

MEETING:	GENERAL OVERVIEW & SCRUTINY COMMITTEE
DATE:	10 DECEMBER 2012
TITLE OF REPORT:	TASK & FINISH GROUP REPORT – COMMUNITY INFRASTRUCTURE LEVY (CIL) REVIEW
REPORT BY:	Task & Finish Review Group

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To consider the findings arising from the scrutiny Task & Finish Group – ‘Community Infrastructure Levy (CIL) Review’ and to recommend the report to the Executive for consideration.

Recommendation(s)

THAT:

- (a) **the Committee considers the report of the Task & Finish Group – Community Infrastructure Levy (CIL) Review, in particular its recommendations, and determines whether it wishes to agree the findings for submission to the Executive;**
- (b) **Subject to the Review being approved, the Executive’s response to the Review including an action plan be reported to the first available meeting of the Committee after the Executive has approved its response;**

Key Points Summary

- A scrutiny Task & Finish Review has been undertaken into the preparation of a Community Infrastructure Levy (CIL) charging schedule for Herefordshire.
- The findings and recommendations of the Review Group are contained in the attached report.

Alternative Options

- 1 The Committee can agree, not agree or can vary the recommendations. If the Committee agree with the findings and recommendations from the review, the attached report will be submitted to the Executive for consideration. It will be for the Executive to decide whether some, all or none of the recommendations are approved.

Reasons for Recommendations

- 2 This Committee commissioned a Task & Finish Group to look at the preparation of a Community Infrastructure Levy (CIL) charging schedule for Herefordshire. The Task & Finish Group has completed its task so far as it is currently able and its report is required to be submitted to this Committee for approval. The recommendations also set out how the report should be progressed in accordance with the Council's Constitution, if approved by the Committee.

Introduction and Background

- 3 Cabinet on 28 July 2011 considered the Economic Development Strategy, Local Development Framework (LDF) and the Local Transport Plan 3 (LTP3). Arising out of that debate Cabinet invited the Overview and Scrutiny Committee to inform the preparation of a Community Infrastructure Levy charging schedule for Herefordshire.
- 4 The Overview & Scrutiny Committee commissioned a Task & Finish Group to undertake a review. The Review has been undertaken within the limitations of having to meet a deadline for a report to be submitted to the Executive by December 2012. The resultant findings and recommendations are to be reported to this Committee for its consideration prior to being referred to the Council's Executive for consideration and approval.

Key Considerations

- 5 The Community Infrastructure Levy (CIL) is expected to provide additional monies for infrastructure but will not replace existing mainstream funding. Core public funding will continue to bear the main burden, and the Council will need to utilise CIL alongside other funding streams to deliver infrastructure plans locally.
- 6 The Task & Finish Group considered the range of information put before it and its principal findings were that a differential rates approach be taken to setting CIL rates in Herefordshire and that a locality-based approach to managing both the encouragement of development and the implementation and ownership of infrastructure projects – including those designed as 'strategic' at county level, is recommended for Herefordshire.
- 7 The Task & Finish Group were time limited in its investigations to meet the deadline for reporting to the Executive by December 2012. The Task & Finish Group are of the opinion that the Group should be recommissioned early in the New Year when further evidence namely a report by Three Dragons consultancy will be available.

Community Impact

- 8 The findings and recommendations from the review are in accordance with many of the guiding principles in the Herefordshire Community Strategy. If the Committee and the Executive agree with the findings of the Group, any community impact will be reported in the resultant report to Cabinet.

Equality and Human Rights

- 9 If the Committee agree with the findings of the Group the report will need to be considered by the Executive and, depending on their decision, any resultant implementation of a Community Infrastructure Levy will need to be assessed against the Equality Analysis and be reported to Cabinet.

Financial Implications

- 10 If a Community Infrastructure Levy is imposed then the level of income derived will be dependent on the evidence to support the fee levels in the charging schedule and how the payment of the fees is phased as defined by the payment schedule. Both these elements will need to be considered by the Executive and, depending on their decision, any resultant implementation of a Community Infrastructure Levy will need to be assessed against the financial implications and be reported to Cabinet.

Legal Implications

11. The Council is required to take into account the changes to recent government guidance to which the review report refers. If the Committee and the Executive agree with the findings of the Group, legal input will be given to the resultant report to Cabinet.

Risk Management

12. There is reputational risk if the Council does not operate a sound policy. The recommendations in the Review report should help mitigate this risk. The potential risk has been highlighted to the relevant department to assess whether the risk warrants inclusion in the risk register.

Consultees

- 13 As part of the Review interviews were held with: Lin Cousins, Three Dragons Consultancy; Shropshire Council; Jane Thomas, Strategic Housing Manager, and Hayley Crane, Housing Development Officer.

Appendices

- 14 Task & Finish Review Group Report – Community Infrastructure Levy (CIL) Report (Appendix 1).

Background Papers

- The Review Group received many documents which are listed in appendix 3 to the Review Groups report the majority of which are available via the respective websites.