



**REPORT of  
DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE**

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**to  
COUNCIL  
13 FEBRUARY 2020**

**COMMUNITY INFRASTRUCTURE LEVY WORKING GROUP**

**1. PURPOSE OF THE REPORT**

- 1.1 To seek approval to establish a Community Infrastructure Levy (CIL) Working Group to consider and inform the work being undertaken to introduce a CIL for Maldon.

**2. RECOMMENDATIONS**

- (i) That a Community Infrastructure Levy (CIL) Working Group of up to six Members be established;
- (ii) That the progress made in developing the CIL since the Planning and Licensing Committee in September 2019 be noted.

**3. SUMMARY OF KEY ISSUES**

**3.1 Background**

- 3.1.1 The CIL is a planning charge introduced by the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended). It is a tool for local authorities to help to deliver infrastructure to support new development.
- 3.1.2 CIL can fully fund or provide a contribution to the infrastructure needed to facilitate growth and to deliver the development strategy. It is unlikely that CIL will, on its own, fully fund either the entire necessary infrastructure within the area or those critical infrastructure projects that support and enable the delivery of the adopted development strategy and therefore further funding will also need to be secured.
- 3.1.3 A decision to review and update the previous evidence base, which was prepared to support the introduction of a CIL in Maldon in 2014, and to recommence work to introduce a CIL in Maldon was approved by the Planning and Licensing Committee on 5 September 2019 (Minute No. 371 refers).

**3.2 What is the process for implementing CIL?**

- 3.2.1 There is a defined process for preparing and adopting a CIL including an independent examination to test the rates and robustness of the evidence. The process for preparation and approval of the Charging Schedule is set out in legislation (Planning

Act 2008 part 11, the Community Infrastructure Levy Regulations 2010, the Community Infrastructure Levy (Amendment) Regulations 2011, the Community Infrastructure Levy (Amendment)(England)(No.2) Regulations 2019). This involves evidence gathering, consultation and testing at a public independent examination. Authorities wishing to implement CIL must produce a Charging Schedule setting out the levy rates for their area.

3.2.2 Charging authorities need to strike a balance between the need to capture funds for infrastructure and the potential effects of the CIL rates upon the economic viability and delivery of development, taken across its area. The evidence must demonstrate both that there is an infrastructure funding gap and that the proposed CIL rates are viable. An Infrastructure Delivery Plan was produced in 2014 as part of the evidence base for the Local Development Plan. It clearly shows that a funding gap exists between what is needed to support the delivery of the Local Development Plan and the identified funding.

3.2.3 The steps required to implement CIL are summarised below:

- Update the evidence base;
- Prepare Draft Charging Schedule;
- Public consultation;
- Revise Charging Schedule (if required) taking into account comments received;
- Submit Draft Charging Schedule for Examination;
- Examination in Public;
- Adoption by the Council of CIL Charging Schedule.

3.2.4 The evidence base needed to support the introduction of a CIL is currently being updated. Invitations to tender have been issued for updates to the Infrastructure Delivery Plan (2014) and the CIL Viability Study (2014). The deadline for tenders to be submitted is mid-February and it is anticipated that work to update the evidence base will commence in March. The updated evidence is expected to be available by July 2020. The timetable towards the adoption of CIL is summarised in **APPENDIX 1**.

3.2.5 Essex County Council is offering support and funding for up to two authorities within the County to assist them in meeting the costs of bringing forward a CIL. As Maldon is one of the only Councils in Essex with an adopted Local Plan, it is well placed to bring forward CIL and to benefit from such a grant offer at this time. The County Council is offering to support the preparation and adoption of a CIL with capacity funding of up to £180,000 for each of two authorities. This could be used to support a dedicated officer based at Maldon District Council to help to progress CIL, or to provide financial support toward the cost of technical viability and infrastructure evidence prepared by specialist consultants to support the assessment and introduction of CIL.

3.2.6 As a condition of this grant, Essex County Council would wish to influence the spend of CIL income, if a CIL is adopted, on infrastructure priorities up to the value of the grant, with terms agreed through a Memorandum of Understanding (MoU). For the

purposes of clarity, any CIL income subject to such agreement would be spent in Maldon. The basic principle of the MoU will be that the County Council requests that spending of CIL income collected in Maldon be prioritised toward projects that are supported by the County Council, up to the value of the grant. This includes infrastructure for services such as highways and education. No specific projects are identified at this stage as they must also reflect infrastructure needs and the evidence that will support the preparation of CIL.

- 3.3 Once approved, the Charging Schedule does not form part of the development plan but does support and enable delivery of the development strategy.
- 3.4 In accordance with the Community Infrastructure Levy (Amendment) Regulations 2013, a specific proportion of CIL receipts would be passed to town and parish councils in relation to development within their areas and as set out in the regulations. In locations with an adopted Neighbourhood Plan, 25% of CIL receipts would be passed to local communities to help fund local infrastructure in the location of the chargeable development. In all other locations, 15% of CIL receipts would be passed to local communities subject to annual limits as defined in the CIL Regulations (15% up to a maximum of £100 per dwelling per annum where there is no neighbourhood plan).
- 3.5 It is anticipated that, subject to supporting evidence and Examination, a CIL could be introduced in Maldon by Summer / Autumn 2021. There will also be a need to consider how CIL is administered internally and the governance around how it is to be spent. A decision to report back to the Planning and Licensing Committee with recommendations for corporate governance arrangements, if and when approval is sought to submit CIL for Examination, was approved on 5 September 2019.

## **4. CONCLUSION**

- 4.1 Establishing a CIL Working Group will provide a greater opportunity for Member input into the CIL work programme as it progresses over the coming months.

## **5. IMPACT ON STRATEGIC THEMES**

- 5.1 CIL has the potential to support the Council in providing excellent services and value for money, in being financially independent and sustainable, and in providing sustainable growth and new infrastructure, by enabling the Council to maximise the funding that it collects from development to contribute towards infrastructure funding.

## **6. IMPLICATIONS**

- (i) **Impact on Customers** – The adoption of a CIL Charging Schedule for the District would provide Maldon District Council and Parish / Town Councils with greater certainty over the amount of financial contributions which can be gained from new development. CIL provides the opportunity for the District Council to have greater flexibility over the use of infrastructure funds and to prioritise investment as needed.

- (ii) **Impact on Equalities** – CIL is designed to make the process of obtaining contributions from development towards infrastructure fairer, faster and more transparent.
- (iii) **Impact on Risk** –The proposals would not have a direct impact on risk.
- (iv) **Impact on Resources (financial and human)** – The proposals would not have a direct impact on resources.
- (v) **Impact on the Environment** – The proposals would not have a direct impact on the environment.
- (vi) **Impact on Strengthening Communities** – The proposals would not have a direct impact on communities.

Background Papers:

Report to Maldon District Council 05 September 2019 (Community Infrastructure Levy Update)

Local Plan and Community Infrastructure Levy Viability Study, 2014

[https://www.maldon.gov.uk/info/20048/planning\\_policy/9164/pre-submission\\_local\\_development\\_plan\\_evidence\\_base](https://www.maldon.gov.uk/info/20048/planning_policy/9164/pre-submission_local_development_plan_evidence_base)

Infrastructure Delivery Plan, 2014

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