeting on 3rd

BOROUGH OF KETTERING

Committee	PLANNING POLICY	Item 7	Page 2 of 3
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September, together with the costs and benefits of implementing CIL in Kettering Borough.

3. CONSULTATION AND CUSTOMER IMPACT

- 3.1 No consultation has been undertaken in preparing this update however, should the Council decide to progress with a Community Infrastructure Levy, then wide-spread consultation with the development industry partner agencies, town and parish councils, and the public will be necessary. Equally, discussions with these groups will be necessary around the implications of not progressing with CIL.

4. POLICY IMPLICATIONS

- 4.1 Contributions paid by developers under the planning obligations system have a wide impact on the area.
- 4.2 The existing planning obligations system is covered by Section 106 of the Town and Country Planning Act 1990. The policy basis is now set out in paragraphs 203 to 206 of the National Planning Policy Framework. The legislative basis for CIL is contained in Part 11 of the Planning Act 2008 as amended by the Localism Act 2011, and the Community Infrastructure Levy Regulations 2010 which came into force on 6th April 2010 and were amended 6 April 2011 to incorporate the changes made by the Localism Act 2011.

5. USE OF RESOURCES

- 5.1 No resources, beyond that of staff time, have been used in the preparing of this report.

6. RECOMMENDATION

That the contents of this report be noted.

Background Papers:

Date: October 2012
Title of Document: Planning Policy Committee – Item 6 Community Infrastructure Levy
Date: 7 November 2013

BOROUGH OF KETTERING

Committee	PLANNING POLICY	Item 7	Page 3 of 3
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Title of Document: Planning Policy Committee – Item 8 Preliminary Draft
Community Infrastructure Levy Charging Schedule

Date: 23 October 2012

Title of Document: DCLG – Community Infrastructure Levy: Consultation on further
Regulatory Reforms – Government Response

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