

meeting papers

Environment Committee

Tuesday, 4 February 2014
7.00 pm



INVESTOR IN PEOPLE



For Agenda enquiries contact:	Judy Balfe, Democratic Services and Elections Officer Tel: 01453 754351 Email: judy.balfe@stroud.gov.uk
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23 January 2014

ENVIRONMENT COMMITTEE

A meeting of the Environment Committee will be held on **Tuesday, 4 February 2014** in the Council Chamber, Ebley Mill, Ebley Wharf, Stroud at **7.00 pm.**



David Hagg
Chief Executive

AGENDA



Please Note: This meeting will be filmed for live or subsequent broadcast via the Council's internet site (www.stroud.gov.uk). The whole of the meeting will be filmed except where there are confidential or exempt items, which may need to be considered in the absence of the press and public.

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If you have any queries regarding the above, please contact the officer named at the top of this agenda.

1. **APOLOGIES**

2. **DECLARATIONS OF INTEREST**
To receive declarations of interest.

3. **MINUTES**
To confirm and sign as a correct record the Minutes of the meeting held on 5 December 2013.

4. PUBLIC QUESTION TIME

The Chair of the Committee will answer questions from members of the public, submitted in accordance with the Council's procedures.

**DEADLINE FOR RECEIPT OF QUESTIONS
Noon on Thursday, 30 January 2014**

Questions must be submitted in writing to the Chief Executive, Democratic Services, Ebley Mill, Ebley Wharf, Stroud and sent by post, by fax (01453 754957), or by Email: democratic.services@stroud.gov.uk

5. BUDGET MONITORING REPORT 2013/14

To note the outturn forecast for the General Fund Revenue budget and the Capital Programme for 2013/14.

6. COMMUNITY INFRASTRUCTURE LEVY: PRELIMINARY DRAFT CHARGING SCHEDULE

To approve the CIL preliminary draft charging schedule for the purposes of undertaking public consultation.

7. DESIGNATION OF NEIGHBOURHOOD PLANNING AREAS

To consider the nomination of four Neighbourhood Planning Areas affecting the parishes of Cam, Dursley, Hardwicke and Standish.

8. MULTI-SERVICE CONTRACT - UPDATE

To receive an oral update on the Multi-Service Contract.

9. PERFORMANCE MONITORING

To receive an oral report from the Committee's performance monitoring representative.

10. STROUD CONCORDAT

To nominate a Member to represent Committee at the Stroud Concordat.

11. WORK PROGRAMME

To consider the Committee's Work Programme for 2013/14 and update accordingly.

12. MEMBERS' QUESTIONS

See Agenda Item 4 for deadline for submission.

DATE OF NEXT MEETING - Thursday, 13 March 2014

The Committee Membership for 2013/14 Civic Year is as follows:

Councillor Simon Pickering (Chair)
Councillor Paul Smith (Vice-Chair)
Councillor Liz Ashton
Councillor Paul Denney
Councillor Chas Fellows
Councillor Nick Hurst

Councillor Haydn Jones
Councillor Graham Littleton
Councillor Stephen Moore
Councillor Roger Sanders
Councillor Brian Tipper
Councillor Martin Whiteside

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ENVIRONMENT COMMITTEE

5 December 2013

7.00 pm – 8.40 pm

Council Chamber, Ebley Mill, Stroud

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Minutes

Membership:

Councillor Simon Pickering (Chair)	P	Councillor Haydn Jones	P
Councillor Paul Smith (Vice-Chair)	P	Councillor Graham Littleton	A
Councillor Liz Ashton	P	Councillor Stephen Moore	A
Councillor Paul Denney	P	Councillor Roger Sanders	A
Councillor Chas Fellows	P	Councillor Brian Tipper	P
Councillor Nick Hurst	P	Councillor Martin Whiteside	P

P = Present

A = Absent

Officers Present:

Strategic Head (Development Services)
 Accountancy Manager
 Head of Environmental Health

Canal Project Manager
 Democratic Services and Elections Officer

EC.035

APOLOGIES

Apologies for absence were received from Councillors Graham Littleton, Stephen Moore and Roger Sanders.

Members were updated on the health of Councillors Littleton and Moore and sent their best wishes. The Chair requested a Member to cover Councillor Moore's absence on performance management during his absence.

EC.036

DECLARATIONS OF INTEREST

There were none.

EC.037

MINUTES

RESOLVED

That the Minutes of the Meeting held on 31 October 2013 are confirmed and signed as a correct record. An amendment to minute EC.026, the last bullet point should have read "The cast iron yellow containers were duck tile and 150mm thick and could withstand being dropped from 6 metres."

EC.038 **PUBLIC QUESTION TIME**

There were none.

EC.039 **WORK PROGRAMME**

Members agreed that the following items be added/deleted from the Work Programme:-

4 February 2014

- Village Design Statement from Hardwicke Parish Council.
- Receive an oral update from Councillor Paul Smith on Performance Management.
- Dog Control Orders – Members Information Sheet will be produced (a report may be required for a future meeting).
- Defer to a future meeting a presentation from the Princes Trust.

13 March 2013

- Sustainable Urban Drainage.
- Listed Buildings – Review the Council's responsibilities in respect of English Heritage's Buildings at Risk Register.

RESOLVED **To note the Work Programme with the above amendments.**

EC.040 **REVIEW OF SERVICE DELIVERY OPTINS IN THE ENVIRONMENTAL HEALTH SERVICE**

The Head of Environmental Health outlined the above report and requested Committee to consider various options in relation to the fee income generated by the Environmental Health Service and outlined the potential impacts on demand and service users.

Clarification was given that up to three visits could be made to a residential property by a Pest Officer to survey and determine the best way to catch the mice/rats, lay bait a couple of times before the pests were eradicated at a cost of £45. The costs for residents included VAT but commercial properties excluded VAT. Members were concerned about this inconsistent approach for charging.

A Motion to move the Officer's advice was proposed by Councillor Simon Pickering and seconded by Councillor Paul Smith.

Councillor Paul Denney proposed an amendment to option (b): Pest Control. To now read "*Cease free treatment for rats, apart from those in receipt of benefits. Introduce a new charge of £45.00 for the treatment of rats at domestic premises and retain the existing fee structure for other pest control services.*" The last sentence of the paragraph should be deleted. The Motion was seconded by Councillor Liz Ashton.

A long debate ensued and concerns were raised about pests not being reported because of the costs to both residential and commercial premises. Residents who

4 FEBRUARY 2014

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Report Title	BUDGET MONITOR REPORT 2013/14
Purpose of Report	To present to the Environment Committee a forecast of the outturn position against its revenue budgets and capital programme for 2013/14.
Decision(s)	The Committee RESOLVES to note the outturn forecast for the General Fund Revenue budget and the Capital programme for 2013/14.
Consultation and Feedback	Budget holders have been consulted about the budget issues in their service areas. The feedback has been incorporated in the report to explain differences between budgets and actual income and expenditure.
Financial Implications & Risk Assessment	There are a number of variances identified in this report between revenue budgets and projected outturn. These will need to be considered by Strategy & Resources Committee when they review the overall General Fund projected outturn at their meeting in February 2014. David Stanley – Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk
Legal Implications	No direct legal implications arising from this report. Karen Trickey, Legal Services Manager and Monitoring Officer Tel: 01473 754369 Email: karen.trickey@stroud.gov.uk
Report Author	David Stanley, Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk
Options	None.
Performance Management Follow Up	Budgets will continue to be monitored on a monthly basis by budget holders supported by Finance. The outturn position reported in June 2014.
Background Papers and Appendices	General Fund Outturn 2012/13 Supplementary Paper on Service Committee Budgets 2013/14 Environment Committee Budget Monitor Report 2013/14 Q2 (September 2013)

Background

1. This report provides the third monitoring position statement for the financial year 2013/14. The purpose of this report is to notify members of any known significant variations to budgets for the current financial year, highlight any key issues, and to inform members of any action to be taken if required.
2. The report takes account of transactions up to 31 December 2013, with a projection of income and expenditure to the end of the financial year based on an assessment of known and predicted variations. Owing to the early timing of this report, it may be that additional financial information is available from budget holders later in January that would inform the outturn forecast. If, as part of our regular meeting with budget holders there is any further material variation on Community Services budgets, this will be reported to Strategy and Resources committee as part of the overall General Fund budget monitor report.
3. **Due to the volume of information contained in the report, it would be helpful where members have questions on matters of detail if they could be referred to the report author or the appropriate service manager before the meeting**

Revenue Budget position

4. The net General Fund Revenue budget for 2013/14, approved by council in February 2013, was £15.323 million. The budget has since increased to £15.147 million owing to the addition of carry forwards from 2012/13 and adjustments approved by Strategy & Resources committee in October 2013. Table 1 provides a reconciliation of the original budget to the latest budget for those budgets that Environment Committee is directly responsible for.

Table 1 – Reconciliation of Budget movements

Environment Committee	2013/14 Budget (£)
Original Budget	5,005,400
Add: Carry Forwards (S&R 28/06/13)	20,700
Add: Technical adjustments	(244,800)
Add: Pay and Price Inflation	(23,700)
Add: Budget Pressures/Efficiencies	(137,900)
Add: Accounting Adjustments	111,000
Latest Budget as at 31 December 2013	4,730,700

5. The monitoring position at 31 December 2013 shows a projected net **overspend** of £118,900 (2.2%) against the latest budget, as summarised in Table 2. It is worth noting that the variation is reported before any transfers to/from earmarked reserves (as these transfers fall under the remit of Strategy and Resources Committee). Within the Environment Committee's budgets, there is additional expenditure of £252,000 forecast that will be funded from earmarked reserves – Legal and Expert witness costs associated with the Javelin Park appeal, and expenditure on the Local Plan. Appendix A provides a detailed breakdown and explanation of significant variations.

Table 2 – Outturn Forecast

Environment Committee	Para Refs	2013/14 Latest Budget (£)	Budget Year to date (£)	Actual to 31 Dec 2013 (£)	Variance to 31 Dec 2013 (£)	2013/14 Projected Outturn (£)	2013/14 Projected Variance (£)
Canal		7,600	5,925	170,967	165,042	7,600	0
Carbon Management		151,900	114,775	55,741	(59,034)	144,400	(7,500)
Conservation		58,000	40,950	38,916	(2,034)	58,000	0
Environment Management		192,900	134,975	125,569	(9,406)	192,900	0
Environmental Health	10	947,600	663,802	578,795	(85,007)	869,100	(78,500)
Licensing		(72,200)	(57,600)	(74,854)	(17,254)	(72,200)	0
Development Control	11	75,900	16,850	(1,027)	(17,877)	222,700	146,800
Statutory Building Control	12	187,700	118,348	17,438	(100,911)	154,200	(33,500)
Strategic Planning of Local Plan	13	263,900	192,125	247,702	55,577	315,900	52,000
Economic Development		201,600	165,242	107,519	(57,723)	201,600	0
Waste and Recycling	14	2,100,900	1,360,705	1,198,459	(162,247)	2,141,700	40,800
Street Cleansing		605,300	409,029	357,055	(51,974)	604,100	(1,200)
Environment TOTAL		4,721,100	3,165,126	2,822,279	(342,846)	4,840,000	118,900

Areas of Risk and Uncertainty

6. The forecast outturn variance of **(£118,900) overspend** highlighted in paragraph 5 of this report is based on known and estimated outcomes. However, there remains a degree of uncertainty with the forecast variance, either because;
- There is insufficient data available at this stage of the financial year with which to estimate an outturn position
 - There are a number of different outcomes that may occur and it is difficult to predict with a degree of certainty which outcome is more likely
7. Listed below are the main areas of risk and uncertainty associated with the outturn forecast.
- **Development Control (Income)** – whilst we anticipate that the level of income should now exceed budget at the end of the financial year, it is generally difficult to predict with a degree of certainty and beyond the control of the service. Income comes from 2 main sources – small scale developments and householder fees; and large scale developments. Indications are that small scale/householder fees are on target, and we are anticipating 4 extremely large applications well

before the end of the financial year. The downside of this is that expenditure will increase on consultants, Counsel, and legal costs.

- **Development Control (Appeals)** – As reported in October, Urbaser Balfour Beatty have appealed against the County Council's decision to refuse planning permission for the incinerator at Javelin Park. An inquiry started on 19 November 2013 with a final decision expected summer 2014. Paragraph 11 of this report sets out the estimated costs associated with the appeal.

Virements and Reserve movements

8. No further virements or reserve movements are proposed.

Environment Capital Programme

9. A revised Capital Programme of £1.582 million for 2013/14 was approved by Council in January 2014. Table 3 below shows the capital monitoring position at the end of December 2013 and shows an estimated nil capital variation

Table 3 – Capital Outturn Forecast

Environment Capital Schemes	Para Refs	Total Budget (£)	Actual to Date (£)	Outturn Forecast (£)	Outturn Variance (£)
Canal		1,400,000	673,531	1,400,000	0
Carbon Management - Target 2050 Loans		150,000		150,000	0
Carbon Management - Invest to Save		32,000	1,300	32,000	0
TOTAL Capital		1,582,000	674,831	1,582,000	0

Table 4 – Outturn Forecast and breakdown of variation

Environment Committee	Para Refs	2013/14 Latest Budget (£)	2013/14 Projected Outturn (£)	2013/14 Projected Variance (£)	Underspends			Overspends		
					Salary Savings (£)	Under spends (£)	Income Surplus (£)	Salary Variations (£)	Over spends (£)	Income Shortfall (£)
Canal		7,600	7,600	0	0	0	0	0	0	0
Carbon Management		151,900	144,400	(7,500)	(1,000)	(6,500)	0	0	0	0
Conservation		58,000	58,000	0	0	0	0	0	0	0
Environment Management		192,900	192,900	0	0	0	0	0	0	0
Environmental Health	10	947,600	869,100	(78,500)	(29,800)	(18,700)	(30,000)	0	0	0
Licensing		(72,200)	(72,200)	0	0	0	0	0	0	0
Development Control	11	75,900	222,700	146,800	(30,000)	0	(73,200)	0	250,000	0
Statutory Building Control	12	187,700	154,200	(33,500)	(82,600)	(6,900)	0	0	0	56,000
Strategic Planning of Local Plan	13	263,900	315,900	52,000	0	0	0	0	52,000	0
Economic Development		201,600	201,600	0	0	0	0	0	0	0
Waste and Recycling	14	2,100,900	2,141,700	40,800	0	(9,800)	0	0	43,100	7,500
Street Cleansing		605,300	604,100	(1,200)	0	(6,400)	(100)	0	0	5,300
Environment TOTAL		4,721,100	4,840,000	118,900	(143,400)	(48,300)	(103,300)	0	345,100	68,800

10. Environmental Health – (£78,500) saving/income surplus

(Jon Beckett, xtn 4443), jon.beckett@stroud.gov.uk

During the year a number of **salary savings (£29,800)** have been identified. The sum comprises a number of factors as follows:-

- (i) The bursary for an Environmental Health Student to complete the practical element of their training through a placement at the Council has not been required as an existing member of staff is currently completing the practical element of their MSc in Environmental Health as part of a career progression programme.
- (ii) An Administrative Assistant post (Stroud 2) is currently being filled by an NVQ apprentice until they qualify, which has resulted in a salary saving.
- (iii) Another member of the admin team worked on a reduced hours basis prior to being seconded to a post in tenant services. The post has now been backfilled by a full time agency member of staff. There is temporary saving with a phased retirement (3 years) of the Principal Environmental Officer from July 2012; this is proposed to be filled by a current member of staff who is completing their professional qualification.
- (iv) **(£30,000)** of the variance relates to an **income surplus** within Land Drainage. This is due to the County Council (lead local flood authority) presently reviewing how they deliver their land drainage responsibilities and as a result of this they are currently contracting back part of this function relating to SDC for an annual sum of £20,000. There is also a further temporary arrangement whereby the Water Resources Engineer is commenting upon land drainage issues in the Forest of Dean and Gloucester area until they have recruited a new member of staff. This is being undertaken on a piecemeal basis and is likely to bring in a further income of approximately £10,000.
- (v) The remaining **(£18,700)** variation is due to small underspends in the following areas, mileage, equipment purchase, uniforms and stationary.

11. Development Control – £146,800 overspend

(Phill Skill, xtn 4345), phil.skill@stroud.gov.uk

There are several elements to this variation and relate to two distinct issues:

Firstly, as previously reported to the committee under the Risk and Uncertainty section in October, a **£200,000 overspend** is forecast on Planning Appeal costs. £150,000 of this is directly attributable to Javelin Park. The Council has a duty to defend refusals at planning appeals and these cases often require legal representation. Whilst we try to rely on our own staff as much as possible, experts may inevitably be required to cover some specialist areas. Also if officers have recommended permission, they cannot give evidence to the contrary, and external planning consultants are then needed. These appeal cases are being fought out during this financial year and have the potential to incur considerable expenditure. Equally these decisions are made by the Council on issues that are fundamental to the community, so the expenditure may be regarded as necessary and justifiable.

Secondly, as previously reported to the committee in October, there is a **net variation** of **(£53,200)** across the broad Development Control budget heading comprising salary variations, additional income and additional expenditure. The narrative below reflects the major variations across the service.

A **salary variation** of **(£30,000)** has arisen due to a revision of the Development Management structure. A provisional sum of £50,000 was budgeted to cover costs of additional posts; this increase was to be met by increasing fees from major applications. Meanwhile the Government announced relaxation of planning controls on single storey domestic extensions and a wide range of changes of use. As a consequence of these changes it was considered prudent to progress with all the additional posts, rather to reconfigure the current staff and introduce training posts. A systems thinking review has been undertaken to maximise staff resources and hence **(£20,000)** of this variation was 'removed' as a Budget and Efficiency saving in the budget papers considered by the committee at their meeting in December 2013.

In addition, an **income surplus** of **(£73,200)** has been identified. This is comprised of additional income of **(£23,200)** expected for charges for 'Pre-Application' discussions that were introduced this year. Application fee income is significantly above budget and an additional **(£50,000)** over and above original budget is forecast. There has been an increase in all types of fee paying applications from both smaller householder and major players. There are various reasons for this influx of applications. It is partly due to the general economic picture, promotion of growth in the national planning policy as well as the attractiveness of our District. But some applications have been purposely submitted to take advantage of the absence of a solid Local Plan. Some of these may be considered pragmatically using national policies but others may well go to appeal. Three massive applications are awaited between late January and April; even individually they could substantially sway income.

The rise in application fees points to potentially more appeals which are far more costly than their application fees. There is also a significant risk of having to pay the other sides costs if the case is not soundly defended. We have now started a long run of hostile appeals which will continue throughout 2014.

A corresponding **overspend** of **£50,000** has been identified attributable to extra consultants associated with achievement of any extra income. Occasionally external specialist consultants are needed to provide expertise on detailed matters.

12. Statutory Building Control – (£33,500) underspend (Phill Skill, xtn 4345), phil.skill@stroud.gov.uk

The overall underspend is made up of 2 significant variances.

It is forecast that the Staff costs budget will be **underspent by (£82,600)**.

This is due to a building control surveyor on maternity leave and deciding not to return to work and a building control technician who has resigned from her role and taken up a post in housing. Additional savings have also arisen due to the retirement of the area building control surveyor which has now led to a re-structure of Building Control, along with several business support roles within the team.

Building Control income budget projection is **£56,000 shortfall**. There has been an increase in income and the number of applications received over the same period last year but income is still lower than in 2011/12. Competition for building control contracts is also ever present. The service has not achieved its income target for a number of years but has managed to achieve modest surpluses over the past few years. The three quarters of this financial year has seen income levels approximately 8% up on last year with application numbers also up by 20% and our market share up by 1 percentage point.

With continued competition for building control services the service review will look at the service we provide for our customers whilst balancing income and expenditure to achieve a break even budget.

The remaining **£6,900 saving** is due to small underspends on supplies and services.

13. Strategic Planning of Local Plan - £52,000 additional expenditure

(Mark Russell, xtn 4305) mark.russell@stroud.gov.uk

There is an anticipated variation of **£52,000**. The additional expenditure is due to the need to produce a number of consultants' reports to support the production of the draft Local Plan, approved by Council in July 2013 and expected to be submitted to the Government by December 2013. These costs will be met from the Planning Strategy Reserve.

There may be some additional initial set up costs between January and March 2014 incurred as part of the Local Plan examination, although the majority of this expenditure will occur during 2014/15. The exact amount and timings of these costs have yet to be determined and depend upon the timetable for the examination, to be discussed with the Planning Inspectorate during October 2013. The budget for this fund will need to be reviewed once the estimated costs of the examination have been identified.

14. Waste and Recycling – £40,800 overspend/additional expenditure

(Carlos Novoth, xtn 4406) carlos.novoth@stroud.gov.uk

As previously reported to the committee in October, the Clinical Sharps waste programme will overspend by £40,000 (**net £30,200 overspend** after some small underspends within the budget) in 2013/14, which is fully funded from a transfer from the Unapplied Revenue Contributions reserve from the unspent contributions from the other Gloucestershire districts at the end of 2012/13.

The remaining variation relates to a projected income shortfall of £7,500 on the Multi-bank recycling sites.

15. Capital Programme

As discussed in paragraphs 7-9 of this report, there are no Capital variances forecast for 2013/14.

STROUD DISTRICT COUNCIL
ENVIRONMENT COMMITTEE

**AGENDA
ITEM NO**

4 FEBRUARY 2014

6

Report Title	COMMUNITY INFRASTRUCTURE LEVY: PRELIMINARY DRAFT CHARGING SCHEDULE
Purpose of Report	To agree the Community Infrastructure Levy (CIL) preliminary draft charging schedule for public consultation.
Decision(s)	Committee RESOLVES to agree the CIL preliminary draft charging schedule attached at Appendix 2 for the purposes of undertaking public consultation.
Consultation and Feedback	<p>The potential for the introduction of a CIL is provided for within the emerging Local Plan Policy CP6. This policy was subject to public consultation in May 2013 and an amended policy was approved by Council on the 25 July 2013 and subject to public consultation during September – October 2013.</p> <p>Work has been carried out with senior officers to highlight the potential implications of CIL.</p>
Financial Implications	<p>There are no direct financial implications arising from this report.</p> <p>As the report sets out, the Community Infrastructure Levy will replace most of the Section 106 ‘tariff’ approach. The charging schedule needs to be considered carefully to ensure adequate resource is available to fund new or improved infrastructure, whilst maintaining the viability of development within the district.</p> <p>Initial calculations would indicate that adopting CIL in accordance with the rates set out below would bring significantly more income into the Council than is currently collected for off-site infrastructure through Section 106 agreements. An average market house located outside of the Stroud Valleys Charging Zone and outside the strategic sites would be expected to contribute around £8,000 under CIL.</p> <p>David Stanley, Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk</p>

<p>Risk Assessment</p>	<p>There is a risk that should CIL not be in place by April 2015, the Council would not be able to pool s.106 contributions from more than five developments. This could have an impact on projects where pooling of resources is required, for example, strategic projects such as the canal. However, the Government has reconsidered the date and should the January 2014 Regulations come into force as they currently drafted then this will be extended to April 2015.</p> <p>There is a risk that should the levy be set too low, there will not be sufficient resources to fund the required infrastructure.</p> <p>There is a risk that should the levy be set too high, development becomes unviable. There is a risk that should the levy be set too high, in order for schemes to remain economically viable, the affordable housing component (which lies outside CIL) could be reduced or removed.</p>
<p>Legal Implications</p>	<p>In proposing to issue a CIL charging schedule the Council is statutorily required to produce a preliminary draft charging schedule for consultation. Bodies which must be consulted include the County Council, other adjoining local planning authorities, parish councils, residents and business in the district, other bodies some or all of whose activities benefit the Council's district and bodies which represent the interests of persons carrying on business in the district.</p> <p>Such consultation must be completed and taken into account before the Council publishes a draft of the charging schedule.</p> <p>The draft schedule will then be considered by an inspector at an Examination in Public in accordance with the Planning Act 2008. Thereafter, if appropriate, the Council will be able to adopt the Schedule and proceed to charge the Community Infrastructure Levy for relevant development.</p> <p>Karen Trickey, Legal Services Manager & Monitoring Officer Email: karen.trickey@stroud.gov.uk Tel: 01453 754369</p>
<p>Report Author</p>	<p>Mark Russell, Planning Strategy Manager and Richard Clare, Senior Planning Officer Tel: 01453 754305 & 01453 754178 Email: mark.russell@stroud.gov.uk & richard.clare@stroud.gov.uk</p>
<p>Options</p>	<p>Options are:</p> <ol style="list-style-type: none"> 1. not progress with preliminary work on CIL charging schedule and continue to work with scaled back approach to S106. 2. amend the preliminary draft charging schedule to decrease or increase the CIL rate and/or make amendments to the S.123 list.

Performance Management Follow Up	The setting up of CIL will require a monitoring mechanism to be set up and for regular reports on income generated from CIL to be reported to the appropriate Council meeting.
Background Papers/ Appendices	Community Infrastructure Levy (CIL) Development Appraisal Study (http://www.stroud.gov.uk/info/plan_strat/CIL_Viability_Report.pdf) Local Plan Viability Study (http://www.stroud.gov.uk/info/plan_strat/Stroud_Viability_draft.pdf) Local Plan Viability Study CIL Viability Study: Annex to the Local Plan Viability Study (http://www.stroud.gov.uk/info/viabilityannexcil.pdf) Infrastructure Delivery Plan Consultation Draft (http://www.stroud.gov.uk/info/plan_strat/stroud_idp.pdf)

Introduction

In October 2013 Environment Committee resolved to support the preparation of a Community Infrastructure Levy (CIL) for Stroud District in accordance with the timetable set out in the report. Stroud District is the most advanced of all of the authorities within Gloucestershire to consider the introduction of CIL. The report, which explains the background to CIL, has been attached at Appendix 1.

Since the report further work has been carried out on viability and infrastructure evidence to continue to inform the process. A report by HDH Planning & Development has now been published which is attached as a background paper to this report. Consultants Arups are also in the process of consulting with infrastructure providers to update the information contained within the consultation draft of the Infrastructure Delivery Plan (IDP) and an updated report is expected by early February.

This report sets out the key features of the Preliminary Draft Charging Schedule, which is attached to this report at Appendix 2.

Setting the level of CIL

Once adopted, the Charging Schedule will set a standardised CIL rate which will vary only by types of development and geographical location within the District. Funds collected through CIL must be spent on infrastructure required to support development in the area.

The future of the economy is uncertain and, whilst the general fall in house prices seems to have stopped and there have been positive messages about increases in prices, fluctuations remain and confidence has not fully returned to the market.

Setting a CIL rate close to the limits of viability could therefore have an adverse impact on development coming forward. Our consultants recommend that Stroud District Council adopts a cautious approach when setting the level.

Producing a CIL rate well within the limits of viability alongside a limited list of infrastructure to be paid for via CIL will reflect the uncertain market and ensure that no sites are threatened to become unviable.

Setting a nil rate for residential development within a defined Stroud Valleys area (see map in Appendix 2) reflects the current constraints associated with brownfield sites located within the valley bottoms and more generally sites within the canal and river corridor. Setting a nil rate for strategic residential sites set out in the Local Plan will allow the developers of these sites to deliver the infrastructure required for these sites through legal agreements.

The recommended CIL rates for different land uses and for different areas are set out below:

Type of Development	CIL Rates £ per square metre New additional floorspace
<p>Residential (including older peoples housing)</p> <ul style="list-style-type: none"> • Sites within the Stroud Valleys area (see map in Appendix 2) • Strategic sites identified in the Local Plan • All other sites 	<p>£0/m2</p> <p>£0/m2 on the basis that developers are required to meet their own site infrastructure costs and these costs are as set out in the Local Plan Viability Study</p> <p>£80/m2</p>
Supermarkets and Retail Warehouses	£150/m2
All other development (i.e. that is not mentioned above)	£10/m2

Instalment policy

The CIL Regulations provides for an authority to set an instalment policy that allows payments to be spread over longer periods. The consultant's recommendation is that the Council should introduce an instalment policy. Not to do so could put the development set out in the Local Plan at serious risk.

Failure to comply with the instalment policy at any stage will result in the total unpaid balance becoming payable immediately.

Exemptions and Relief

Certain types of development are exempt from paying CIL. The regulations state that affordable housing and charitable developments (development by a registered charity for charitable purposes) must be exempted from paying the levy.

The CIL Regulations also allow a charging authority to introduce a discretionary relief policy if exceptional circumstances are satisfied.

Infrastructure Need

An Infrastructure Delivery Plan has been prepared for the Council by Arups. This report examines the costs of all infrastructure needed to support development planned in Stroud District as set out in the District's draft Local Plan. Further work is being carried out to establishing the requirement for infrastructure to support new development and the costs of providing this and to consider the amounts of funding that may or may not be available from other sources such as the LEP, New Homes Bonus, through the County Council, from Central Government and HCA, and through their own resources. Ongoing work is being carried out to investigate existing or future funding streams for infrastructure and to calculate an aggregate funding gap that CIL will help to address.

Relationship between S106 and CIL

The following table summarises the intended relationship between what CIL will help pay for and what will continue to be funded through S.106 legal agreements. It is very important that a clear distinction is established between what CIL and S.106 payments are used for.

Proposed relationship between CIL and s106	
Infrastructure funded by CIL	Funded by S.106 Agreement
i. Strategic-flood defences / mitigation to support development across the area ii. Off-site strategic outdoor sport and recreation iii. Off-site strategic green infrastructure iv. Transport and public realm, apart from s.106 items v. Area wide community facilities apart from s.106 items vi. Education, apart from s.106 items vii. Upgrade or extension to facilities for emergency services, apart from s.106 items	i. Affordable Housing ii. On-site or localised off-site flood defence to ensure a development is adequately protected iii. On-site provision of outdoor Playing Space iv. On-site provision of green infrastructure v. On-site or localised transport mitigation and access vi. On site community and cultural facilities vii. On-site education facilities viii. On-site facilities for emergency services

Review and Monitoring

Due to the uncertain market it is recommended that CIL rates are reviewed every three years or if there is evidence to suggest that local house prices have changed by more than 10% from the date of implementation of CIL.

The viability evidence which has been created to inform the CIL rates has been carried out on the basis that housing units will be built to Part L of the current Building Regulations and to Code for Sustainable Homes Level 4. There is uncertainty about future changes to these levels. Should these standards be changed it will be necessary to review the CIL rates.

Next steps

In accordance with the approved timetable, the Council will undertake public consultation on the contents of the Preliminary Draft Charging Schedule (Appendix 2) during February and March 2014.

A report setting out the results of public consultation and proposing a Draft Charging Schedule will be considered by Environment Committee in May 2014, subject to no significant changes being proposed to the Local Plan through the examination process.

STROUD DISTRICT COUNCIL

AGENDA

ENVIRONMENT COMMITTEE

ITEM NO

31 OCTOBER 2013

10

Report Title	COMMUNITY INFRASTRUCTURE LEVY
Purpose of Report	To consider setting a Community Infrastructure Levy (CIL) for certain types of development within Stroud District and a timetable for its implementation.
Decision(s)	Committee RESOLVES to support the preparation of a Community Infrastructure Levy (CIL) for Stroud District in accordance with the timetable set out in the report.
Consultation and Feedback	The potential for the introduction of a CIL is provided for within the emerging Local Plan Policy CP6. This policy was subject to public consultation in May 2013 and an amended policy was considered by Environment Committee on 8 July 2013 and subsequently approved by Council on the 25 July 2013. This policy is now subject to public consultation ending 16 October 2013.
Financial Implications and Risk Assessment	<p>There are no direct financial implications arising from this report.</p> <p>As the report sets out, the Community Infrastructure Levy will replace most of the Section 106 'tariff' approach. The charging schedule needs to be considered carefully to ensure adequate resource is available to fund new or improved infrastructure, whilst maintaining the viability of development within the district.</p> <p>David Stanley, Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk</p> <p>There is a risk that should CIL not be in place by April 2014, the Council would not be able to pool s.106 contributions from more than five developments. This could have an impact on projects where pooling of resources is required, for example, strategic projects such as the canal. However, the Government is currently reconsidering this date which may be extended to April 2015.</p> <p>There is a risk that should the levy be set too low, there will not be sufficient resources to fund the required infrastructure.</p>

<p>Financial Implications and Risk Assessment (cont/d)</p>	<p>There is a risk that should the levy be set too high, development becomes unviable.</p> <p>There is a risk that should the levy be set too high, in order for schemes to remain economically viable, the affordable housing component (which lies outside CIL) could be reduced or removed.</p>
<p>Legal Implications</p>	<p>The Community Infrastructure Levy (CIL) came into force in April 2010. It allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed as a result of development.</p> <p>The CIL will be levied on the gross internal floorspace of the net additional liable development and will be expressed as pounds per square metre.</p> <p>Section 206 of the Planning Act 2008 confers the power to charge the CIL on certain bodies known as charging authorities. If the Council decides to levy the CIL, it will need to:</p> <ul style="list-style-type: none"> • prepare and publish a document known as the “charging schedule” which will set out the rates of CIL which will apply in the District – this will involve consultation and independent examination; • apply the levy revenue it receives to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of the District; • report to the local community on the amount of levy revenue collected, spent and retained each year; • ensure that that the charging schedule is consistent with and support the implementation of an up-to-date Local Plan; • consider relevant national planning policy (including the NPPF) when drafting the charging schedule. <p>Regulation 14 of the Community Infrastructure Levy Regulations 2010 requires that the Council, in setting levy rates, <i>‘must aim to strike what appears to the charging authority to be an appropriate balance between’ the desirability of funding infrastructure from the levy and ‘the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area’.</i></p>

Appendix 1

<p>Legal Implications (cont'd...)</p>	<p>The Council must consult on the proposed levy rates in a preliminary draft charging schedule. When the Council considers that a draft charging schedule is ready for examination, it must publish for consultation (for at least six weeks) the draft schedule and the appropriate available evidence on infrastructure costs, other funding sources and economic viability. Any person may make representations about a draft charging schedule and that person must be heard before the examiner at the CIL examination.</p> <p>The CIL examiner may either recommend approval of the draft charging schedule or recommend modification or rejection of the same. Once any modifications recommended by the CIL examiner have been considered, and any necessary amendments have been made, the charging schedule must be formally approved by a resolution of Full Council.</p> <p>Regulation 123 of the Community Infrastructure Levy Regulations 2010 provides for charging authorities to set out a list of those projects or types of infrastructure that it intends to fund through the CIL. DCLG advice states that when the CIL is introduced, Section 106 requirements should be scaled back to those matters that are directly related to a specific site, and are not set out in the Regulation 123 list. The Council's proposed approach to the future use of any pooled Section 106 contributions should be set out at the examination stage.</p> <p>From April 2014, the CIL Regulations will limit the use of planning obligations where there have been five or more obligations in respect of a specific infrastructure project or a type of infrastructure entered into on or after 6th April 2010.</p> <p>Also from April 2014, 15% of CIL revenue received will be passed directly to those Parish and Town Councils where development has taken place to be spent on local priorities. This neighbourhood funding element is increased to 25% of CIL receipts where a neighbourhood development plan is in place.</p> <p>Martin Evans, Locum Solicitor Tel: 01453 754377 Email: martin.evans@stroud.gov.uk</p>
<p>Report Authors</p>	<p>Mark Russell, Planning Strategy Manager and Richard Clare, Senior Planning Officer Tel: 01453 754305 & 01453 754178 Email: mark.russell@stroud.gov.uk & richard.clare@stroud.gov.uk</p>

Options	Options are: 1. to progress working towards a CIL charging schedule with a scaled back approach to S.106 or 2. not to progress towards a CIL charging schedule and to continue to work with a scaled back approach to S106.
Performance Management Follow Up	The setting up of CIL will require a monitoring mechanism to be set up and for regular reports on income generated from CIL to be reported to the appropriate Council meeting.
Background Papers/ Appendices	Community Infrastructure Levy (CIL) Development Appraisal Study http://www.stroud.gov.uk/info/plan_strat/CIL_Viability_Report.pdf Local Plan Viability Study http://www.stroud.gov.uk/info/plan_strat/Stroud_Viability_draft.pdf Infrastructure Delivery Plan Consultation Draft http://www.stroud.gov.uk/info/plan_strat/stroud_idp.pdf

Introduction

The purpose of the Community Infrastructure Levy (CIL) is *“to ensure that costs incurred in providing infrastructure to support the development of an area can be funded (wholly or partly) by owners or developers of land”* (Section 205, Planning Act 2008). CIL enables the local planning authority to charge a tariff on most new development. This goes into a locally-held fund it administers and uses to pay for infrastructure which is needed as a result of permitting development in its area.

The principal expression of CIL is via a statutory Charging Schedule that is subject to formal public consultation and examination. The Charging Schedule sets out the amount to be levied from various types of development together with a list of infrastructure schemes that may require CIL funding.

Background

The Community Infrastructure Levy is a charge levied on buildings and extensions to buildings according to their floor area. Money raised from development will help the Council pay towards district wide infrastructure priorities such as schools, leisure centres, aged care accommodation, roads, and other facilities to ensure the borough grows sustainably. CIL would therefore be used within this District to contribute to delivering infrastructure identified as needed to deliver the policies within the Local Plan. This may include;

- Provision of new infrastructure (roads, transport, flood defences, schools, medical facilities, sporting and recreational facilities and open space);
- Improvements to existing infrastructure if deficiencies will be made worse by the new development; or

- Increase in capacity of or repair/maintain existing infrastructure needed to support the new development.

Unlike Section 106, once it is in force CIL is non-negotiable, so applying and collecting it is largely an administrative process. CIL is a levy which must be based on economic viability alone and cannot be used to promote policy. The Government's intention for this is that the Levy will provide a fairer, faster and more certain and transparent system than planning obligations which can cause delay as a result of lengthy negotiations. Only the net additional floorspace on a development site will be expected to pay CIL, or if an existing building, or part of it has been in use for 6 out of the last 12 months. Therefore the CIL receipts generated on a Brownfield site with existing buildings in use will be lower than those generated on a Greenfield site.

The Regulations allow for the Council to retain up to 5% of local receipts to be applied to administrative expenses which include the development and adoption of the Charging Schedule and its ongoing costs.

The Government issued further CIL Amendments Regulations (2013) which require a proportion of CIL monies to be passed on to neighbourhoods, 25% of CIL receipts in an area with a Neighbourhood Plan and 15% where there is no Neighbourhood Plan in place. Further work is required to identify how this system can be administered within the District.

Relationship with Section 106 agreements

The CIL Regulations contain measures to reduce the use of Section 106 agreements to fund infrastructure. Regulation 122 of the guidance requires that Section 106 agreements must meet 3 criteria:

- necessary to make the development acceptable in planning terms;
- directly related to the development;
- fairly and reasonably related in scale and kind to the development.

A second measure restricts from April 2014 the use of planning obligations to require funding for pooled contributions towards infrastructure. The regulations only allow for a maximum of five obligations to contribute to a certain infrastructure project or type of infrastructure. Where a charging schedule is in place, a planning obligation cannot be used to require funding for a piece of infrastructure that is listed as being funded by CIL.

Once a CIL is in place Section 106 agreement payments will no longer be pooled for generic payments towards infrastructure providers, except for affordable housing. CIL will be the main source of funding for these types of infrastructure.

S.106 will continue to be used for affordable housing and anything required to make specific developments acceptable in planning terms.

Progress to date

Most development has an impact on the need for infrastructure and also will benefit from it, therefore it is important that development contributes towards the infrastructure required to support sustainable growth.

If the Council was not to introduce CIL then developer contributions would only be able to secure funding for site-specific mitigation. There would be no developer funding available for wider infrastructure projects to support growth. Given a potential shortfall in funding for infrastructure projects, and the potential for CIL to be used to contribute towards such projects, not introducing CIL could potentially have a significant adverse effect on Council funding streams for the delivery of infrastructure. Another potential impact could be that with the yield from CIL likely to have greater potential than from s.106 agreements alone it may also emerge where an authority approaches Government for funding for an infrastructure item but is *not* operating CIL it may struggle to make a persuasive case.

The Council has already been carrying out work in relation to the preparation of a CIL.

Infrastructure evidence

The April 2013 CIL guidance states that a “charging authority needs to identify the total cost of infrastructure that it desires to fund in whole or in part from the levy. In order to do this, the charging authority must consider what additional infrastructure is needed in its area to support development and what other funding sources are available.”

The Council has been progressing work on a Stroud Infrastructure Delivery Plan (IDP), with a consultation draft currently on the web. This version is to support the Local Plan Pre Submission Draft and will be updated once the consultation period has finished. The IDP sets out what infrastructure is needed to deliver the Local Plan, the timescale for delivery, where it is needed and how much it will cost. It also considers potential funding sources and identifies a potential funding gap which could be addressed by CIL.

Viability evidence

Regulation 14 requires that a charging authority, in setting levy rates, ‘must aim to strike what appears to the charging authority to be an appropriate balance between’ the desirability of funding infrastructure from the levy and ‘the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area’.

In August 2012 the Council commissioned a Community Infrastructure Levy Development Appraisal Study carried out by Christopher Marsh & Co Ltd which was presented to Council at Planning Advisory Panel (PAP) on the October 11th 2012. The recommended levels of CIL for principal types of development in Stroud were as follows:

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Type of Development	CIL rates £ per square metre new additional floorspace
Open market residential in urban areas	£80
Open market residential in rural areas	£120
Residential institutions	£50
Office, industrial and distribution	£0
Retail developments above 1000m2 gross internal area	£120
Small retail developments below 1000m2 gross internal area	£0
Leisure [selected types]	£0
Hotel [1,000 m2 and above]	£80
Other development	£0

In August 2013 the Council published a 'Local Plan Viability Study' looking at the viability of the Local Plan as a whole. Further recommendations for CIL are contained within this report which the Council will need to explore in further detail.

Maximum rates of CIL assuming de-minimus use of s106	
Development Type	Maximum Rate of CIL
Residential – Stroud Valleys	£0/m2
Residential – All other areas	£120/m2

Source: HDH 2013

The report also suggests that it is not appropriate to suggest a maximum rate of CIL for the strategic sites. It is recommended that the Council carry out further work to clarify the actual infrastructure requirements on these sites and then engage with the site promoters to agree the most appropriate strategy for delivering that infrastructure. This could be based on a relatively low rate of CIL and the delivery of specific infrastructure items through s106.

Although further work and consultation is required, both these independent viability assessments recommend that it is viable for a CIL charge to be levied on development.

Support

The Planning Advisory Service has allocated CIL Knowledge to act as a critical friend to the Council through the process of setting up CIL. A workshop was held on 21st of January 2013 and was attended by members and officers giving an introduction to all of the components of a CIL project. This support will be progressed through the following months.

Further work required

More information will be required to explore the viability of the strategic sites identified within the Local Plan and the relationships between s106 funded infrastructure and CIL. In consultation with the developers and the County Council a pragmatic approach will be required to ensure that infrastructure can be delivered at the time when it is needed.

Further work is also needed to investigate the options for the delivery of strategic priorities which have implications beyond the administrative boundaries of Stroud District and mechanisms for prioritisation of that infrastructure. In looking for a CIL methodology that would satisfy these requirements, an officer working group was set up some time ago reporting to the County Strategic Planning Issues Group. The working group developed an approach that is being described as a “layer cake” methodology. In basic terms this means that each Charging Schedule would comprise three “layers” – neighbourhood, local and strategic.

There is still much more work to do in considering the application of the ‘layered cake’ methodology and the practicalities of dealing with the strategic layer in respect of identifying strategic priorities which relate to two or more districts and proportionality of contributions across the County.

The Council’s provisional timetable for producing an adopted CIL charging Schedule is set out below. This is a statutory process and must follow the regulations and statutory guidance. The Government expects that charging authorities will implement the levy where their ‘appropriate evidence’ includes an up-to-date relevant Plan for the area in which they propose to charge.

Where practical, levy charges should be worked up and tested alongside the Local Plan. Therefore the preparation of CIL must follow the preparation of the Local Plan. Any delays in the Local Plan timetable will have a knock on effect on the delivery of a CIL tariff.

Stage	Description	Date
1. Production of Preliminary Draft Charging Schedule	Based on appropriate evidence. To be approved by Environment Committee for consultation.	November 2013 – January 2014
2. Consultation on Preliminary Draft Charging Schedule.	Consultation with statutory consultees, stakeholders and the public consulted.	January 2014 6 Weeks
3. Production of Draft Charging Schedule	Based on evidence and responses received to previous consultation.	February 2014 – April 2014
4. Consultation on Draft Charging Schedule	Minimum of four weeks for representations to be made following publication. Respondents must be heard at the examination if they wish so.	April 2014 4 Weeks

Appendix 1

5. Examination in Public	Examiner focuses on compliance with statutory procedures, that the Charging Schedule is supported by appropriate evidence, that proposed rates consistent with and informed by the viability assessment, evidence shows that the proposed rate would not put serious risk the overall development of the area.	Summer-Autumn 2014 (subject to Local Plan Timetable)
6. Adoption of CIL for charging purposes	Council to adopt CIL for charging purposes.	Winter 2014 (subject to Local Plan Timetable)
7. Commencement of CIL	Planning applications for development subject to CIL charging schedule.	Spring 2015 (subject to Local Plan Timetable)

**Community Infrastructure Levy
Preliminary Draft Charging Schedule
Consultation Document February 2014**

DRAFT

1. Introduction

The Council is an advanced stage of producing the Stroud District Local Plan. This will identify the growth required within the District to meet needs up to 2031. In order to plan positively for future growth, a level of infrastructure is needed to support development. This document sets out the Council's current position regarding the Community Infrastructure Levy (CIL) as one of the mechanisms to facilitate and pay for necessary infrastructure provision.

Consultation

This consultation is the first formal stage of the Council's preparation of a CIL Charging Schedule. Once adopted, the Schedule will set a standardised rate which varies only by types of development or geographical location within the District. Funds collected through CIL must be spent on infrastructure required to support development in the area. The rates proposed may change as a result of this consultation. We therefore welcome your views on the proposed rates and the evidence that supports them.

The consultation is carried out in accordance with Regulation 15 of the Community Infrastructure Levy Regulations 2010, as amended.

Comments should be submitted by **X March 2014** via the Council's online consultation portal **@@TO BE INSERTED@@**, or by returning the comments form by email to local.plan@stroud.gov.uk or in writing to:

**The Planning Strategy Team,
Development Services,
Stroud District Council,
Ebley Mill,
Stroud,
Gloucestershire,
GL5 4UB**

Comments are welcomed on all aspects of this document whether we have specifically set out a question relating to the point or not.

This document is supported by the **CIL Viability Study: An Annex to Stroud Local Plan Viability Study (Jan 2014)** and **Infrastructure Delivery Plan, Consultation Draft (July 2013)**. Comments received in this period will be taken into account in preparing subsequent versions of the CIL Charging Schedule for consultation, examination by an independent examiner and adoption.

Future Timetable

The Council's timetable for producing an adopted CIL Charging Schedule is:

Stage	Date
1. Consultation on the Local Plan Viability Study including a detailed briefing on the CIL Regulations (and NPPF)	September – October 2013
2. Consultation on Preliminary Draft Charging Schedule.	February - March 2014 6 Weeks
3. Consultation on Draft Charging Schedule	May 2014
4. Examination in Public	Summer-Autumn 2014 (subject to Local Plan Timetable)
5. Full Council to agree its adoption	Winter 2014 (subject to Local Plan Timetable)
6. Adoption and Implementation	Spring 2015 (subject to Local Plan Timetable)

2. Background

CIL is a charge levied on buildings and extensions to buildings according to their floor area. Money raised from development will help the Council pay towards district wide infrastructure priorities to ensure the District grows sustainably. Section 106 legal agreements will not be completely replaced however and will continue to be used for affordable housing and anything required to make specific developments acceptable in planning terms.

Only the net additional floorspace on a development site will be expected to pay CIL if an existing building, or part of it, has been in use for 6 out of the last 12 months¹. Therefore the CIL receipts generated on a brownfield site with existing buildings in use will be lower than those generated on greenfield sites.

This document sets out what certain forms of development will pay and the expected rates of each development. However, the following types of development are considered to be exempt for paying CIL:

¹ The January 2014 amendments will extend this requirement to 3 years if they come into force as currently drafted.

- Changes of use (where the building has been occupied for at least 6 out of the last 12 months);
- New buildings or extensions of less than 100 sqm gross internal area unless they result in the development of one or more new dwellings. Within Stroud therefore, the majority of residential extensions will not be required to pay CIL but some larger extensions may;
- Affordable housing, subject to the developer applying for relief in the manner set out in the regulations;
- Development by a charity where the development will be used wholly or mainly for charitable purposes;
- Buildings into which people do not normally go, or go only intermittently for the purpose of inspecting and maintaining fixed plant or machinery;
- It is the government intention to lay regulations in Parliament that will allow self builders relief subject to the Parliamentary process.

3. Relationship to Section 106 Agreements

The CIL Regulations introduced in April 2010 and amended in April 2011 contain measures to reduce the use of Section 106 agreements to fund infrastructure. The CIL Regulations require that from April 2015 Section 106 agreements must meet 3 criteria:

- necessary to make the development acceptable in planning terms;
- directly related to the development;
- fairly and reasonably related in scale and kind to the development.

A second measure restricts the use of planning obligations for pooling contributions towards infrastructure. The CIL Regulations only allow for a maximum of five obligations to contribute to a certain infrastructure project or type of infrastructure. Where a charging schedule is in place, a planning obligation cannot be used to require funding for a piece of infrastructure that is listed as being funded by CIL.

Once a CIL is in place Section 106 contributions will no longer be pooled for generic payments towards infrastructure providers, except for affordable housing. CIL will be the main source of funding for these types of infrastructure.

It is the intention of Stroud District Council to continue to use Section 106 agreements to fund infrastructure projects needed to mitigate those matters directly related to site specific issues.

The CIL Regulations require an authority to set out a list of projects or types of infrastructure which they intend to fund through the Levy. This will be achieved

through Stroud District Council's Regulation 123 List which will set out a list of infrastructure projects or types of infrastructure projects which may be wholly or partly funded by CIL.

To produce the Regulation 123 List, Stroud District Council must first identify the infrastructure requirements of the area and must understand how they relate to the pattern of development across the wider area. The Council is working towards this through the Stroud Infrastructure Delivery Plan (IDP). Stroud District Council will continue to work with infrastructure providers and site promoters (where appropriate) to identify where specific infrastructure should be funded through Section 106 agreements or through CIL.

In Appendix 2 of this report the Council has set out a current position for the relationship between the two collection methods. Work on this is on-going and at this stage the split is a working assumption which is subject to change. The Council will also move towards adding further clarity on the approach to collecting monies from Section 106 agreements post adoption of CIL. A Supplementary Planning Document (SPD) will be produced to provide guidance for developers.

4. The Stroud District Council approach to CIL

The future of the economy is uncertain in 2014 and, whilst the general fall in house prices seems to have stopped and there have been positive messages about increases in prices, fluctuations remain and confidence has not fully returned to the market.

Setting a CIL rate close to the limits of viability could therefore have an adverse impact on development coming forward. Our consultants recommend that Stroud District Council should adopt a cautious approach when setting the level.

Producing a CIL rate well within the limits of viability alongside a limited list of infrastructure to be paid for via CIL will reflect the uncertain market and ensure that no sites are threatened to become unviable.

A nil rate for residential sites within a defined Stroud Valleys area (see Annex 1 map) reflects the current constraints associated with brownfield sites located within the valley bottoms and more generally sites within the canal and river corridor. In addition, setting a nil rate for strategic housing sites set out in the Local Plan will allow the developers of these sites to deliver the infrastructure required for these sites through Section 106 agreements.

The April 2014 amendments to the regulations as published will extend the provision whereby charging authorities can accept payments in kind through provision of both land and Infrastructure either on-site or off-site for the whole or

Strategic sites

Charging authorities are permitted to treat major sites as a separate geographical zone, where this can be supported by robust economic viability.

Such sites result in substantial infrastructure requirements in their own right which the Council considers can be provided most efficiently by allowing developers to deliver through Section 106 agreements. At the current time, therefore, a nil rate of CIL for strategic housing sites is envisaged. Going forward, further work will need to be carried out in consultation with the developers to identify actual costs of delivering the infrastructure and identify a clear delivery strategy. Should robust evidence become available to suggest a different CIL rate, justified by reference to the economic viability of development, then the planning authority will make an informed decision on the most appropriate rate to deliver the infrastructure required.

5. Financial evidence

CIL charging schedules must set out the charge(s) in £ per sqm that development will be expected to pay to support the provision of infrastructure. The charge can be varied by area and type of development on the basis of viability evidence.

In August 2012 the Council published a Community Infrastructure Levy Development Appraisal Study, prepared for the Council by consultants. The report made several initial recommendations, based on viability, about the rate of CIL which could be accommodated by development within the District, the types of developments which could accommodate it and geographical market differences. In August 2013 the Council published a Local Plan Viability Study, prepared by HDH Planning and Development to further build on the viability evidence base and to further support a tariff in the District. A CIL Viability Study has now been produced with the following recommended CIL rates for different land uses and for different areas:

Type of Development	CIL Rates £ per square metre New additional floorspace
Residential (including older peoples housing) <ul style="list-style-type: none"> • Sites within the Stroud Valley area (see Annex 1 map) • Strategic sites identified in the Local Plan • All other sites 	£0/m2 £0/m2 on the basis that developers are required to meet their own site infrastructure costs and these costs are as set out in the Local Plan Viability Study £80/m2
Supermarkets and Retail Warehouses	£150/m2
All other development (i.e. that is not mentioned above)	£10/m2

In the 2013 Autumn Statement, the Chancellor announced that there would be a consultation on 'a new 10-unit threshold for section 106 affordable housing contributions'. Should such a provision be introduced it will be necessary to consider introducing a different rate of CIL for developments below the 10 unit threshold.

1. Do you think the evidence for these rates is justified and robust?
2. Do you agree with the different approaches for commercial development, compared to housing development?
3. Is CIL set at the right level, bearing in mind the economic viability of development as set out in the CIL Viability Study?

6. Infrastructure need

A Stroud IDP has been prepared for the Council by consultants Arups. This report identifies the costs of infrastructure needed to support development planned in Stroud District as set out in the draft Local Plan. The report also examines whether there are any existing or future funding streams for infrastructure and calculates an aggregate funding gap that CIL will need to help address. Further work is being carried out to establishing the requirement for infrastructure to support new development and the costs of providing this and consider the amounts of funding that may or may not be available from other sources such as the Local Enterprise Partnership (LEP), New Homes Bonus, through the County Council, from Central Government and the Homes and Communities Agency (HCA), and through their own resources.

When the Council has adopted the CIL, the amount of funding required will be a material consideration as it may be that the delivery of the Local Plan is threatened

in the absence of CIL to pay for infrastructure. However, it should be stressed that CIL should only be set with regard to the effect of CIL on development viability.

There is no expectation that CIL should pay for all of the infrastructure requirements in an area. There are a range of other sources, as set out above, that are taken into account. The Council will need to consider the total amount of money that may be received through the consequence of development; from CIL, from s106 payments, and from the New Homes Bonus, when striking the balance as to their level of CIL.

- 4. Can more detail be provided on the infrastructure funding deficit?**
- 5. Do you have any comments on the Indicative 106 list and the proposed split between infrastructure to be provided through CIL and S106?**

7. Instalment policy

The CIL Regulations provide for an authority to set an instalment policy that allows payments to be spread over longer periods. The Council's intention is to introduce an instalment policy. Not to do so could put the development set out in the Local Plan at serious risk.

The default instalment pattern set out in the Regulations is set out below:

Equal to or greater than £40,000	Four equal instalments at the end of the periods of 60, 120, 180 and 240 days from commencement
£20,000 and less than £40,000	Three equal instalments at the end of the periods of 60, 120 and 180 days from commencement
£10,000 and less than £20,000	Two equal instalments at the end of the periods of 60 and 120 days from commencement
less than £10,000	In full at the end of the period of 60 days from commencement

The Council recognises that, particularly on large sites, such a pattern could have an adverse impact on developers' cash flow and therefore put development at risk. The Council is therefore proposing the following instalment policy:

Number of dwellings	Number of Instalments	Total Timescale for Instalments	Payment Amounts	Payment Periods
0-1	2	270 days (9 months)	10% 90%	60 days from commencement. 270 days from commencement
2-5	3	365 days (1 year)	10% 45% 45%	60 days from commencement. 270 days from commencement. 365 days from commencement.
6-25	3	548 days (18 months)	10% 45% 45%	60 days from commencement. 365 days from commencement. 548 days from commencement.
26-50	4	730 days (2 years)	10% 30% 30% 30%	60 days from commencement. 365 days from commencement. 548 days from commencement. 730 days from commencement.
51-100	5	1095 days (3 years)	10% 22.5% 22.5% 22.5% 22.5%	60 days from commencement. 365 days from commencement. 548 days from commencement. 730 days from commencement. 1095 days from commencement.
101-200	6	1460 days (4 years)	10% 18% 18% 18% 18% 18%	60 days from commencement. 365 days from commencement. 548 days from commencement. 730 days from commencement. 1095 days from commencement. 1460 days from commencement.
201-300	7	1825 days (5 years)	10% 15% 15% 15% 15% 15% 15%	60 days from commencement. 365 days from commencement. 548 days from commencement. 730 days from commencement. 1095 days from commencement. 1460 days from commencement. 1825 days from commencement.
301+	8	2190 days (5 years)	10% 13% 13% 13% 13% 13% 13% 12%	60 days from commencement. 365 days from commencement. 548 days from commencement. 730 days from commencement. 1095 days from commencement. 1460 days from commencement. 1825 days from commencement. 2190 days from commencement.

In accordance with Regulation 69B of the Community Infrastructure Levy Regulations 2010 (as amended), the Council will automatically allow the payment of CIL by instalments. The instalments permitted will be linked to the amount payable (the chargeable amount) as recorded on the Demand Notice.

As permitted under Regulation 9 (4) of the Community Infrastructure Regulations 2010 (as amended), where outline planning permission which permits development to be implemented in phases has been granted, each phase of the development as agreed by the Council is a separate chargeable development and the instalment policy will, therefore, apply to each separate chargeable development and associated separate liable amount chargeable.

This policy will not apply if any one or more of the following applies:

- a) A commencement notice has not been submitted prior to commencement of the chargeable development, as required by Regulation 67 of the Community Infrastructure Regulations 2010 (as amended);
- b) On the intended date of commencement
 - i. Nobody has assumed liability to pay CIL in respect of the chargeable development;
 - ii. A commencement notice has been received by the Council in respect of the chargeable development; and
 - iii. The Council has not determined a deemed commencement date for the chargeable development and, therefore, payment is required in full, as required by Regulation 71 of the Community Infrastructure Regulations 2010 (as amended);
- c) A person has failed to notify the Council of a disqualifying event before the end of 14 days beginning with the day on which the disqualifying event occurs, as per the Community Infrastructure Regulations 2010 (as amended);
- d) An instalment payment has not been made in full after the end of the period of 30 days beginning with the day on which the instalment payment was due, as per the Community Infrastructure Regulations 2010 (as amended).

Where the instalment policy is not applicable, the amount must be paid in full at the end of the period of 60 days beginning with the notified or deemed commencement date of the chargeable development or the date of the disqualifying event, whichever is the earliest, unless specified otherwise within the Community Infrastructure Levy Regulations 2010 (as amended).

6. Do you agree with the suggested approach to introduce an instalments Policy?

8. Payment of the Levy

The CIL rate will be expressed as a £ per m² (gross internal area) charge within a Charging Schedule. The following development is subject to a charge:

- Most buildings that people normally use.
- Where more than 100m² of floorspace (net) or a new dwelling is created (even if it is less than 100m²).
- Residential and non-residential uses.

The levy is non-negotiable and will be payable (to the charging authority) over the agreed phased period set out in the instalments policy above.

9. Exemptions and Relief

Certain types of development are exempt from paying the CIL levy. The CIL Regulations state that affordable housing and charitable developments (development by a registered charity for charitable purposes) must be exempt from paying the levy.

The CIL Regulations also allow a charging authority to introduce a discretionary relief policy if exceptional circumstances are satisfied.

7. Do you believe that Stroud District Council should implement a discretionary relief policy?

10. Review and Monitoring

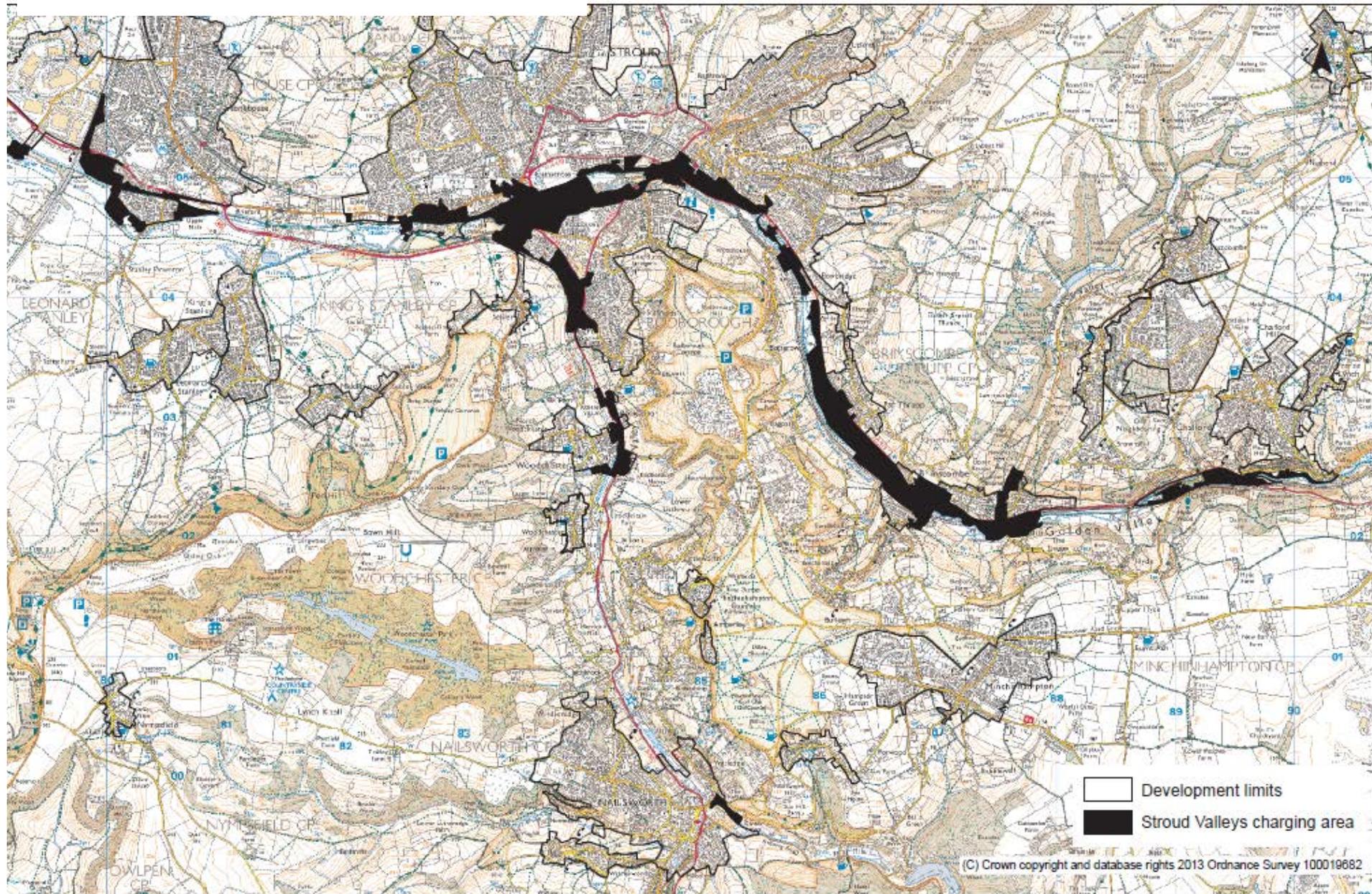
Due to the uncertain market it is recommended that CIL rates are reviewed every three years or if there is evidence to suggest that local house prices have changed by more than 10% from the date of implementation of CIL.

The viability evidence which has been created to inform the CIL rates has been carried out on the basis that housing units will be built to Part L of the current Building Regulations and to Code for Sustainable Homes Level 4. There is uncertainty about future changes to these levels. Should these standards be changed it will be necessary to review the CIL rates.

8. Do you agree that Stroud District Council should review CIL: every three years; or if there is evidence to suggest that house prices have changed by more than 10%; or if there is an increase in building requirements past Part L of the current Building Regulations and Code for Sustainable Homes Level 4?

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Annex 1: Stroud Valleys Charging Zone



Annex 2 Indicative Draft 123 list

Infrastructure funded by CIL	Funded by S.106 Agreement
<p><u>Transport</u></p> <p>Transport and Public Realm Infrastructure apart from S.106 items, including</p> <ul style="list-style-type: none"> • Gloucester to Stroud Strategic Bus Routes (Stroud / Stonehouse / Dursley). • A419 Major Scheme for improvements between M5 Junction 13 and Stroud Town Centre. • Completion of Cam and Dursley Greenway cycle and pedestrian link apart from S.106 items. • Improvements to Stroud, Stonehouse and Cam railway stations, apart from S.106 items. • Improvements to Stonehouse Ocean Railway Bridge and Saul to Chalford Towpath Upgrade. • Reopening of Stonehouse (Bristol line) railway station. • Improvements to bus services between Dursley, Berkeley and Sharpness. 	<p><u>Transport</u></p> <p>Site specific transport mitigation and access, including:</p> <p><u>North East Cam</u></p> <ul style="list-style-type: none"> • Completion of Cam and Dursley Greenway cycle and pedestrian link through North East Cam site. • Provision of infrastructure to enable local bus services to efficiently access the site. • Improvements to Box Road, including the provision of a lit cycleway and footpath between the A4315 and Cam and Dursley railway station. • Traffic Calming measures within the development and locality, as approved by the Highways Authority. • Improvements to passenger facilities at Cam and Dursley railway station. • Vehicular access from A4135 south of Draycott Industrial Estate, and additional vehicular access from Box Road. <p><u>Stroud Valleys</u></p> <ul style="list-style-type: none"> • Cycle and pedestrian routes through the development linking to the River Frome and Cotswold Canal Network. • Improvements to or restoration of the Cotswold Canal and towpath within the development site North of Stroudwater Industrial Estate. • Provision of suitable access including bridge across

watercourse.

Hunts Grove Extension

- Cycle and pedestrian routes through the development, connecting with Oldminster Road and the Severn Way.
- Vehicle access from the principal A38 junction serving Hunts Grove new community, with secondary access from Waterwells Drive.
- Provision of infrastructure to enable local bus services to effectively access the site.

Sharpness Docks

- Cycle and Pedestrian routes through the development linking to the River Frome and Cotswold Canal Network.
- Vehicular Access from Oldminster Road.
- Provision of infrastructure to enable local bus services to effectively access the site.
- Traffic Calming measures within the development and locality, as approved by the Highways Authority.

Severn Distribution Park

- Improvements to the existing access from the B4066.
- Contribution to improving the connectivity of the site to the wider area.
- Provision of infrastructure to enable local bus services to effectively access the site.
- Cycle and pedestrian links to the existing network.

S.106 contributions do not negate the requirement for developers to comply with The Local Transport Plan for Gloucestershire (LTP3).

<p><u>Education</u> Contributions for upgrades to existing schools (except for those sites listed under s.106 column) to address shortfalls in capacity.</p>	<p><u>Education</u> On site or nearby provision of educational facilities where required to address shortfalls in capacity. Including: <u>North East Cam</u></p> <ul style="list-style-type: none"> • Contributions towards education provision to meet the needs of the development <p><u>Stroud Valleys</u></p> <ul style="list-style-type: none"> • Contributions to education to meet the needs of the development <p><u>Hunts Grove Extension</u></p> <ul style="list-style-type: none"> • A new primary school of sufficient scale to meet the needs of the development.
	<p><u>Affordable Housing</u> Affordable Housing will continue to be handled through S106 agreements.</p>
<p><u>Flooding</u> Strategic flood defences / mitigation required to support development across the area.</p>	<p><u>Flooding</u> On-site or localised off-site flood defences if necessary to ensure a development is adequately protected. The acceptable management and disposal of surface water including sustainable urban drainage systems (SuDs) to meet the requirements of the Environment Agency identified on a site-specific Flood Risk Assessment.</p>
<p><u>Community Services</u> Area wide facilities such as libraries, art centres, health centres, community centres, apart from S.106 items.</p>	<p><u>Community Services</u> On site community and cultural facilities, including: <u>North East Cam</u></p> <ul style="list-style-type: none"> • Changing rooms/community building <p><u>Hunts Grove Extension</u></p> <ul style="list-style-type: none"> • Community centre to meet the needs of the development • Site for a doctor's surgery <p><u>Sharpness Docks</u></p> <ul style="list-style-type: none"> • Community uses on the site of the original Sharpness Pleasure Ground

<p><u>Emergency Services</u> Upgrades and extensions and new facilities except those listed under s.106 section, including</p> <ul style="list-style-type: none"> • Potential for a new Police Central Custody Suite to be located in Gloucester Fringe which has been designed to provide additional capacity for growth across the County 	<p><u>Emergency Services</u> On site Emergency Services facilities, including: <u>North East Cam</u></p> <ul style="list-style-type: none"> • Investment in a Dursley Co-Responder scheme <p><u>Sharpness and Severn Distribution Park</u></p> <ul style="list-style-type: none"> • Setting up of a community responder unit in the area. <p><u>Stroud Valleys</u></p> <ul style="list-style-type: none"> • Ham Mills, Brimscombe Port, Brimscombe Mills sites to contribute to facilitated ambulance Standby Points.
<p><u>Green Infrastructure</u> Strategic improvements to sport and recreation provision, including:</p> <ul style="list-style-type: none"> • New sports hall and swimming pool in Gloucester urban fringe location <p>Strategic improvements to green infrastructure, including:</p> <ul style="list-style-type: none"> • Delivery of Rodborough Common/Minchinhampton Common management plan 	<p><u>Green Infrastructure</u> On site or nearby provision of green infrastructure, informal open space and outdoor playing space (multiuse games area/playing pitches/equipped play space/local areas of play), including: <u>Stroud Valleys</u></p> <ul style="list-style-type: none"> • Accessible natural greenspace, public outdoor playing space and/or appropriately landscaped canal public realm space <p><u>North East Cam</u></p> <ul style="list-style-type: none"> • Landscaped linear park, including footpath along the River Cam • Accessible natural greenspace and public outdoor playing space, including changing rooms/community building • Structural landscaping buffer to the south east of the development below the 50m contour, including existing hedgerows and trees <p><u>Hunts Grove Extension</u></p> <ul style="list-style-type: none"> • Accessible natural greenspace and publicly accessible outdoor playing space, with appropriately scaled changing facilities • Structural landscaping buffer around the southern and western boundaries of the development, incorporating existing hedgerows and trees, as appropriate

	<p><u>Sharpness Docks</u></p> <ul style="list-style-type: none">• Recreational related facilities including community football pitch, community gardens and informal green space• Landscaping incorporating existing hedgerows and trees
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Report Title	DESIGNATION OF NEIGHBOURHOOD PLANNING AREAS
Purpose of Report	To consider the nomination of four Neighbourhood Planning Areas affecting the parishes of Cam, Dursley, Hardwicke and Standish.
Decision(s)	<ol style="list-style-type: none"> 1. The Committee accepts the nomination of the three Neighbourhood Planning Areas for the parishes of Dursley, Hardwicke and Standish. 2. The Committee delegates to the Head of Planning the Authority to accept the nomination of Cam as a Neighbourhood Planning Area, subject to there being no substantive objections to the designation.
Consultation and Feedback	<p>The nominations will have been subjected, at different times, to 6 week consultation with the community. This has been via a press advert with all documents being reproduced on the council website.</p> <p>http://www.stroud.gov.uk/docs/planning/planning_strategy.asp?s=sectioncontent5&p=np</p> <p>There has been no feedback from the community to the consultation, though Cam's consultation is yet to conclude.</p>
Financial Implications and Risk Assessment	<p>The report sets out the resource implications for the Council concerning the designation of Neighbourhood Planning Areas. The Government has made available £1.5 million to support the nomination stage, the report indicates that this would not be sufficient to cover the designation of all civil parishes and urban areas.</p> <p>Whilst the Council will apply for the initial £5,000, the outcome is uncertain and that could result in the Authority having to meet these costs itself.</p> <p>David Stanley, Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk</p>

	<p>RISK</p> <p>There is a medium risk that there will not be sufficient income from grants to cover the costs of administering and managing the process, and a medium likelihood of it becoming an issue. Score 4</p> <p>Philip Skill, Head of Planning Tel: 01453 754345 Email: phil.skill@stroud.gov.uk</p>
<p>Legal Implications</p>	<p>Neighbourhood planning was introduced through the Localism Act 2011.</p> <p>The first formal step in neighbourhood planning is the submission of the proposed neighbourhood area to the local planning authority for designation.</p> <p>The Neighbourhood Planning (General) Regulations 2012 set out the requirements for consultation and publicity.</p> <p>This report details four applications for designation that have been received.</p> <p>The application from Cam has not yet been publicised in accordance with the regulations, and therefore the recommendation is that authority to accept the nomination for designation be delegated to the Head of Planning, provided no substantive objections are received.</p> <p>The Head of Planning will therefore need to ensure that the requirements of the regulations have been complied with before exercising the delegated power.</p> <p>There are no other substantive legal issues arising from this report.</p> <p>The report summarises the further steps involved in preparing a Neighbourhood Development Plan.</p> <p>Zoe Lash, Solicitor Tel: 01453 754362 Email: zoe.lash@stroud.gov.uk</p>
<p>Report Author</p>	<p>Philip Skill: Head of Planning Tel: 01453 754345 Email: phil.skill@stroud.gov.uk</p>

Options	The Committee may: 1. Designate any or all of the nominations without variation, 2. Vary the extent of any or all of the nominations, 3. Decline to designate any or all of the nominations.
Performance Management Follow Up	None
Background Papers/ Appendices	Nominations and maps on the website at http://www.stroud.gov.uk/docs/planning/planning_strategy.asp#s=sectioncontent5&p=np

Introduction

Applying for designation as a neighbourhood area is the first step local communities are required to take before acquiring their new neighbourhood planning powers. The areas indicated on the maps in published at http://www.stroud.gov.uk/docs/planning/planning_strategy.asp#s=sectioncontent5&p=np and represent the full geographical extents for each of the parishes.

Following the submission of a nomination, the Council must put the details out to public consultation for a minimum of 6 weeks. This consultation, on the neighbourhood planning area, gives an opportunity for members of the public, businesses and other interested bodies to make representations relating to the appropriateness of the area to be designated. The District Council, as Local Planning Authority is required to consider the nomination and either designate the area, vary the extent of the nomination or refuse to designate the area. If the decision is to refuse or vary the designation, then reasons must be given.

Background

Neighbourhood planning gives communities the ability to prepare a statutory plan known as a “Neighbourhood Development Plan” (NDP) for their area, setting out the type of development that will happen, where it should be located and how it should look. It is also possible to grant planning permission for certain types of development, by drawing up a neighbourhood development order (NDO) for a specific site.

It should be remembered at all times that the purpose of a Neighbourhood Development Plan is to be **pro-growth** rather than to stifle development. As such it should identify additional opportunities for development or seek to influence the implementation of allocations within the District Council’s local plan. It should also be noted that despite the fact that this legislation was introduced under the Localism Act, the planning system remains a top-down process, with NPDs being subservient to the National Planning Policy Framework (NPPF) and the local plan (together with any additional strategic planning documents such as those prepared by the County Council).

The first statutory stage in bringing forward a neighbourhood planning proposal, either a plan or order, is to define the neighbourhood area. The proposed area must be agreed by the Local Planning Authority, following a period of consultation. All of the communities which have applied to the District Council for their neighbourhood area to be designated indicate that they wish to prepare a NDP, which would contain a suite of planning policies that complement the strategic planning framework.

The Localism Act and its regulations set out what a community must do when making an application for neighbourhood area designation. Part 2, Regulation 5 states that “where a relevant body submits an area application to the Local Planning Authority it must include:

- a) a map which identifies the area to which the area application relates;
- b) a statement explaining why this area is considered appropriate to be designated as a neighbourhood area; and
- c) a statement that the organisation or body making the area application is a relevant body for the purposes of section 61G of the 1990 Act.”

The Act and regulations also describes how the Local Planning Authority should publicise nomination. In each case the nomination was advertised in Stroud Life. The nomination for Cam was not received until after the deadline for insertion in the newspaper prior to Christmas. As such this consultation period does not close until after this meeting and therefore, rather than delay the designation, it is suggested that the Head of Planning be delegated to accept the nomination subject to there being no substantive objections being received prior to the close of consultation. Should there be any, the matter will be brought before the committee at a future meeting.

If any comments are made on any of the nominations prior to this meeting, they will be reported verbally.

In addition, the three nominations were published on the Council’s website on page http://www.stroud.gov.uk/docs/planning/planning_strategy.asp#s=sectioncontent5&p=np

Evidence and feedback

The maps which designate the areas to be covered are reproduced on the website, however, in each case, the maps show the entire extent of each of the parish boundaries. This is in accordance with the Act and Regulations which state that in a parished area, the boundary can be the whole, or a part of the parish.

The Localism Act (Section 61G) indicates that a Parish Council is a “relevant body”, see (c) above, which is capable of applying to a Local Planning Authority for the designation as a neighbourhood area. It is clear from reading section 61F that in a parished area, the Parish Council is the **only** organisation or body which is authorised to act in relation to a neighbourhood area. All four applications have been received from a Parish or Town Council,

and it is therefore accepted that the nominations have been made by relevant bodies.

At the time of writing, there have been no objections or comments made on any of the nominations or their extents.

Resource Implications to the District Council.

The cost of this initial stage is minimal and other than the advertisements, has been kept within existing budgets. The Government has made available £1.5 million to support LPAs in the nomination stage. This could cover 300 designations at £5,000 each. Unfortunately there are approximately 10,000 civil parishes in England plus however many urban neighbourhoods which are designated.

Whilst the District Council can apply for the initial £5,000 funding there is no guarantee that the funding will still be available (should the allocation be exhausted) or that the fund will be topped up in future years. As such the Committee will need to consider the implications for the 2014/15 financial year of designating and supporting nominations.

These initial costs will relate to supporting the Parish and Town Council's in the preparation of a NDP. It is envisaged that parishes will receive some assistance from the Gloucestershire Rural Community Council (GRCC) and be able to obtain grants from Government to develop their own plan. The District Council's role is to provide advice on policy matters and to ensure the plan is in conformity with the Local Plan and NPPF. It is not the role of the District Council to project manage or write the NDP for a community. There is no budget to provide dedicated assistance, and in any event this would tend to disenfranchise the parishes whose plan it will become.

Once a neighbourhood has produced its NDP it will be subject to external scrutiny, in the same way that a Local Plan is exposed to an Examination in Public. Being a smaller document it is unlikely to be subjected to the same level of inquiry, however, it will be for the District Council to pay for the examination by an independent inspector, of our choosing, that is to say, not the planning inspectorate.

Whilst there is nothing to stop a NDP from being examined a head of the adoption of the District Council Local Plan, it is difficult to see how an inspector would find it sound prior to the local plan examination. As such it is unlikely that NDP examinations will take place before summer 2014, though they may be processed in tandem.

If the NDP is found to be 'fit for purpose', and in conformity with the Local Plan and NPPF, the District Council will arrange for a referendum to be held, at the district's expense. The acceptance of the NDP will be based on a simple majority of those parishioners voting. Should this be achieved, the LPA must adopt the NDP, adding it to the NPPF and Local Plan as material considerations in planning applications.

The NDP may also indicate additional development opportunities in the parish, such as affordable housing, cross-subsidy housing, sporting / recreational facilities etc. Hooks have been left in the District Council's emerging Local Plan, so as to ensure an NDP which proposes such growth can be shown to be compliant.

Should the community reject the NDP, it will fail and have no relevance in planning policy. It should be noted that "no" campaigns have considerable success in referenda, with the status quo tending to prevail.

Government have provided a fund to assist District Council's with their costs. Following the completion of the examination of an NDP, the Council may apply for up to £25,000 to pay for the inquiry and the referendum. This funding is for District Council use and it is not anticipated there will be any surplus to assist Parish and Town Council's. Pathfinder projects have indicated that the funding available does not always cover the cost of managing the process. It should also be noted that the Government funding is capped and is not guaranteed in future years.

Again, the Committee will need to consider budget provisions for the 2014/15 financial year and the medium term plan, to ensure these and other NDP can be accommodated.

Further Consideration

Members should be mindful that the Localism Act places duties on District Council's to assist in the preparation of NDPs and NDOs. The duty is not, however, specific about the level at which a district council should offer assistance. Whilst the Government have a policy on regulatory matters (one in, one out) these are new duties on the Council and do not replace a duty which has been withdrawn.

The planning service has managed to accommodate the current expenditure within budget, however it is not able to provide more than basic assistance to parishes, as outlined above, particularly as the Council prepares for the examination in public (public inquiry) on the Local Plan in 2014.

Stroud, together with other parished District Councils, is in the fortunate position that only town and parish council's may come forward with neighbourhood designations. There is a widely held view that the legislation was designed primarily for un-parished cities and urban areas where neighbourhoods would not have the ability to raise funds through taxation or levies; and hence the duty to assist was necessary.

Parish and Town Council's on the other hand have the ability to raise income to cover their expenditure through a precept. It could be argued that the cost of the developing a NDP should, under the concept of localism, be funded by those who will benefit from the plan, rather than the general populous. This will be a matter for consideration at another time.

Conclusion

The Committee agrees to designate the entire parishes of Dursley, Hardwicke and Standish as Neighbourhood Planning Areas, and the Committee delegates to the Head of Planning the authority to accept the nomination of Cam, subject to there being no substantive objections to the designation.

**Stroud District Council
Environment Committee Work Programme 2013/14**

13 June 2013

1. Introduction to Environment Committee
2. Appointments to Outside Bodies
3. Environment Committee Budgets 2013/14 (D Stanley)
4. Work Programme

8 July 2013 (Special Meeting)

1. Stroud District Local Plan 2014-2031

12 September 2013

1. Budget Monitoring Report – Quarter 1 (D Stanley)
2. Neighbourhood Designations – Eastington, Stonehouse and Whiteshill and Ruscombe (P Skill)
3. Carbon Management Programme
4. Work Programme

Members Information Sheet

Ash Tree Die Back
Re-development at Brimscombe Port - progress

5 December 2013

1. Revised Budget 2013/14 and Draft Budget 2014/15 (D Stanley)
2. To consider opportunities for income maximisation in relation to the Environmental Health Services (J Beckett)
3. Work Programme

4 February 2014

1. Community Infrastructure Levy (CIL), together with Charge Schedule (M Russell/R Clare)
2. Designation of Neighbourhood Planning Areas (P Skill)
3. Budget Monitoring Report 2013/14 (D Stanley)
4. Multi-Services Contract Update (C Novoth)
5. Oral Update from Cllr Paul Smith on Performance Management
6. Nominate a representative to the Stroud Concordat
7. Work Programme

Members Information Sheet

Dog Control Orders Update

13 March 2014

1. Revised Budget 2013/14 (D Stanley)
2. Sustainable Urban Drainage Systems (SUDS) Approval (M Hickman and J Beckett)
3. Listed Buildings – Buildings at Risk Register and Stroud District Council's Responsibilities Process (D Gould)
4. Work Programme

Reports for Future Meetings

June 2014

Multi-Services Contract – Full Report (C Novoth)
Community Infrastructure Levy (CIL) (M Russell/R Clare)

Date to be determined

Princes Trust Presentation (G Darley)