



Dear Councillor,

CENTRAL LANCASHIRE STRATEGIC PLANNING JOINT ADVISORY COMMITTEE - MONDAY, 15TH DECEMBER 2014

The next meeting of the Central Lancashire Strategic Planning Joint Advisory Committee to be held on Monday, 15th December 2014 at 5.30 pm at South Ribble Borough Council commencing at 5.30pm.

The agenda and accompanying reports for consideration at the meeting are enclosed.

The agenda papers are being sent to both appointed and substitute Members. Any appointed Member who cannot attend is asked to first contact their substitute to see if he or she can attend instead. Then please contact James Wallwork on 01772 625306 or via email (jwallwork@southribble.gov.uk) to give apologies and indicate whether the substitute Member will attend.

Yours sincerely

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Distribution

All members of the Central Lancashire Strategic Planning Joint Advisory Committee

AGENDA

Monday, 15 December 2014 at 5.30pm in the
Wheel Room at South Ribble Borough Council
Civic Centre, West Paddock, Leyland

1 **Appointment of Chair for the Meeting**

2 **Apologies for absence**

3 **Confirmation of Minutes - 7 October 2014 - to follow**

4 **Gypsies and Travellers**

A verbal update will be provided at the meeting.

5 **Central Lacnashire Biodiversity and Nature Conservation SPD**

A verbal update will be provided at the meeting.

6 **Local Plans**

A verbal update will be provided at the meeting.

7 **Core Strategy Monitoring (Pages 5 - 18)**

Report attached.

8 **Community Infrastructure Levy (CIL) - Review (Pages 19 - 24)**

Report attached.

9 **Cuerden Strategic Site - Draft Masterplan**

A presentation will be undertaken at the meeting.

10 **City Deal**

A verbal update will be provided at the meeting.

11 **Ribble Bridge Crossing**

A verbal update will be provided at the meeting.

12 **LCC Onshore Oil and Gas SPD**

A verbal update will be provided at the meeting.

13 **Any other business**

14 **Dates of Next meeting 17 March 2015 - Chorley Council**

REPORT TO	DATE OF MEETING
Central Lancashire Joint Advisory Committee	15/12/14

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
Central Lancashire Core Strategy Monitoring Report 2013/14	Planning and Housing	Rachel Peckham	7

SUMMARY AND LINK TO CORPORATE PRIORITIES

The Town and Country Planning (Local Planning) (England) Regulations 2012 requires every local planning authority to produce a Monitoring Report annually. The Monitoring Report shows how planning policies are being implemented across the area. Each of the Central Lancashire Authorities produces its own monitoring report, showing progress on its own local policies, a joint report is produced to monitor the Core Strategy.

The Monitoring Report for each area (including the Core Strategy Monitoring Report) must be published by each Local Authority on their website.

RECOMMENDATIONS

That the Committee note the Core Strategy Monitoring Report (attached to this report).

DETAILS AND REASONING

Monitoring is a key feature of the development plan system introduced by the Town and Country Planning (Local Planning) (England) Regulations 2012. The Regulations require that Local Authorities produce a monitoring report for their policy documents. The 3 authorities each produce a separate monitoring report to monitor their own local plans, with a joint report being produced to monitor the Core Strategy. The Core Strategy Monitoring Report must be published alongside the individual monitoring reports, on each of the 3 authorities' websites.

The Core Strategy Monitoring report is a key source for the monitoring of objectives, targets and indicators for the Core Strategy.

The indicators that are monitored in the Core Strategy Monitoring Report are set in the Performance Monitoring Framework of the Core Strategy. As the plan period progresses, trend data will be able to be demonstrated, and policies that may need amending will be identified.

Some key findings of the monitoring report are:

- The percentage of dwellings constructed in in Preston and South Ribble Urban area is below the target set it the Core Strategy; however it is expected this figure will increase as more sites in the authorities' Local Plans come forward;
- For most of the locations monitored, traffic in the Borough has increased steadily;

- Housing delivery exceeded the target set in the Core Strategy in Chorley. The number of houses delivered in both South Ribble and Preston is below the target, however has risen significantly from last year.
- The number of affordable homes delivered across the area is above the target set in the Core Strategy;
- There have been no changes in areas of Biodiversity throughout Central Lancashire; and
- Levels of qualifications are higher than the regional average in both South Ribble and Chorley. The level of people across Central Lancashire qualified to NVQ Level 4 or higher across the area has increased by 15% since the last monitoring report.

The Core Strategy was adopted in July 2012 so this report is only the second to be produced. As the 3 authorities respective Local Plans are not yet fully adopted, targets set within the Core Strategy policies have not always been met. However, as sites start to come forward through the Local Plans, it is expected that they will be met. This will be kept under review through subsequent monitoring reports.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these. The risk assessment which has been carried out forms part of the background papers to the report.

FINANCIAL	None arising directly from this report		
LEGAL	Failure to produce a Monitoring Report would be contrary to the requirements of the Town and Country Planning (Local Planning) (England) Regulations 2012.		
RISK	The full risk assessment forms part of the background papers to this report. The main points for consideration are summarised here:-		
OTHER (see below)			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

Risk Assessment

Central Lancashire Local Development Framework

Central Lancashire Core Strategy Monitoring Report

Covering the period April 2013 – March 2014

(Part A)

Chorley
Council



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Introduction

The Joint Central Lancashire Core Strategy has been produced by the Central Lancashire authorities of South Ribble, Preston and Chorley and was adopted in July 2012; it is a key part of the Local Development Framework. This is the second Monitoring Report of the Performance indicators of the Core Strategy (please see Appendix D of the Core Strategy), and contains data for South Ribble, Chorley and Preston Councils.

Adopted Central Lancashire Core Strategy Indicators

1. Provision of housing developments by location

Related Policy: Policy 1: Locating Growth

Area	Total Dwellings		Central Lancashire Target (%)
	No.	%	
Preston/South Ribble Urban Area	305	26	48
(Within Strategic Sites and Locations)	0	0	(25)
Buckshaw Village	421	36	10
Key Service Centre	206	17	25
Urban Local Service Centre	111	9	9
Rural Local Service Centres and elsewhere	139	12	8
Total	1182	100	100

Source: Housing Land Monitoring Database * (Included within 48% for Preston/South Ribble UA).

Core Strategy table 1 establishes the predicted proportion of housing development across Central Lancashire until 2026. Across Central Lancashire the number of new homes built in the Preston/South Ribble Urban area fell below the predicted proportion. The Preston, South Ribble and Lancashire City Deal, agreed with government in September 2013, will help to improve future housing delivery across the City Deal area and seeks to secure the necessary strategic infrastructure to deliver some 17,420 new homes over the next 10 years.

The number of dwellings constructed across Central Lancashire has risen by over 170 dwellings since the 2012/13 Monitoring Report. It is expected that this figure will continue to rise as sites allocated in the 3 Local Plans start to come forward. It is likely that there will be more development on Strategic Sites and that the targets set for locations of development in the Core Strategy will be achieved.

2. Value of Developer Contributions Collected (and spent on infrastructure priorities)

Related Policy: Policy 2: Infrastructure

South Ribble		Chorley		Preston	
S106	CIL	S106	CIL	S106	CIL
During this monitoring period £750,682.72 income was collected from S106 contributions.	No income yet collected from CIL therefore none spent on items on the current infrastructure priorities list (Regulation 123 List).	Data was not available on S106 contributions at the time of publication.	During this monitoring period £580,450 CIL income was collected and £0 was spent on capital projects. No developer contributions were spent on items on the current infrastructure priorities list (Regulation 123 List).	During this monitoring period the total S106 money received in 13/14 to be spent on capital projects was £384,669.43. Total amount spent on capital projects in the same year was £45,581.13.	No income yet collected from CIL therefore none spent on items on the current infrastructure priorities list (Regulation 123 List).
2012/13 figure collected: S106 =£0.00 CIL = 0.00		2012/13 figure collected: S106 = £363,000 CIL = 0.00		2012/13 figure collected: S106= £1,902,326 CIL = 0.00	

No developer contributions were spent on items on the current infrastructure priorities list (Regulation 123 List) during the monitoring year. However, CIL charging across Central Lancashire only commenced in autumn 2013 (1st September in Chorley and South Ribble, 30th September in Preston) and it is expected that it will take some time before CIL contributions are available to spend.

3. Changes to Road Traffic Volume

Related Policy: Policy 3: Travel

Lancashire County Council carry out traffic counts in the Central Lancashire Area. These are either continuous automatic or manual counts. In order to be able to produce trend data over time, only the continuous counts will be used in the Monitoring Report.

The table below shows the 7 day average figures for each of the 6 locations selected in South Ribble, Preston and Chorley for one week during each year. These will be monitored each year so will show any trends up or down in the future. The monitoring sites selected are expected to be in place in the long term and are in locations known to experience significant volumes of traffic.

South Ribble Data:

Year	Location					
	1	2	3	4	5	6
2012	22022	29061	23126	33156	21284	27985
2013	22372	29308	21656	33978	21930	27889
2014	22585	29301	23758	32380	20152	28298

Source: Lancashire County Council

Location of Monitoring Sites in South Ribble:

1	A582 Penwortham Way, South of Lodge Lane, Farington Moss
2	A6 London Way, South of B5257 Browndedge Road, Bamber Bridge
3	A59 Liverpool Road, West of Lindle Lane, Hutton
4	A6 South Ribble Way, South of A582 Lostock Lane, Bamber Bridge
5	A6 Lostock Lane, West of M6 J29a, Bamber Bridge
6	A59 Preston New Road, West of B6230 Cuerdale Lane, Samlesbury

Chorley Data:

Year	Location					
	1	2	3	4	5	6
2012	9914	5513	18834	12176	17594	9967
2013	9589	5467	20056	13160	18119	10825
2014	9650	5612	20564	14014	19896	12759

Source: Lancashire County Council

Location of Monitoring Sites in Chorley:

1	A49 Springs Brow, South of Coppull Moor Lane, Coppull
2	A5106 Wigan Lane, South of Jolly Tar Lane, Coppull
3	A59 Windgate, S of Carr House Lane, Bretherton
4	A6 Preston Road, S of Dawson Lane, Whittle-le-Woods
5	B5252 Euxton Lane, W of Preston Road, Chorley
6	B5256 Sheep Hill Lane, E of Cuerden Valley Park, Clayton-le-Woods

Preston Data:

Year	Location					
	1	2	3	4	5	6
2012	21965	36198	24338	16602	11715	26427
2013	21700	36205	24229	16081	11274	26786
2014	22488	35882	24707	16471	11783	27620

Source: Lancashire County Council

Location of Monitoring Sites in Preston:

1	A6 Garstang Road, south of Woodplumpton Rd., Broughton
2	A6 London Rd, south of Ashworth Road
3	A59 Brockholes Brow, west of River Ribble
4	B6241 Lightfoot Lane, west of Wychnor
5	B6243 Longridge Rd, East of M6 motorway bridge.
6	A583 Blackpool Rd, west of Riversway

For most of the locations across Central Lancashire, the traffic levels have increased steadily throughout the periods recorded. It is expected that traffic levels will continue to rise as new development occurs throughout the region. It is important that appropriate infrastructure is put in place to cope with the extra traffic associated with this development. It is also necessary to ensure that appropriate sustainable transport infrastructure is put in place as part of development, to try and reduce the number of cars on the road. This report will continue to monitor traffic volumes/trends in Central Lancashire in future years.

4. Net Additional Dwellings Completed

Related Policy: Policy 4: Housing Delivery

Authority	Housing Completions 2013-14	Target
South Ribble	346	417
Chorley	582	417
Preston	254	507
Total	1,182	1,341

Source: Housing Land Monitoring Database

The number of dwellings completed is below the target set in the Core Strategy in both South Ribble and Preston. However overall the number of dwellings completed has increased on last year. Chorley has exceeded this target. It is however expected that the completion rates will continue to increase as sites allocated through the Local Plan come forward.

5. Affordable Housing

Related Policy: Policy 7: Affordable Housing

Authority	Affordable Housing Completions 2013-14	Target
South Ribble	48	30
Chorley	129	50
Preston	35	46
Total	212	126

Source: Housing Land Monitoring Database

Core Strategy policy 7 requires market housing schemes to deliver affordable housing as on-site provision or via off-site provision/financial contributions. The amount of affordable housing required to be delivered is dependent on a sites location, size and such considerations as financial viability. The definition of 'affordable housing' also includes shared equity products (for example Home buy) that are agreed after planning consent has been granted – therefore, net dwelling completion figures and affordable housing completions are not comparable. The number of affordable dwellings completed has decreased by over 70 in this monitoring period compared to last year although as the above table shows South Ribble and Chorley councils have significantly exceeded the target set in the Core Strategy with only Preston not meeting the target.

6. Employment Land Take-up

Related Policy: Policy 9: Economic Growth and Employment

Authority	Employment Land Take Up 2013-14	Total Take-up Since 2009	Target
South Ribble	0.0	27.92ha	223.5ha
Chorley	3.92	20.53	112 ha
Preston	3.29	22.40	118.5
Total	7.21	70.85	454ha

Source: Employment Land Monitoring Database

Steps have been taken to manage the delivery of employment land in order to promote development. In Chorley this includes the production of the Economic Regeneration Strategy and the development of an Inward Investment Plan which aims to promote and increase inward investment in Chorley. In addition, the Preston, South Ribble and Lancashire City Deal aims to create 20,000 new jobs across the City Deal area over the next 10 years. The total employment land take-up in the central Lancashire area as a whole has fallen slightly compared with last year; however the employment land take-up in Preston has increased.

7. Working Age Population Qualified to NVQ Level 4 or higher

Related Policy: Policy 15: Skills and Economic Inclusion

South Ribble	Chorley	Preston	North West
23,800 or 34.2%	23,600 or 35.9%	20,600 or 23.7%	31.0%

Source: ONS National Statistics / Nomis 2013 Crown Copyright

In terms of education and skills monitoring the Core Strategy aims to achieve a better or equal performance than the regional average. According to recent statistics a higher proportion of the working-age population in South Ribble and Chorley are qualified to NVQ level 4 or higher than the region as a whole. The comparable figure for Preston is significantly below the regional average. However central Lancashire as a whole has seen an increase of over 15% over last year.

8. Number of Heritage Assets at Risk

Related Policy: Policy 16: Heritage Assets

Authority	
South Ribble	There are no buildings on the at risk register within South Ribble in this monitoring period.
Chorley	Bank Hall, Liverpool Road, Bretherton (Category D) Lower Burgh Hall, Coppull New Road, Chorley (Category F) Buckshaw Hall, Euxton Lane, Euxton (Category E) Bretters Farm moated site and two fishponds (Declining Condition) Ingrave Farm moated site (improving condition)
Preston	Preston 7th Day Adventist Church (Category B) Harris Institute, Avenham Lane (Category C)

Source: English Heritage Buildings at Risk Register

The Core Strategy aims to prevent the increase or reduce the number of heritage assets at risk in Central Lancashire. There remain three buildings at risk in Chorley with the condition of these buildings showing some improvement in recent years. There are also two scheduled monuments at risk at Ingrave Farm and Better's Farm. In Preston, Preston 7th Day Adventist Church and Harris Institute, Avenham Lane remain on the Heritage at Risk Register, although these are likely to be removed in the coming months due to work that is currently being carried out. In recent years a number of these assets have received help from English Heritage to improve their condition.

9. Higher Quality Building Design

Related Policy: Policy 17: Design of New Buildings

South Ribble have not received any applications that meet the criteria of this indicator (over 5ha) in this monitoring period. Buildings for Life scheme has been amended as of September 2012 – however all housing developments have been considered against the design policy criteria based on the Core Strategy policy 17. Preston uses the Buildings for Life scheme for all major developments, not just those over 5 ha.

10. Amount of Sport, Recreation and Informal Open Space lost to other uses

Related Policy: Policy 18: Green Infrastructure/Sport and Recreation

South Ribble	Chorley	Preston
There has been no loss in this monitoring period.	There has been no loss in this monitoring period.	There have been various applications that have been on sport, recreation and open space land. However the majority of these applications, secured provision elsewhere or contributions were secured for off-site provision.

Source: Planning Application Monitoring

The Core Strategy aims to avoid the unmitigated loss of sport, recreation and informal open space across Central Lancashire.

There was no loss of sport, recreation and informal open space in South Ribble and Chorley during the monitoring period. In the case of the applications in Preston, it was considered that the loss of open space would not have a detrimental impact and complied with the Central Lancashire Open Space and Playing Pitch SPD. In addition, contributions were secured for the improvement of other existing open space.

11. Change of areas of biodiversity importance

Related Policy: Policy 22: Biodiversity

South Ribble	Chorley	Preston
There have been no changes in areas designated for their environmental value during this monitoring period. The Councils would be informed of any changes by the County Council (local sites) and English Nature (regional, national and international sites).		

The Core Strategy seeks to protect areas of biodiversity importance across Central Lancashire. During the year there was no change in the area of biodiversity importance and work has begun, with the help of the Lancashire Wildlife Trust, to produce a Biodiversity SPD which will set out how the biological assets across Central Lancashire will be conserved and protected. This will include the identification of 'ecological networks' that link sites of biodiversity importance.

12. Improving Community Health

Related Policy: Policy 23: Health

South Ribble	Chorley	Preston
No applications were received that require an HIA in this monitoring period	No applications were received that require an HIA in this monitoring period	A HIA has been carried out for the North West Preston Strategic Location Master plan (December 2013).

Source: Planning Application Monitoring

Health Impact Assessments are required for major planning applications on Strategic Sites and Locations. Only Preston has received an HIA in this monitoring period so for central Lancashire this represents an increase of 1 over last year.

13. Planning to Adapt to Climate Change

Related Policy: Policy 27: Sustainable Resources and New Developments

All housing developments meet the code for sustainable homes standards in South Ribble and Chorley in line with policy. Preston City Council require that all development meets minimum Level 4 of the code for sustainable homes and 'very good' of BREAM. Exceptions to Policy 27 include affordable and special provision housing which have met Level 3.

Appendix One

Monitored Policies of the Adopted Central Lancashire Core Strategy

The following policies are those within the Performance Monitoring Framework of the Adopted Central Lancashire Core Strategy (Appendix D).

1. Policy 1: **Locating Growth**
2. Policy 2: **Infrastructure**
3. Policy 3: **Travel**
4. Policy 4: **Housing Delivery**
5. Policy 7: **Affordable Housing**
6. Policy 9: **Economic Growth and Employment**
7. Policy 15: **Skills and Economic Inclusion**
8. Policy 16: **Heritage Assets**
9. Policy 17: **Design of New Buildings**
10. Policy 18: **Green Infrastructure/Sport and Recreation**
11. Policy 22: **Biodiversity**
12. Policy 23: **Health**
13. Policy 27: **Sustainable Resources and New Developments**

Report of	Meeting	Date
Chief Executive	Central Lancashire Strategic Planning Joint Advisory Committee	15 December 2014

REVIEWING THE COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE

PURPOSE OF REPORT

1. To inform Members about the process of reviewing the Community Infrastructure Levy Charging Schedule.

RECOMMENDATION(S)

2. To commit to a joint review of the CIL Charging Schedule and budgetary provision

EXECUTIVE SUMMARY OF REPORT

3. The Central Lancashire Authorities should commit to a joint review of the CIL Charging Schedule and budgetary provision. Policy 27 of the Core Strategy requires all new dwellings to meet Level 4 of the Code for Sustainable Homes from January 2013 and Level 6 from January 2016 and is a material consideration in the determination of a planning application for residential development. The Government has chosen to deregulate Level 6 of the Code for Sustainable Homes, requiring one set of standards which should be assessed by the Building Regulations. The change will mean that Core Strategy Policy 27 will become obsolete and that the CIL charging schedule may not reflect up to date viability information. A review starting in 2015 should review the viability information and evidence base, and provide the opportunity to reflect changes in recent legislation and guidance, as well as reflect on the impact of CIL on development since operating within the Central Lancashire area. The Review process will involve 2 rounds of public consultation and an independent examination and will take in the region of 12 -15 months to complete before a reviewed charging schedule is adopted. Consultants will need to be appointed to update the CIL viability study and the viability and infrastructure funding evidence. Budgetary provision should also take into consideration the costs of the examiner and the programme officer.

BACKGROUND

4. The Councils adopted the Community Infrastructure Levy (CIL) in July 2013 with Chorley Council and South Ribble Borough Council implementing CIL from the 1st September 2013 and Preston City Council from the 30 September 2013.
5. The Planning Practice Guidance incorporates the CIL guidance and indicates charging authorities must keep their charging schedules under review and should ensure that levy charges remain appropriate over time. For example charging schedules should take account of changes in market conditions, and remain relevant to the funding gap for the infrastructure needed to support the development of the area. When reviewing their charging schedule, charging authorities should take account of the impact of revised levy rates on approved phased developments, as well as future planned development.
6. Charging authorities may revise their charging schedule in whole or in part. Any revisions must follow the same processes as the preparation, examination, approval and publication of

a charging schedule (as specified under the Planning Act 2008 and particularly sections 211-214 as amended by the Localism Act 2011 and the Levy Regulations).

7. The Government does not prescribe when reviews should take place. However, in addition to taking account of market conditions and infrastructure needs, charging authorities should also consider linking a review of their charging schedule to any substantive review of the evidence base for the relevant Plan (the Local Plan). Even if the original charging schedule was not examined together with the relevant Plan, there may be advantages in coordinating the review of both.

WHY THE CIL CHARGING SCHEDULE NEEDS TO BE REVIEWED AND REVISED?

- 8 **High Court Challenge on Charging Schedule for Residential Development.** Fox Strategic Land and Property Limited Fox argued at the CIL Examination that the evidence upon which the £65 per square metre for residential development put forward by the councils was based was flawed, and that if CIL were charged at this level it would threaten the viability of housing development in central Lancashire.
9. But, in June 2013 an examiner appointed by the authorities concluded that the charge of £65 was justified, and, on that basis Chorley and South Ribble adopted the charging schedule under regulation 25 of the community infrastructure levy Regulations 2010 in July 2013, and Preston in August 2013. The charging schedules came into effect in September 2013.
10. In these proceedings, Fox sought an order quashing Chorley's charging schedule for residential development, basing its claim on various allegations of unlawfulness in the examiner's approach. It issued similar proceedings against Preston and South Ribble, which were stayed pending the outcome of this claim.
11. Following a hearing in March 2014, Judge J Lindblom dismissed the claim that the examiner's approach was irrational, that he failed to understand the evidence on the size of dwellings, density, and the cost of development, and failed to allow for the potential effects of a requirement in development plan policy, due to come into effect in January 2016, that new housing must meet Level 6 of the Code for Sustainable Homes.
12. Judge Lindblom said: "I think the examiner was entitled to conclude, as he did, that in striking the balance between the need to fund new infrastructure and the likely effects of CIL on the viability of development, the councils had taken an 'appropriately measured' approach". He applauded that approach.

"In the light of the appraisals the examiner was confident that the proposed charge would not jeopardize housing development in the councils' areas. In his judgment, the councils had plainly left enough scope for housing development to bear the burden of CIL and remain viable".

"I do not see how any of the examiner's conclusions can be said to be irrational. They were both reasonable and sufficiently reasoned, and were at least adequate for the purposes of the assessment he had to make. They were founded on 'appropriate available evidence', in accordance with section 211(7A) of the 2008 Act, and they were, in my view, both realistic and complete."
13. Judge Lindblom added that a planned review in 2015 will make it possible to gauge the true effects that the present CIL charge, or a charge set at a different level, would have on the viability of residential development built to comply with Level 6.
14. The CIL legislation requires that any review of CIL applies to the whole of the charging authority's area, which means a review of the rates should apply to each of the Central Lancashire authorities and as before in order to ensure that an appropriate differential CIL rate can be applied a joint review of the charging schedule should be undertaken.

This review also provides the opportunity to reflect changes in recent legislation and guidance, as well as reflect on the impact of CIL on development since operating within the Central Lancashire area.

- 15 **Core Strategy Policy 27: Sustainable Resources and New Developments.** Policy 27 of the Core Strategy requires all new dwellings to meet Level 4 of the Code for Sustainable Homes from January 2013 and Level 6 from January 2016 and is a material consideration in the determination of a planning application for residential development.
- 16 Since the implementation of the Councils CIL, the Government has chosen to deregulate Code Level 6 and this is presently going through Parliament. The Government is requiring one set of standards which should be assessed by the Building Regulations. It is also likely there will be 4 other optional standards and to utilise these there needs to be a local plan policy in place and information to show it is viable.
- 17 The imminent changes will mean that Core Strategy Policy 27 will become obsolete and that the CIL charging schedule may not reflect up to date viability information.
- 18 **Infrastructure Delivery Schedule** To illustrate that a CIL rate is justifiable the charging authority must determine the size of its total or aggregate infrastructure funding gap. To determine the size of the infrastructure funding gap, Officers will need to update the Infrastructure Delivery Plan (IDS) in consultation with infrastructure providers. The IDP identifies the quantum and type of infrastructure required to realise strategic infrastructure provision as set out in the Core Strategy and within the emerging Councils Local Plans. The IDP estimates costs, identifies potential funding sources and the lead delivery organisation for each piece of infrastructure. The updated IDP, will undergo public consultation alongside the Preliminary Draft Charging Schedule.
- 19 **The Regulation 123 List.** Each Council has an individual Regulation 123 List which stemmed from the Infrastructure Delivery Plan (IDP) and includes a range of strategic infrastructure provision, covering specific transport, education, leisure and health projects to be funded at least in part by CIL and that it is likely the Councils will seek to spend CIL funds upon. Each authority Regulation 123 List includes and duplicates the Pan Central Lancashire list that covers transport schemes. The CIL Regulation 123 List restricts the use of planning obligations for infrastructure that will be funded in whole or in part by the Community Infrastructure Levy, to ensure there is no duplication between the two types of developer contributions. The Regulation 123 List is a 'living' document and will need to be the subject of on-going update and monitoring.
- 20 There are a number of schemes on the Regulation 123 List that have been completed (without CIL funding) and need to be removed e.g. health, school and cycling schemes. Others schemes may need revising and expanding or adding to reflect new information and the identification of new or alternative infrastructure requirements. Lancashire County Council is presently reviewing and updating the position around current and future schools provision in relation to growth and planning permissions.
- 21 The list is not a part of the charging schedule, but is published on the Council's website when the CIL Charging Schedule is adopted. A key purpose of this list is to allow developers or other interested parties to check, at the point at which a section 106 agreement is being sought by the Council, that they are not being 'double charged' for any particular type or item of infrastructure. It is important to regularly review the Regulation 123 list to ensure it reflects the latest position in infrastructure needs. The minimum time for consultation of a revised Regulation 123 List is 4 weeks and may result in more schemes being put forward by consultees.

HOW IS A CHARGING SCHEDULE PREPARED?

22 A charging schedule is prepared and adopted as follows:

- the charging authority prepares its evidence base including viability in order to prepare its draft levy rates, and collaborates with neighbouring/overlapping authorities (and other stakeholders)
- the charging authority prepares a preliminary draft charging schedule and publishes this for consultation
- consultation process takes place
- the charging authority prepares and publishes a draft charging schedule
- period of further representations based on the published draft
- an independent person (the “examiner”) examines the charging schedule in public
- the examiner’s recommendations are published
- the charging authority considers the examiner’s recommendations
- the charging authority approves the charging schedule

WHAT IS THE ROLE OF THE COUNTY COUNCIL?

23 County councils are responsible for the delivery of key strategic infrastructure. Charging authorities must consult and should collaborate with them in setting the levy, and should work closely with them in setting priorities for how the levy will be spent in two-tier areas.

24 Collaborative working between county councils and charging authorities is especially important in relation to the preparation or amendment of the Regulation 123 infrastructure list, bearing in mind the potential impact on the use of highway agreements by the county council.

NEXT STAGES

25 In reviewing and setting CIL rates, the Council is required to strike an appropriate balance between the desirability of funding infrastructure from CIL and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across the Central Lancashire area, using appropriate available evidence to inform the Preliminary Draft Charging Schedule.

26 A review of the CIL charging schedule should be started with consultants appointed to undertake an updated CIL economic viability assessment to consider the impacts of the proposed revised CIL rates on the economic viability of development across the Central Lancashire area. The Review process will involve 2 rounds of public consultation and an independent examination. The review should be started at the beginning of 2015 as it is likely to take in the region of 12 -15 months to complete before a reviewed charging schedule is adopted.

RISK ASSESSMENT

27 The risk of not starting a CIL charging review are that the imminent changes to the Building Regulations will mean that the Core Strategy Policy 27 will become obsolete and that the CIL charging schedule may not reflect up to date viability information and may be challenged.

28 The risk of starting a CIL charging review is that in May 2015 the general election may result in a change of political party. The Labour party has indicated they do not want to scrap the principle of developers contributing to infrastructure but want to make CIL simpler and more straightforward so that Councils are able to use assets to lever in wider funding. This may alter the CIL process and make any review work unnecessary or obsolete. In addition due to the election purda period no consultation on a preliminary charging schedule can take place.

REVIEW BUDGET

- 29. The consultant's fee for the Councils adopted CIL charging schedule including viability appraisal work and examination attendance came to £60,000. Any review will utilise the use of appropriate available evidence which includes the adopted Central Lancashire Core Strategy; and the emerging Councils Local Plans and Infrastructure Delivery plans for the Central Lancashire area (although these will need updating).
- 30. Consultants will need to update the CIL viability study and the viability and infrastructure funding evidence. Any review will not be as lengthy and will not require defining the parameters e.g. Preston inner area.
- 31. 'Planning Practice Guidance 12 June 2014', provides the most up to date guidance, and replaces earlier guidance, in relation to the process and evidence local authorities are required to carry out and gather to update a charging schedule.
- 32. Charging Authorities need to demonstrate that their proposed levy rate or rates are informed by 'appropriate available' evidence and consistent with that evidence across their area as a whole. It will stand an authority in a defensible position at Examination if a recognised valuation model and methodology are used to assess viability of development with a CIL charge in place. Development costs arising from existing regulatory requirements, and any policies on planning obligations in the relevant Plan, such as policies on affordable housing and identified site-specific requirements for strategic sites have to be factored into this viability exercise.
- 33. A charging authority is required to draw on existing data where it is available, this may include values of land in both existing and planned uses and property prices. The authority must then directly sample an appropriate range of types of sites across its area, in order to supplement existing data. Engagement with developers will be necessary to achieve this. At the time of the initial sampling exercise new residential development was very limited across Central Lancashire, so there will now be a significantly greater number of developments to assess. This exercise should concentrate on strategic sites, and those sites where the impact of the levy on economic viability is likely to most significant (such as brownfield sites).
- 34. More Councils have now adopted CIL in England so there are more examples and a number are now undertaking reviews e.g. Fareham Borough Council. It would be expected that a review would be a cheaper process although it may not be significantly less when examiner and administrative costs are also taken into account. The costs of the CIL Examiner came to £18,157.99 and the cost of the Programme Officer was £1,657.28.
- 35. Members will be aware that Chorley Council acted as host authority for the Central Lancashire joint working and is content to continue to do so. Assuming that Members equally wish to share the cost, the respective Councils are asked to make suitable budget provision on a three way split. In the light of the City Deal Lancashire County Council may wish to consider whether it makes a contribution to budget provision or in staffing resources. It is anticipated that officer resources will be met from existing base budgets. The cost of the review is estimated at 80k.

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Alison Marland	5281	5 December 2014	Reviewing CIL Charging Schedule Report

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