

Swindon Borough Council

Cabinet

Wednesday, 11 July 2012

Committee Room 6, Civic Offices
(Anticipated meeting room)

At 6.15 p.m. or at the Conclusion of the Cabinet Open Forum

Conservative Councillors

Roderick Bluh (Chair)
David Renard (Vice-Chair)
Mark Edwards
Fionuala Foley
Dale Heenan
Russell Holland
Brian Mattock
Garry Perkins
Vera Tomlinson
Keith Williams

Committee Officer: Ian Willcox (Telephone 01793 463601)
email: iwillcox@swindon.gov.uk

Swindon Borough Council can be contacted at the Civic Offices, Euclid Street,
Swindon, SN1 2JH (Telephone 01793 445500)

AGENDA

NOTE:

A Cabinet Open Forum is held at 6:00 p.m. prior to the start of each scheduled Cabinet Meeting. The Open Forum is similar to the 'public question time' that happens at most Council meetings but without the need for questions. It provides the chance to meet with Cabinet Members as well as Board Directors and Directors to discuss matters relevant to the Cabinet and its responsibilities. It provides an opportunity to raise issues and give views. The Forum will normally close at 6.30 pm and the Cabinet will then reconvene for the start of the formal Cabinet meeting. If the Open Forum completes its business earlier than anticipated then the Cabinet Meeting will commence at 6:15pm or at the Forum's conclusion.

1. Apologies for Absence.
2. Declarations of Interest.

Members are reminded that at the start of the meeting they should declare any known interests in any matter to be considered, and also during the meeting if it becomes apparent that they have an interest in the matters being discussed.

3. Exempt Items - Exclusion of Press and Public

Certain items are expected to include the consideration of exempt information and the Cabinet is, therefore, recommended to resolve "That, in accordance with Section 100A(4) of the Local Government Act 1972, the public be excluded during the discussion of the matters referred to in the items listed below, on the grounds that they involve the likely disclosure of exempt information, as defined in the respective paragraph of Part 1 of Schedule 12A of the Act, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information".

<u>Item No.</u>	<u>Paragraph No.</u>
19	3

4. Minutes. (Pages 1 - 10)

To receive the minutes of the meeting held on 11th June 2012.

5. Public Question Time.

See explanatory note below. Please phone the Committee Officer whose name and number appears at the top of this agenda if you need further guidance.

6. Adoption of the Corporate Strategy 2012. HSI (CM: RB) (Pages 11 - 24)

7. Budget Management 2012/13 and Budget Strategy 2013/14 and Beyond. BDFRB (CM: ME) (Pages 25 - 46)

8. Capital Programme 2011/12 Out-turn, Capital Programme 2012/13 and Treasury Management Performance 2011/12. BDFRB (CM: ME) (Pages 47 - 64)

9. Additional Primary School Places in Swindon Town Centre. BDC (CM: DR) CE; ET; (Pages 65 - 110)

10. Additional Primary School Places in North Swindon. HCEA (CM: DR) HW; PV; SA; (Pages 111 - 122)

11. One Swindon - Annual Report - First Year. BDL (CM: RH) (Pages 123 - 138)

12. A Community Infrastructure Levy for Swindon. HP (CM: DH) (Pages 139 - 164)

13. Towards a University in Swindon. HCEA (CM: DR) (Pages 165 - 168)

14. Swindon Local Transport Plan - Implementation Plan 2012/13 - 2014/15. HHT (CM: KW) (Pages 169 - 196)

15. Debt Management. HRB (CM: ME) (Pages 197 - 208)

16. Review of Education Transport Appeals Procedure. BDC (CM: DR) (Pages 209 - 250)

17. Stronger Together - Accommodation. BDSO (CM: FF) (Pages 251 - 262)

18. **Train Services for the Future - Update on Great Western Main Line Rail Issues.** HCEA (CM: KW) (Pages 263 - 296)
19. **Strategic Acquisition of Buildings and Land at Regent Street and Morley Street, Swindon Town Centre.** HCEA (CM: GP) CE; (Pages 297 - 306)

Date of Despatch: 03 July 2012

Key:

Officers:

CE - Chief Executive
 BDL - Board Director Localities
 BDTSP - Board Director Transformation and Strategic Projects
 BDC - Board Director Commissioning (DCS/ DASS)
 BDSD - Board Director Service Delivery
 BDFRB - Board Director Finance, Revenues, Benefits and Property
 DPH - Director of Public Health
 DLDS - Director of Law and Democratic Services
 HIS - Head of Strategy and Innovation
 HCEA - Head of Commissioning – Economy and Attainment
 HHT - Head of Highways and Transport
 HP - Head of Planning
 HRB – Head of Revenues and Benefits

Wards

CE - Central
 ET - Eastcott
 HW - Haydon Wick
 PV Priory Vale
 SA St Andrews

Cabinet Members Responsible for the Service Area concerned:

RB	-	Roderick Bluh	Leader of the Council and Chair of Cabinet
DR	-	David Renard	Deputy Leader of the Council and Cabinet Member for Children's Services
ME		Mark Edwards	Cabinet Member for Finance
FF	-	Fionuala Foley	Cabinet Member for Streetsmart and Corporate Services
DH	-	Dale Heenan	Cabinet Member for Strategic Planning and Sustainability
RH	-	Russell Holland	Cabinet Member for One Swindon, Localities and Housing
BM	-	Brian Mattock	Cabinet Member for Health and Adult Social Care
GP	-	Garry Perkins	Cabinet Member for Regeneration and Culture
VT	-	Vera Tomlinson	Cabinet Member for a Safer and Stronger Borough
KW	-	Keith Williams	Cabinet Member for Leisure and Strategic Transport

Public Question Time - Swindon Borough Council is committed to increasing its accountability to the public and to promoting active citizenship. Up to 15 minutes will be allowed at the start of all Council meetings for questions to the Chair from members of the public about the work of the Committee (except for confidential matters and specific planning applications). Questions must be relevant, clear and concise. Because of time constraints Public Question Time is not an opportunity to make speeches or statements. Prior notice of a question to the Director of Law and

Democratic Services is desirable - particularly if detailed background information is needed.

Access Arrangements - The venue is wheelchair accessible and an infrared receiver hearing system is provided. If you would wish to attend the meeting but have any special requirement to enable you to do so please contact the Committee Officer, whose name appears at the top of this agenda, as soon as possible prior to the date of the meeting.

If you would like to receive any of the pages contained in this agenda in a larger print size please contact the Committee Officer whose name appears on the first page of this agenda.

A Community Infrastructure Levy for Swindon

Cabinet

Date: 11th July 2012

Author:	Cabinet Member for Strategic Planning and Sustainability Head of Planning
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 The Council is preparing a Community Infrastructure Levy (CIL) to secure financial contributions from new development to fund infrastructure. CIL replaces much of the Section 106 pooled contributions that are currently secured through Planning Obligations and CIL receipts can be used to fund a wide range of supporting infrastructure. Infrastructure may include (definition from Planning Act (2008))
- a) roads and other transport facilities,
 - b) flood defences,
 - c) schools and other educational facilities,
 - d) medical facilities,
 - e) sporting and recreational facilities,
 - f) open spaces.
- 1.2 CIL will give developers and businesses more certainty at the start of the development process as to the overall amount of money a development will be required to contribute to mitigate impacts on infrastructure. This should assist in raising levels of developer confidence. It will also provide greater transparency for local communities on how new development in their community is contributing to the delivery of infrastructure.
- 1.3 Legislative changes have made it more difficult for the Council to secure developer contributions to mitigate the impact of development through Section 106 Planning Obligations (The Community Infrastructure Levy Regulations 2010). There are now clear planning and financial benefits for the Council to implement a Community Infrastructure Levy for the Borough to fund essential infrastructure.

2. Recommendations

That Cabinet:

- 2.1 Recommend the Swindon Community Infrastructure Levy Preliminary Draft Charging Schedule to Full Council for approval;
- 2.2 Authorise the Head of Planning to publish the Swindon Community Infrastructure Levy Preliminary Draft Charging Schedule for public consultation, in accordance with the process and procedures outlined in para 2.19 of this report; and

Further information on the subject of this report can be obtained from Janet Busby, 01793 466291, jbusby@swindon.gov.uk.

A Community Infrastructure Levy for Swindon

Cabinet

Date: 11th July 2012

-
- 2.3 Authorise the Head of Planning, in consultation with the Director of Law and Democratic Services, to make minor factual or typographical amendments to the Schedule prior to consultation in agreement with the Cabinet Member for Strategic Planning and Sustainability.

The Funding Gap

- 2.4 CIL receipts will help fund the infrastructure required to support the new development envisaged in the emerging Swindon Borough Core Strategy (the Local Plan). "Infrastructure" refers to key services and facilities that enable an area to function successfully. Examples of infrastructure include transport facilities, utilities, waste management facilities, health, education and community facilities.
- 2.5 Swindon's infrastructure needs are set out in a document called the Infrastructure Delivery Plan (IDP). The IDP provides a comprehensive list of infrastructure necessary to support future development in the Borough.
- 2.6 Swindon's infrastructure is funded from a range of sources. The Council is facing the challenge of reducing financial settlements from Government whilst demand is growing for investment in essential infrastructure. Within this context, legislative changes have been made by Government to scale back the use of Section 106 Planning Obligations as a mechanism to secure contributions. This means that the timely adoption of CIL is essential to ensure that financial contributions from new development are maximised, thereby in-part mitigating against the reduction in Section 106 Planning Obligations.
- 2.7 To introduce a CIL charge, the Council has to demonstrate that there is a funding gap between the total cost of the infrastructure required to support the Local Plan and the total funding currently available to the Council and its partners for delivery. CIL receipts are expected to meet a proportion of this funding gap. In preparing the Infrastructure Delivery Plan the Council has identified an infrastructure funding gap, which provides the necessary justification for introducing a CIL Charge in the Borough.
- 2.8 CIL can only be adopted after the Core Strategy is adopted. On adoption of CIL the Council is required to publish a list of those infrastructure projects that will be funded by CIL. The List of infrastructure projects will be considered at a future Cabinet meeting prior to submission of the CIL charge for examination.

Viability Testing

- 2.9 To set a CIL rate, the Regulations require the Council to strike "an appropriate balance" between the desirability of funding infrastructure and the potential effect of the levy on economic viability of development. The CIL rate must be informed by the findings of a viability assessment.

Further information on the subject of this report can be obtained from Janet Busby, 01793 466291, jbusby@swindon.gov.uk.

A Community Infrastructure Levy for Swindon

Cabinet

Date: 11th July 2012

- 2.10 The CIL is charged at a rate based on floorspace levels (net gain) and expressed as a rate per square metre on all new buildings and extensions to buildings that are over 100 square metres gross internal floor space. All new dwellings are liable to pay CIL regardless of size. CIL is not chargeable on changes of use of buildings. This exemption is subject to the building having been in use for a period of 6 months or more within the 12 months prior to the submission of the application. Affordable housing and developments for charitable purposes are CIL exempt. CIL cannot be charged retrospectively on development that has already been granted planning permission. However, these schemes will have normally been subject to Section 106 contributions.
- 2.11 The Regulations enable the Council to levy a single flat rate to apply to all development types or to differentiate by development type and/or area. However, the Regulations only permit the Council to set a differentiated CIL rate where the viability evidence shows that different types of development or different geographical locations or zones can afford to pay different levels of CIL. The Regulations advise that undue complexity should be avoided in terms of the permutations of different charges. Charging authorities are not permitted to exempt a particular zone or category of development or set a zero rate unless the evidence demonstrates that this is justifiable in economic viability terms. Similarly, Charging Schedules are not permitted to impact disproportionately on a particular sector or small group of developers.

Residential Rates

- 2.12 Consideration has been given as to whether it is appropriate to set differentiated residential charging zones across the Borough. However, the Viability Assessment recommends applying a single flat rate CIL charge of £55 per square metre to be levied for residential development across the Borough. Whilst there are some variations in values across different areas of the Borough, these are not clearly definable. The recommendation is therefore that there is scope or financial "headroom" in the different residential typologies for a single CIL rate to be set, that will not put at risk development from coming forward throughout the Borough.
- 2.13 This single flat rate charge for residential excludes any strategic expansion areas, for which essential infrastructure would continue to be secured by way of Section 106 Planning Obligations. This is to ensure that the infrastructure needs arising from these developments are delivered as an integral part of the development in view of the scale of infrastructure they would require. These developments, under current economic conditions, would not be capable of sustaining a CIL charge in addition to the costs of those anticipated on-site requirements.
- 2.14 Given the mechanism by which CIL is set (the rate is charged on a pounds per square metre basis), a potential outcome of CIL could be that new housing

Further information on the subject of this report can be obtained from Janet Busby, 01793 466291, jbusby@swindon.gov.uk.

A Community Infrastructure Levy for Swindon

Cabinet

Date: 11th July 2012

schemes coming forward will offer smaller house sizes in order to reduce their CIL charges. In response to this potential undesirable outcome, Officers are researching the scope for introducing minimum housing space standards, which would be subject to a future report.

Table 1 – Proposes residential CIL zones and rates

	Proposed CIL rate per sq. m.
Strategic expansion areas of 850 dwellings or more	CIL would not be chargeable on these developments. The infrastructure needs arising will be secured by way of S106 contributions.
Rest of Borough	£55

Table 2 CIL at £55 sq. m. applied to dwelling types

Dwelling type	Average size (sq. m.)	Proposed CIL charge (per average dwelling)
1 bed flat	50	£2,750
2 bed flat	70	£3,850
2 bed house	75	£4,125
3 bed house	85	£4,675
4+ bed house	105	£5,775

2.15 Based on the projected housing completions anticipated in the latest draft of the Core Strategy (March 2011), Table 3 below indicates the potential level of CIL income from new residential development in the Borough. This would amount to circa £12m of CIL receipts from residential development over the period to 2026. This figure is not comparable with existing Section 106 contributions as CIL only replaces the 'pooled' element of S106. Section 106 will still be secured to mitigate site specific impacts.

2.16 CIL does not apply to strategic development areas. The £12m figure quoted above is therefore in addition to the S106 packages secured on strategic development areas and in addition to the site specific Section 106 secured on other sites.

Table 3 potential CIL receipts from residential development

Year	Housing completions on other sites (subject to CIL)	Projected CIL income (at £55 per m2)
2013/14	325	£1,519,375
2014/15	275	£1,285,625
2015/16	275	£1,285,625
2016/17	180	£841,500
2017/18	180	£841,500

Further information on the subject of this report can be obtained from Janet Busby, 01793 466291, jbusby@swindon.gov.uk.

A Community Infrastructure Levy for Swindon

Cabinet

Date: 11th July 2012

2018/19	180	£841,500
2019/20	170	£794,750
2020/21	170	£794,750
2021/22	170	£794,750
2022/23	170	£794,750
2023/24	170	£794,750
2024/25	170	£794,750
2025/26	170	£794,750

(Assumes an average dwelling size of 85m² and takes no account of variations in the timing of housing delivery; based on housing projections from the emerging Core Strategy (March 2011). The anticipated income makes no allowance for affordable housing which is not liable for CIL.)

Other Development Rates

- 2.17 The findings of the study with regard to business development shows that there is no scope to levy a CIL charge on office, light industrial, industrial or warehouse development where the market remains depressed. The viability study has shown that there is scope for a CIL charge to be levied on some types of retail development and a minor contribution on leisure, but that there is no scope for a charge for other commercial development.

Table 4 – Proposed non-residential CIL rates

Development type	Proposed CIL rate per Sq. m.
Agricultural, Industrial (B1, B2 & B8), Office (B1a), Health, Education and Community	£0
Hotels (C1)	£5
Leisure (D2) and Traditional Retail (A1) <280sqm	£20
Retail Warehousing (A1)	£50
Retail (A1): Convenience <280sqm / supermarkets + superstores >280sqm	£200

Meaningful Proportion

- 2.18 The Government has consulted on changes to the CIL Regulations to enable provisions in the Localism Act 2011 to be implemented so that a “meaningful proportion” of CIL receipts can be passed to others, such as Parish Councils, to fund local infrastructure improvements. The Government has not defined what this “meaningful proportion” should be. The new CIL Regulations, which should clarify this, are expected in October.

Next Steps

Further information on the subject of this report can be obtained from Janet Busby, 01793 466291, jbusby@swindon.gov.uk.

A Community Infrastructure Levy for Swindon

Cabinet

Date: 11th July 2012

- 2.19 If approval is secured, the Preliminary Draft Charging Schedule and accompanying documents would be made available for public consultation for a period of eight weeks as soon as is practicable. Consultation letters would be distributed to a range of statutory consultees, including developers, parish and community councils. The Preliminary Draft Charging Schedule would be made available for inspection at Wat Tyler House reception, at libraries throughout the Borough, and on the Council's website. A press release would be made available to the local media and the stakeholder consultation events would be held. The results of this consultation would be reported to Cabinet along with any recommended changes to the Preliminary Draft Charging Schedule arising from the consultation.

3. Alternative Options

- 3.1 The introduction of CIL is a decision to be taken by local authorities as its implementation is not compulsory. The Council could decide not to adopt CIL and continue to rely on negotiating individual Section 106 Agreements to deliver infrastructure. However, reductions in the ability to 'pool' S106 monies would result in diminishing returns meaning that the Council's ability to secure financial contributions to infrastructure from new development will be curtailed and essential infrastructure would not be delivered. Relying solely on S106 monies may also result in more legal challenges and will place a larger administrative burden on the Council in securing and managing legal agreements.

4. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 4.1 The financial implications arising from publishing and consulting on the Swindon Borough Community Infrastructure Levy are to be met from existing budgets for 2012/2013.
- 4.2 The Regulations permit up to 5% of CIL receipts to be used to implement and administer CIL. Costs in the preparation of the Swindon CIL can therefore be recovered from future CIL receipts.
- 4.3 The later the date by which the CIL is adopted the greater the risk to the Council that income currently secured for infrastructure through S106 planning obligations will continue to diminish.
- 4.4 CIL receipts will not fully mitigate against the reduction in the level of receipts that would hitherto have been expected through Section 106 Planning Obligations.

Legal and Human Rights Implications

- 4.5 The content of this report will not have a direct implication on human rights issues, in so far as CIL will be a Borough wide planning tool to fund infrastructure required to deliver growth and regeneration to support all communities.

Further information on the subject of this report can be obtained from Janet Busby, 01793 466291, jbusby@swindon.gov.uk.

A Community Infrastructure Levy for Swindon

Cabinet

Date: 11th July 2012

- 4.6 The publication and adoption of the Community Infrastructure Levy is a process covered by the Planning and Compulsory Purchase Act 2004 and associated CIL Regulations.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 4.7 There are no direct staff implications arising from this report

- 4.8 CIL receipts may help fund essential health, emergency services and other infrastructure in the Borough.

Links to One Swindon, Strategic Objectives, Plans and Policies

- 4.9 The Community Infrastructure Levy will have key role in implementing the Core Strategy which in turn reflects the wider priorities of the Council and its partners.

Diversity Impact Assessment

- 4.10 A Diversity Impact Assessment (DIA) has been completed. No adverse or other significant issues were found. A copy of the DIA forms Annex 5 to this report.

Risk Management

- 4.11 A Risk Assessment has been undertaken for this project

5. Consultees

- 5.1 The Director of Finance (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

- 5.2 The Swindon Developers Delivery Panel (including FSL) has been consulted on the GVA Viability Study findings.

6. Background Papers

- 6.1 None

7. Appendices

- 7.1 Appendix 1: Community Infrastructure Levy: Preliminary Draft Charging Schedule

- 7.2 The following documents are available to view in the Members Room and on the Council's Website:

- Annex 1a: GVA Viability Assessment
- Annex 1b: GVA CIL Charging Zones Schedule: Potential for Additional Charging Zones
- Annex 2: CIL Timetable
- Annex 3: The Use and Operation of CIL

Further information on the subject of this report can be obtained from Janet Busby, 01793 466291, jbusby@swindon.gov.uk.

A Community Infrastructure Levy for Swindon

Cabinet

Date: 11th July 2012

- Annex 4: Diversity Impact Assessment

8. Key Decision/Decision in Forward Plan

8.1 This is a key decision and is included in the Cabinet Forward Plan for July 2012.

Further information on the subject of this report can be obtained from Janet Busby,
01793 466291, jbusby@swindon.gov.uk.