



WEST OXFORDSHIRE  
DISTRICT COUNCIL

## WEST OXFORDSHIRE DISTRICT COUNCIL

Name and date of Committee	<b>EXECUTIVE – 8 MARCH 2023</b>
Subject	<b>COMMUNITY INFRASTRUCTURE LEVY (CIL) UPDATE</b>
Wards affected	All
Accountable member	Cllr Carl Rylett Executive Member for Planning and Sustainable Development Email: <a href="mailto:carl.rylett@westoxon.gov.uk">carl.rylett@westoxon.gov.uk</a>
Accountable officer	Andy Barge, Assistant Director Communities Email: <a href="mailto:andy.barge@publicagroup.uk">andy.barge@publicagroup.uk</a>
Report author	Chris Hargraves, Planning Policy Manager Email: <a href="mailto:chris.hargraves@westoxon.gov.uk">chris.hargraves@westoxon.gov.uk</a>
Summary/Purpose	To provide an update on the introduction of the Community Infrastructure Levy (CIL) in West Oxfordshire.
Annexes	None.
Recommendation(s)	That the Executive resolves to: a) Note the content of the report; and b) Agree that new viability evidence is commissioned to inform both a draft CIL charging schedule and the new West Oxfordshire Local Plan 2041.
Corporate priorities	<ul style="list-style-type: none"><li>• Putting Residents First</li><li>• A Good Quality of Life for All</li><li>• A Better Environment for People and Wildlife</li><li>• Responding to the Climate and Ecological Emergency</li></ul>
Key Decision	No
Exempt	No
Consultees/ Consultation	Any new draft CIL charging schedule would need to be subject to public consultation before being submitted for examination. The Local Plan 2041

	will also be subject to several periods of public consultation before being submitted for examination.
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## **1. INTRODUCTION**

- 1.1** Members will be aware that the Community Infrastructure Levy (CIL) is a charge which local planning authorities can impose on some forms of development (e.g. new housing) to fund new and enhanced infrastructure.
- 1.2** It is charged on a £per m<sup>2</sup> basis according to floor area and is intended to complement other forms of developer contributions including Section 106 legal agreements. CIL rates must be set out in a document known as a 'charging schedule'.
- 1.3** CIL is optional rather than mandatory with around 50% of local authorities having it in place. In Oxfordshire, Oxford City, South Oxfordshire and the Vale of White Horse have CIL in place whereas West Oxfordshire and Cherwell do not.
- 1.4** The purpose of this report is to provide Members with an update on the proposed introduction of CIL in West Oxfordshire and to agree the next steps towards this.

## **2. BACKGROUND**

- 2.1** There have been several previous attempts to introduce CIL in West Oxfordshire. A brief summary is provided below.
- 2.2** The Council's first draft CIL charging schedule was submitted for examination alongside the Local Plan in September 2015 but subsequently suspended alongside the Local Plan in January 2016.
- 2.3** Further consultation then took place on a revised CIL charging schedule in January 2017, with the intention being that it would be submitted for examination alongside the revised Local Plan. However, the Local Plan Inspector advised that he did not wish to examine both CIL and the Local Plan at the same time.
- 2.4** Following the formal adoption of the Local Plan in September 2018, CIL was picked up afresh, with consultants NCS appointed in summer 2019 to produce new viability evidence. Because of Covid-19 there was a delay and public consultation on a draft CIL charging schedule took place in July 2020.
- 2.5** Around 170 responses were received, many of which objecting to the proposed exemption of the Local Plan strategic housing sites from having to pay CIL.
- 2.6** In August 2020, the Government's Planning White Paper outlined an intention to abolish CIL in favour of a new, nationally set infrastructure levy. This was further confirmed in the Queen's speech of May 2021. Subsequently, in September 2021, Cabinet agreed that any further progress with CIL should be held in abeyance.

2.7 In May 2022, the Government's Levelling Up and Regeneration Bill further confirmed the Government's intention to replace CIL with a national levy. However, because of the likely length of any transitional arrangements, Cabinet agreed in May 2022 that progress with CIL should be picked up again with the previous consultants NCS to be invited to update their earlier viability study from 2020.

### **3. PROGRESS UPDATE**

3.1 Following the decision of Cabinet last year, there have been a number of delays which have meant that the previous NCS viability work has not yet been updated. Initially this was because NCS advised that a complete update would be required rather than the partial update initially envisaged by Officers.

3.2 Officer resources were then focused on the 'Your Voice Counts' joint Local Plan and Council Plan consultation which took place in August – September and subsequently public consultation on proposed Main Modifications to the Salt Cross Garden Village AAP which took place from September to November.

3.3 It is anticipated that the AAP will be formally adopted during the spring and further consultation on the Local Plan will follow later this year.

### **4. RECOMMENDED WAY FORWARD**

4.1 Given the delay since the previous Cabinet decision in May last year, the previous NCS viability evidence is now over 2 years old, having been finalised in January 2020.

4.2 It is also pertinent to note that the new West Oxfordshire Local Plan 2041 will need to be accompanied by viability evidence to demonstrate at examination that the policies and proposals contained within it are effective and deliverable.

4.3 In light of the above, Officers are now of the view that it would be appropriate to undertake a completely fresh procurement exercise and invite quotations for new viability evidence that would initially inform public consultation on a draft CIL charging schedule and subsequently inform the preparation of the new Local Plan.

4.4 The indicative timescales are anticipated to be as follows:

- March 2023 – request for quotations
- April – May 2023 – appointment of consultants and preparation of initial viability evidence to inform draft CIL charging schedule
- June 2023 – consultation on CIL draft charging schedule
- August 2023 – submission of CIL draft charging schedule for examination
- August / September 2023 – preparation of viability assessment for local plan preferred policy options
- October/November 2023 – consultation on local plan preferred policy options
- November 2023 – CIL examination

- Spring 2024 – adoption of CIL charging schedule and preparation of viability assessment for Regulation 19 submission draft Local Plan
- May/June 2024 - publication of Regulation 19 submission draft Local Plan
- October 2024 – Local Plan submitted for examination
- Mid-2025 – formal adoption of Local Plan

## **5. CONCLUSIONS**

- 5.1 Given the ‘stop-start’ nature of previous attempts to introduce CIL into West Oxfordshire, the relative age of the Council’s most recent viability evidence and the need for the new Local Plan to be supported by evidence of viability, commissioning something afresh to inform both CIL and the Local Plan is considered to be the most pragmatic and cost-effective way forward.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The commissioning of new viability evidence has financial implications but budget has been set aside to facilitate the preparation of the new Local Plan including the cost of supporting technical evidence. It is also relevant to note that a proportion of any future CIL receipts can be put towards the cost of implementation.

## **7. LEGAL IMPLICATIONS**

- 7.1 The report raises no direct legal implications.

## **8. RISK ASSESSMENT**

- 8.1 There are two main risks. The first is progressing the CIL charging schedule or new Local Plan to examination in the absence of up to date viability evidence which presents a risk of them being rejected by the Examiner/Inspector.
- 8.2 The second risk relates to prospective changes to national policy with the Government’s emerging Levelling Up and Regeneration Bill confirming the Government’s intention to replace CIL with a new form of infrastructure levy.
- 8.3 However, because the details of any such levy are yet to be confirmed and is likely to be accompanied by lengthy transitional arrangements, making progress with CIL in the interim is considered appropriate. Any updated viability evidence will also feed into the new Local Plan 2041.

## **9. ALTERNATIVE OPTIONS**

- 9.1 The Council could choose not to make any further progress with CIL and instead, await further details of the Government’s proposed replacement – the infrastructure levy.

## **10. EQUALITIES IMPACT**

- 10.1 The report raises no direct implications for any people who share a protected characteristic. The Local Plan will be the subject of a separate Equalities Impact Assessment as it reaches a

more advanced stage. There is no requirement to subject a draft CIL charging schedule to any such assessment.

## **11. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

**11.1** The report raises no direct climate or ecological implications. The climate and ecological emergencies are anticipated to underpin the new Local Plan and it may be the case that future CIL receipts are able to be spent on climate/ecology related infrastructure projects such as flood risk mitigation and green infrastructure.

## **12. BACKGROUND PAPERS**

**12.1** None.

(END)