

COMMITTEE: PLANNING

DATE: 19 July 2016

SUBJECT: Community Infrastructure Level – Financial Position (July 2016)

REPORT OF: Senior Specialist Advisor (Planning)

Ward(s): All

Purpose: To provide a summary of the current position for the income expected and received the CIL liable cases since its adoption.

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Recommendations: 1. That Members note the content of the report.

CIL Position Statement - 4th July 2016

1. Introduction

1.1 Eastbourne Borough Council has been implementing the Community Infrastructure Levy (CIL) from 1st April 2015. The CIL Charging Schedule sets out the charge per square metre that applies to dwellings (C3 Use Class) excluding residential apartments and retail (A1-A5 Planning Class Uses). The table below is the Eastbourne CIL Charging Schedule.

Table 1. Eastbourne Charging Schedule

Type of Development (Use Class Order 1987 as amended)	CIL Rate £/sqm for net additional floorspace
Dwellings (C3) excluding apartments	50
Retail (A1-A5) (100sqm or greater)	80

All other uses	0
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1.2 This statement provides an overview of the CIL position as of 4th July 2016 and relates to CIL liable planning permissions issued since 1st April 2015. The CIL processing system we use is called Exacom and it provides a robust way of discharging our CIL duties under the CIL Regulations and maximising our effectiveness in collecting CIL income.

1.3 The Exacom system is a highly searchable database with all our CIL cases. This report provides data from Exacom on the potential CIL income, the actual CIL income collected or due, the breakdown of the potential and actual CIL income into the governance pots (Admin, Neighbourhood and County) and the relief that we have granted from the levy.

2 CIL Liability Notices (Potential CIL Income)

2.1 A CIL liability is created at the grant of planning permission at which point a Liability Notice is issued. A Liability Notice sets out what the charge will be upon commencement of the planning permission. The following table shows the CIL Liability Notices, with values greater than £0, issued since 1st April 2015.

Table 2. Liability Notices Sent to date as at 4th July 2016

CIL Ref	Application No	Liability Notice	Notice Date	Notice Amount	Decision Date
00000001	150342	LN000000002	09/05/2016	5,150.00	03/06/2015
00000010	160036	LN000000024	23/05/2016	10,737.69	20/05/2016
00000012	160100	LN000000010	11/05/2016	8,255.77	07/04/2016
00000017	160129	LN000000013	17/05/2016	4,282.10	06/05/2016
00000018	160224	LN000000026	01/06/2016	9,823.85	05/05/2016
00000021	150070	LN000000016	20/05/2016	11,450.00	00/01/1900
00000022	150080	LN000000036	20/06/2016	16,650.00	02/09/2015
00000023	150096	LN000000019	20/05/2016	2,600.00	21/05/2015

2.2 A Liability Notice is issued as soon as reasonably practicable after planning permission is granted. The total value of the Liability Notices issued as of 4th July 2016 is **£68,949.41**. This value is best considered as CIL potential – money will only become due once development is commenced. Furthermore it is possible for an applicant to apply for relief from the levy up until commencement of development. If relief is granted a revised Liability Notice is issued showing the relief and the new liability, even if 100% relief is granted the Notice will still be issued with a £0 liability.

2.3 The following table provides the planning information for the applications where we have issued a Liability Notice >£0, which allows us to see the type of development that is generating the CIL income.

Table 3. Use Charges Report as at 4th July 2016

Application No	Site Address	Site Description	Decision	Residential £50.00
150070	Land to the rear of 2 to 8, Queens Crescent	Demolition of 10 lock-up garages and erection of 6 x terraced 2 bedroomed houses together with access drive and ancillary parking.	26/03/2015	11,450.00
150080	Meads Hollow, 15 Upper Carlisle Road, Eastbourne, East Sussex, BN20 7TN	Erection of a detached 4 bedroom dwelling with a detached double garage at the front on land within the curtilage of 15 Upper Carlisle Road.	02/09/2015	16,650.00
150096	Birley House, 13 College Road, Eastbourne, East Sussex, BN21 4JA	Erection of a two storey detached building at rear containing two flats and one cottage. (Amended scheme)	21/05/2015	2,600.00
150342	The Drive, 153 Victoria Drive, Eastbourne, East Sussex, BN20 8NH	Demolition of existing garage and erection of one four-bedroom dwelling with one parking space (amended description).	03/06/2015	5,150.00
160036	70 Kings Drive, Eastbourne, East Sussex, BN21 2PB	Erection of two semi detached dwelling houses adjacent to the existing house, together with the provision of new access and four parking spaces.	20/05/2016	10,737.69
160100	Crossways, 35 Prideaux Road, Eastbourne, East Sussex, BN21 2NB	The demolition of existing garage and the erection of a single storey dwelling with rooms in the roof and parking accessed from Ashburnham Road.	07/04/2016	8,255.77
160129	The Corner House, 69 Percival Crescent, Eastbourne, East Sussex, BN22 9JY	Erection of 4 bed end of terrace dwelling attached to 69 Percival Crescent.	06/05/2016	4,282.10
160224	Street Record, Oak Tree Lane, Eastbourne, East Sussex	Proposed erection of 2x detached dwellings with 4 off street parking spaces.	05/05/2016	9,823.85

2.4 As can be seen from the above table all the permissions with a live CIL liability are for residential (excluding apartments). There are no retail CIL liabilities to date.

3 CIL Governance

3.1 The following table shows the potential CIL income (£68,949.41) broken down into the constituent governance pots.

Table 4. Potential CIL Income 4th July 2016

CIL Pot	Amount £
CIL Admin Pot	3,447.47
Neighbourhood CIL Pot	10,342.41
County CIL Pot	55,159.52

4 CIL Demand Notices (CIL Income Collected or Due)

4.1 The following table shows the planning permissions where development has commenced (the permission has been implemented) and a Demand Notice has been sent. The CIL Demand Notice is the request for payment and can be considered in the same way as an invoice. Payment is due 60 days from commencement. As can be seen from the table below we only have one development that has commenced and there is a CIL payment due on 5th August 2016.

Table 5. CIL Demand Notices Sent as at 4th July 2016

App No	Site Address	Demand Ref	DN Date	Demand Amount	LN Ref	LN Date	Payment Due
150070	Land to the rear of 2 to 8, Queens Crescent	CIL00021-LP00039	07/06/2016	11,450.00	LN00000016	20/05/2016	05/08/2016

4.2 The CIL amount in the above table can be considered actual CIL income as this money is now 'guaranteed' due to development having commenced on site i.e. the planning permission has been implemented.

5 CIL Governance

5.1 The actual CIL income is broken down into the CIL governance pots as shown in the table below. This income relates to one application only and the income is due on 5th August 2016 – this will be the first CIL money banked for Eastbourne Borough Council.

Table 6. Actual CIL Income 4th July 2016

CIL Pot	Amount £
CIL Admin Pot	572.50
Neighbourhood CIL Pot	1,717.50
County CIL Pot	9,160.00

6 CIL Relief Notices (Exemption from the Levy)

6.1 There are a variety of conditions where relief maybe applied for, for example for social housing, for self-build, for charitable purposes, for extension and annexes. The following table shows the relief we have granted to date, which is for social housing. The scheme shown below in the table is an application from Eastbourne Homes Ltd for 100% social housing.

Table 7. CIL relief Granted as at 4th July 2016

App No	Site Address	Gross Liability	Relief Type	Amount	Percent	Date Granted
151382	Land At Rodmill Drive, Rodmill Drive, Eastbourne, East Sussex	23,261.54	Social Housing Relief (Mandatory)	23,261.54	100.00	02/06/2016

6.2 It is worth noting that relief can be applied for anytime up until a development is commenced and so it is possible for relief to be granted for developments that currently form part of the CIL potential. Other interesting aspects of the CIL Regulations concerning relief from CIL, which are worth discussing here, are the ability for an applicant to forfeit their relief for non-compliance with procedure and the application of the claw back period.

6.3 Compliance with procedure requires the applicant/developer to submit a valid Commencement Notice at least 1 day prior to beginning on site (and this includes demolition) otherwise the relief will be withdrawn. There is also a requirement with self-build relief for evidence documents to be submitted post completion and failure to submit these will forfeit the exemption.

6.4 The claw back period concerns a period of time (3 years for self-build, 7 years for social housing) after the development is completed (or commenced depending on which Regulation it applies to) whereby the development must be subject to the same conditions relevant to gaining relief, i.e. self-build must not be sold or rented, social housing cannot be converted to market housing, otherwise the CIL liability becomes due. This clawback period is recorded on the land charges register and can be

monitored through searches on the land charges register. It is also a legal requirement for the recipient of the relief to notify us of any disqualifying event.

7 Future Monitoring Aims

7.1 We aim to monitor the planning permissions that receive a **CIL Confirmation of No Liability Notice** – of particular interest is to establish the potential CIL income that is lost through the exemption in the CIL Charging Schedule of residential apartments. Applications for planning permission for apartments are now assessed in Exacom to provide data on the loss of CIL liable floorspace due to the exemption. We should be able to establish the amount of floorspace and an indicative overall cost (assuming the residential rate of £50 or other benchmarks as appropriate). This will form a new section in future reports and will relate to the period from April 2016 onwards.

7.2 S106 income and expenditure will be monitored through Exacom and reporting on this may be available by April 2017.

7.3 It is acknowledged that given the low level of funds received at this stage that the Council have not received any 'bids' for 'infrastructure' funding. It is anticipated that this will change going forward and whilst the governance of the bidding regime falls with the Local Plan Steering Group and Cabinet future iterations of this report should identify relevant and successful bids.

8 Recommendation

8.1 That Members note the content of this report.