



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and Date of Committee	OVERVIEW AND SCRUTINY COMMITTEE – 17 JULY 2024 EXECUTIVE – 22 JULY 2024
Subject	COMMUNITY INFRASTRUCTURE LEVY (CIL) DRAFT CHARGING SCHEDULE
Wards Affected	ALL
Accountable Member	Councillor Charlie Maynard – Executive Member for Planning and Sustainable Development Email: charlie.maynard@westoxon.gov.uk
Accountable Officer	Charlie Jackson – Assistant Director, Planning and Sustainability. Email: charlie.jackson@publicagroup.uk
Report Author	Chris Hargraves – Planning Policy Manager. Email: chris.hargraves@westoxon.gov.uk
Purpose	To consider a draft CIL charging schedule which has been prepared in response to updated viability evidence.
Annexes	Annex A – Draft CIL Charging Schedule (June 2024) Annex B – CIL Viability Report (May 2024)
Recommendations	That the Executive resolves to: <ol style="list-style-type: none">1. Approve the Community Infrastructure Levy Draft Charging Schedule (DCS) attached at Annex A for the purposes of a six-week period of public consultation in accordance with the Community Infrastructure Levy Regulations 2010 (as amended);2. Delegate authority to the Planning Policy Manager to make any minor factual/typographical amendments to the CIL Draft Charging Schedule (DCS) following consultation with the Executive Member for Planning and Sustainable Development, prior to publication;

	<p>3. Recommend to Council to delegate authority to the Planning Policy Manager to submit the CIL charging schedule for independent examination in accordance with the Community Infrastructure Levy Regulations 2010 (as amended) including any minor modifications, following consultation with the Executive Member for Planning and Sustainable Development, subject to there being no significant issues raised during the six-week consultation period; and</p> <p>4. Ensure that appropriate mechanisms are put in place to enable Town and Parish Councils to meaningfully contribute with regard to potential Section 106 planning obligations when these are being negotiated.</p>
Corporate Priorities	<ul style="list-style-type: none"> • Putting Residents First • A Good Quality of Life for All • A Better Environment for People and Wildlife • Responding to the Climate and Ecological Emergency • Working Together for West Oxfordshire
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Subject to the approval of Members, the draft CIL charging schedule attached at Annex A will be published for a 6-week period of public consultation.

1. INTRODUCTION

- 1.1** Members will be aware that the Community Infrastructure Levy (CIL) is a charge that may be levied on most forms of development to help fund infrastructure.
- 1.2** Despite several previous public consultations, CIL has not been adopted in West Oxfordshire and so last year, Members agreed that fresh viability evidence should be commissioned with a view to public consultation taking place on a new CIL draft charging schedule.
- 1.3** That viability evidence has now been completed and a new draft charging schedule has been prepared.
- 1.4** The purpose of this report is to summarise the main outcomes of the viability work and the updated draft CIL charging schedule.

2. BACKGROUND

- 2.1** The Community Infrastructure Levy (CIL) is a charge that may be levied on most forms of development to help fund the infrastructure that is needed to support the future growth of an area. CIL is intended to complement Section 106 planning obligations.
- 2.2** Subject to certain exceptions, CIL is generally payable on all new dwellings and on other forms of development which involve the creation of more than 100m² net additional floorspace. The amount charged through CIL must be based on evidence of viability to ensure that it does not hinder development from coming forward.
- 2.3** CIL rates must be set out in a document called a 'Charging Schedule' which explains what types of development are liable for CIL and the relevant rates that apply. Rates are expressed as pounds (£) per square metre.
- 2.4** An initial CIL charging schedule was submitted for examination in 2015 but suspended alongside the Local Plan in 2016. A revised CIL charging schedule was then published in January 2017 but not progressed to examination as the Local Plan Inspector did not want to examine CIL and the Local Plan concurrently.
- 2.5** Further consultation took place in 2020 but the draft charging schedule at that time was not progressed to examination. Subsequently, last year it was agreed that new viability evidence should be commissioned to inform both CIL and in due course, the new Local Plan 2041.
- 2.6** The first stage of that viability work is now complete and has informed the preparation of a new draft CIL charging schedule.

3. DRAFT CIL CHARGING SCHEDULE

3.1 The new draft CIL charging schedule is attached at Annex A. It is based on the viability evidence attached at Annex B.

Proposed residential CIL rates

3.2 The draft charging schedule identifies the following CIL rates (£ per m²) for residential uses:

CIL Zone	£ per m ²	Notes
Residential District-wide (Greenfield)	£225	Includes mixed housing development (i.e. a mix of housing and flats). On-site affordable housing on 11+ units. Nil Affordable Housing on sites between 1-10 units. Affordable Housing financial contributions apply on sites between 6-10 units in the Cotswolds National Landscape (formerly AONB).
Residential District-wide (Previously developed land)	£125	As above.
100% Flatted only development District-wide	£25	Nominal rate.
Strategic Sites	£0	Nil rated.

3.3 Key points to note are that:

- In setting a single CIL rate for residential development on undeveloped greenfield sites and a single CIL rate for residential development on previously developed (brownfield) sites, the charging schedule reflects the Government’s Written Ministerial Statement¹ of 19 February 2024 and updated CIL Planning Practice Guidance² which state that higher residential CIL rates should not be set for developments which are not major developments on the grounds that these sites are not required to provide affordable housing contributions;

¹ <https://questions-statements.parliament.uk/written-statements/detail/2024-02-19/hcws264>

² <https://www.gov.uk/guidance/community-infrastructure-levy> - Paragraph 024

- The proposed rate for residential schemes on previously developed (brownfield) sites is lower (£125 per m²) than greenfield sites because of the additional costs associated with bringing such sites forward;
- 100% flatted developments have additional costs which warrant the application of a nominal CIL charge (£25 per m²);
- Strategic local plan sites (Salt Cross, West Eynsham, North Witney, East Witney and East Chipping Norton) are proposed to be CIL exempt because of the significant infrastructure costs associated with bringing such developments forward, which will be secured through other mechanisms including Section 106 agreements.

Proposed non-residential CIL rates

- 3.4 The draft charging schedule identifies the following CIL rates (£ per m²) for non-residential and commercial uses:

CIL Zone	£ per m ²	Notes
Large Format Retail e.g. Supermarkets, Foodstores, Retail Warehousing	£125	
All other non-residential development	£0	Nil rated

- 3.5 It is relevant to note that on viability grounds, the only form of ‘non-residential’ development which is able to support a CIL charge is large format retail such as supermarkets, foodstores and retail warehousing.

4. NEXT STEPS

4.1 The draft CIL charging schedule will be considered at a meeting of the Council’s Executive on 12 June 2024, and, subject to the outcome of that meeting, will then be considered by Full Council on 24 July 2024, after which point it will be published for a 6-week period of public consultation.

4.2 Following the consultation, the responses received will be considered and any necessary minor modifications to the draft charging schedule will be made before it is formally submitted for independent examination.

4.3 The examination stage is likely to involve a hearing session (noting that CIL examination hearings tend to be only 1 or 2 days) after which point the appointed CIL examiner will issue their report.

5. ALTERNATIVE OPTIONS

5.1 The District Council could choose not to progress CIL, but this would represent a missed opportunity to seek additional funding from new development towards the supporting infrastructure that is needed to support growth within the District.

6. FINANCIAL IMPLICATIONS

- 6.1 The progression of CIL to adoption will allow the District Council to charge qualifying developments with the CIL revenues received able to be spent on infrastructure provision as appropriate.
- 6.2 A proportion of future CIL receipts can be used to cover the relatively modest costs of consultation, submission, examination and adoption/implementation.

7. LEGAL IMPLICATIONS

- 7.1 The report raises no direct legal implications. Subject to the approval of Members, the draft charging schedule will be published for consultation and submitted for examination in accordance with legislative requirements.

8. RISK ASSESSMENT

- 8.1 The report presents no significant risks.

9. EQUALITIES IMPACT

- 9.1 Affordable housing schemes will be exempt from CIL and therefore the report is not considered to raise any particular implications for any of the characteristics protected under the Equality Act 2010.

10. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 10.1 The report raises no direct implications although a proportion of future CIL receipts may be spent on infrastructure projects that have a climate change and ecological focus.

11. BACKGROUND PAPERS

- 11.1 None.