



**Environment & Transport Select Committee
15th December 2014**

Community Infrastructure Levy Overview

Purpose of the report: Scrutiny of Services and Budgets/Policy Development and Review

The report updates Members on the current preparations for the introduction of the Community Infrastructure Levy across Surrey, the experience to date of those authorities who have already adopted the Levy and the governance arrangements that are currently in place and those that are proposed.

Introduction:

1. The Community Infrastructure Levy is the Government's preferred approach to the collection of developer contributions to fund the provision of infrastructure in support of new development in each area.
2. The Community Infrastructure Levy (CIL) was introduced in 2010 with the intention that from April 2014 (extended to April 2015) the majority of planning authorities would have adopted the Levy.
3. As at the date of this report some 39 authorities across the country have adopted CIL with a large number anticipating adopting before April 2015 and a number of others likely to adopt by April 2016.
4. In Surrey two authorities have commenced collection (Elmbridge in 2013 and Epsom & Ewell in 2014) with the remainder anticipating collection from April 2015, with the exception of Reigate & Banstead (anticipated April 2016) and Guildford, Runnymede and Mole Valley some time later.

Surrey Overview

5. In Surrey the current planning authority CIL preparation is as follows –

Elmbridge – adopted and introduced in April 2013.

Epsom & Ewell – adopted and introduced in July 2014

Surrey Heath – adopted July 2014 and introduction anticipated December 2014
Tandridge – adopted July 2014 and anticipated introduction December 2014, subject to outcome of judicial review
Woking – adoption anticipated December 2014 and introduction anticipated April 2015
Spelthorne – adoption anticipated December 2014 and introduction anticipated April 2015
Mole Valley – Draft Charging Schedule to be republished and anticipated introduction December 2015
Reigate & Banstead – revised consultation December 2014 and introduction anticipated March 2016
Runnymede – Charging Schedule withdrawn due to local plan difficulties
Waverley – consultation suspended due to local plan difficulties
Guildford – preliminary consultation anticipated December 2014

and a chart of the progress is shown at Annexe 1 to this report.

6. Clearly the adoption and introduction of the CIL regime are very much dependent upon whether the particular planning authority has an up to date and adopted Local Plan because CIL cannot be introduced unless an up to date Plan is in place, hence the additional delay in introduction in areas such as Runnymede, Waverley and Guildford.

Experience and Governance to date

7. **Elmbridge** were the first authority to both adopt and commence collection of CIL, in April 2013, and governance arrangements were put in place in relation to how CIL would be allocated and spent.
8. For the strategic CIL monies a Strategic Spending Board of Members has been established by Elmbridge and the first meeting took place on 29th September 2014.
9. A number of bids were made to the Board and all the following schemes were successful -

Esher Transport Study	£50,000
Burwood Road School safety measures	£85,000
Long Ditton Schools safety measures	£90,500
Fairmile Lane safety improvements	£22,500
Stoke Road speed management measures	£10,000
Oxshott speed management measures	£25,000
Burhill Primary School expansion	£150,000
10. The one scheme that was not found to be acceptable was the Terrace Road cycle path scheme at £330,000 which was considered too expensive and it was felt did not meet the needs of the local population.
11. All County Council schemes have to be initially approved by the Elmbridge Local Committee before they are submitted as bids to the Strategic Spending Board.

12. All decisions of the Strategic Spending Board are then taken forward as recommendations to Elmbridge's Cabinet for final decision.
13. With regard to the spending of the 'meaningful proportion' of CIL (up to 25%) which has to be handed down to communities, settlement-specific Spending Boards have been created for the designated settlement areas, the release of such funds being contingent on having a clear delivery plan in place.
14. Although **Epsom & Ewell** have commenced the collection of CIL detailed discussions have yet to take place as regards how the governance arrangements will work going forward and what role the Local Committee will have in the process.
15. With regard to **Woking** whilst they have yet to commence the collection of CIL detailed discussions have taken place as regards how governance will operate in their area and a report is being taken to the newly constituted Joint Local Committee on 3rd December which will seek to introduce a process whereby the Joint Local Committee will determine the spending of CIL, once the CIL regime is in operation.
16. Clearly there are a number of different models for governance that could be introduced by each of the authorities but at present it is considered that the Woking model is one that appears to offer the most open and transparent collaborative process for deciding which schemes the CIL monies should be used to support.
17. Indeed in Elmbridge's report to their Cabinet in June 2013 they stated that "the potential to use Surrey Local Area Committees for such purposes was examined and while there would be obvious resource benefits in utilising an existing committee, a number of potential barriers have been identified in doing so".
18. "These local committees are constituted by Surrey County Council and voting restrictions apply to district/borough members". "At present, district/borough functions could only be voted on by local committees if the function was delegated to the County Council, who in turn would delegate to the local committees". "In terms of CIL, this would require the transfer of powers currently held by Elmbridge, as the designated charging authority, to the County Council".
19. The Local Committee model now operating in Woking could allay some of the fears and procedural difficulties expressed so it will be dependent on how this new "joint" committee works in Woking as to whether Elmbridge, or any other authority, considers the model to be something they could adopt in their areas.
20. Over the coming months it is anticipated that detailed discussions will be undertaken as regards the governance arrangements in those areas where the CIL regime is soon to be adopted.

Conclusions:

21. There has been an enormous amount of collaborative working undertaken to date with local authority colleagues in the run up to their adoption and collection of CIL, but there remains a considerable amount of work still to be undertaken before the remaining authorities are in a position to take forward their CIL regime.
22. This report has deliberately focussed upon the adoption and governance of CIL rather than the detailed technical work currently being undertaken by County Council colleagues with each of the authorities who are still to adopt Local Plans, Infrastructure Delivery Plans, CIL Charging Schedules and Regulation 123 Lists, the documentation that needs to be in place before CIL can be collected.
23. The Levy is very much a planning authority regime and as such a high level of collaborative working is required at both officer and political level to ensure that the provision of infrastructure to support development in each of the areas is able to be secured and provided at the required time, utilising CIL as one of the funding streams.
24. As the report highlights the authorities in Surrey are at different stages in their preparations for CIL and as a result the adoption and collection of CIL will be subject to a variety of timescales and could, as a result, affect the ability of the County Council to support development in each of the areas by securing and providing infrastructure within the required timeframe.
25. As a result careful monitoring of the impacts of the timescales upon such infrastructure delivery will be required, going forward.

Recommendations:

26. It is recommended that the Select Committee endorse:
 - a) The continued collaboration with Borough and District colleagues in their preparation of Local Plans, Infrastructure Delivery Plans, CIL Charging Schedules and Regulation 123 Lists.
 - b) Officers continued collaboration with Borough and District colleagues on draft CIL documentation to ensure the County Council is able to support development in each of the areas by securing and providing infrastructure at the required time.
 - c) Officers continuing to seek agreement as to how the governance regime for CIL will operate in each of the areas by way of a memorandum of understanding or other suitable agreement, and
 - d) The further work required to secure a suitable governance regime in each of the areas, in the light of the possible different models for governance, given that the Woking model is one that appears to offer

the most open and transparent collaborative process for deciding which schemes CIL monies should support.

Next steps:

27. The next steps are:

- Officers continue to monitor the progress of CIL adoption across Surrey
- The County Council continues to collaborate with Borough and Districts as regards the preparation of their CIL documentation, including any necessary agreements as to how the CIL allocation process will work in each of the areas, and
- Officers bring back a further progress report, post April 2015

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Sources/background papers:

- Community Infrastructure Regulations 2010 (as amended)

Consultees:

- Trevor Pugh – Strategic Director Environment & Infrastructure
- Dominic Forbes – Planning & Development Group Manager