

POTENTIAL EXPANSION OF PRINCES RISBOROUGH AND COMMUNITY INFRASTRUCTURE LEVY RECEIPTS

Cabinet Member: Councillor David Johncock

Ward Affected: The Risboroughs

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PROPOSED DECISION

That for Community Infrastructure Levy receipts received relating to the major expansion of Princes Risborough, 25% of those receipts should go to Princes Risborough Town Council for the duration of the Local Plan period (up to the year 2033).

Reason for Decision

To provide appropriate local discretion in the spending of the Community Infrastructure Levy, given the scale of potential growth being considered at Princes Risborough and the fact that a Neighbourhood Development Plan is not considered appropriate for bringing forward this level of growth.

Corporate Implications

1. Regulation 59A of the 2010 CIL Regulations (as amended) imposes a duty on CIL Collecting Authorities to pass 15% of CIL receipts collected in an area to the relevant parish or town council. This rises to 25% in areas with adopted Neighbourhood Development Plans.
2. Regulation 59C sets out that a parish or town council must use the CIL receipts passed to it "to support the development of the local council's area, or any part of that area, by funding (a) the provision, improvement, replacement, operation or maintenance of infrastructure; or (b) anything else that is concerned with addressing the demands that development places on an area.
3. The financial implications of this recommendation are that the Council would receive reduced CIL receipts relating to the expansion of Princes Risborough (ie 75% instead of 85% of the receipts), once any development commences. These would be directed to Princes Risborough Town Council instead. Initial estimates indicate that the CIL receipts for a development of around 2,500 homes could be in the region of £20m. If 25% of CIL was allocated to the Town Council, the District Council's CIL receipts could be about £2m lower (at around £15m) than if the Town Council received only 15% of CIL receipts. However, as noted above either way CIL receipts need to be spent on infrastructure and the District and Town Councils (and indeed other authorities and agencies) will need to work closely together to ensure the right infrastructure is delivered to support the growth of the town.

Executive Summary

4. The Local Plan is exploring the scope for major expansion of Princes Risborough and the Council is working closely with the local community in the development of plans for the town, including through a local steering group. Planning major growth by means of a neighbourhood development plan is not considered appropriate in this instance as it would not conform with the currently adopted Core Strategy, but might otherwise have been a good mechanism to use. Parish or town councils who prepare a neighbourhood development plan are entitled to receive 25% of CIL receipts. However, as the Steering Group is putting together an Area Action Plan which can be argued as an equivalent of a Neighbourhood Plan, it seems only fair to also allocate 25% of future CIL to the Town Council.
5. Moreover to provide appropriate local discretion in the spending of the Community Infrastructure Levy, and given the unique circumstances at Princes Risborough regarding the scale of growth being considered relative to the size of the town, it is therefore proposed that Community Infrastructure Levy receipts received relating to the major expansion of Princes Risborough, 25% of those receipts should go to Princes Risborough Town Council for the duration of the Local Plan period (up to the year 2033). Whilst this would result in reduced CIL receipts for the District Council, the money still needs to be spent on infrastructure and CIL is only one way in which infrastructure to support growth at Princes Risborough will be funded.

Sustainable Community Strategy/Council Priorities - Implications

6. The Local Plan process is exploring the scope to bring forward a major sustainable extension to Princes Risborough in line with the main aims of Sustainable Community Strategy and the Corporate Plan. This includes extensive public involvement in line with the Corporate Plan's objective to improve the way we consult and engage with communities. Providing more discretion locally over the expenditure of Community Infrastructure Levy receipts further supports local involvement in key decisions over the growth of the town – in line with the Corporate Plan's objective to “empower communities to help themselves”.

Background and Issues

7. The Council adopted the Wycombe CIL Charging Schedule in November 2012. Decisions on the release of CIL funds for identified projects are made at February Cabinet each year.
8. The options consultation on the New Local Plan in early 2014 highlighted the big challenge facing the District in terms of the scale of growth that may need to be accommodated over the next 20 years or so. This resulted in a wide range of options being considered for how that growth might be accommodated, including the option for very major growth at Princes Risborough, potentially up to 2,500 homes.
9. Since then further work has been undertaken to explore the scope for major growth at Princes Risborough. In May 2015 the Cabinet agreed a new work programme for the Local Plan including the production of an Area Action Plan

(effectively a mini local plan) for Princes Risborough on a faster timetable than the main Local Plan given the development pressures in the area and the need to provide a statutory planning framework for future growth.

10. As part of considering the options for how to bring forward that framework sooner, the possibility of the Town Council preparing a neighbourhood development plan was considered. However, the legal basis for the preparation of neighbourhood development plans means that they have to conform with the strategic policies of the currently adopted development plan for the District (i.e. effectively the Council's Core Strategy). The Core Strategy does not propose major growth at Princes Risborough as it is based on the now revoked South East Plan, and thus production of a neighbourhood development plan bringing forward major growth would not be in conformity. As such the neighbourhood plan route was considered inappropriate and an Area Action Plan produced by the District Council remained the only realistic option.
11. When a neighbourhood development plan is adopted, the relevant parish or town council is statutorily entitled to receive 25% of Community Infrastructure Levy (CIL) receipts in their area as opposed to the normal 15% for spending on infrastructure. The fact that producing a neighbourhood development plan is not an appropriate vehicle for planning the major growth of the town means that the Town Council is effectively denied the ability to receive the enhanced level of 25% of receipts.
12. There is however discretion for the Council to decide to pass on the enhanced level of CIL receipts in any event and it is considered that Princes Risborough is a special, and probably one off, case in this respect. In particular there are around 3,500 homes in Princes Risborough at present and it is recognised that an expansion of the town up to 2,500 homes is close to doubling the size of the town. With the exception of Saunderton where options for major growth are currently the subject of scrutiny by the Local Plan Task and Finish Group, there is nowhere else in the District being considered for growth of this scale relative to the size of the town/village.
13. A steering group of local members and stakeholders has been established in Princes Risborough to work alongside the Council on the expansion plans to assist with local involvement and ownership of the plans. This steering group is already meeting on a regular basis, providing input into the planning process. It is recommended that continued additional local discretion should be provided to assist with the substantial infrastructure delivery associated with the growth of the town by passing on 25% of the CIL receipts relating to the major expansion of the town to the Town Council to spend on infrastructure, to cover the period up to the end of the Local Plan period (i.e. 2033). As noted above 25% is the proportion of CIL receipts that a town or parish council would receive if they had prepared a neighbourhood development plan for their area. The proportion proposed is therefore consistent with the principles of neighbourhood planning. Whilst clearly CIL receipts have not yet been received in relation to the expansion of Princes Risborough it is considered important to establish the principle up front as part of the ongoing work with the local community.
14. At this early stage it is not possible to provide a firm indication of the level of CIL receipts likely to be generated by the growth of the town. Early estimates

for the Local Plan consultation last year indicated that overall CIL receipts for a development of 2,500 dwellings might be in the region of £20m. 15% of this would amount to £3m whilst the enhanced level of 25% would be £5m. It should be borne in mind that the cost of infrastructure associated with major growth of the town would be very substantially in excess of likely CIL receipts, so that other mechanisms, notably section 106 agreements, would be needed to deliver the overall infrastructure required. Indeed CIL is likely to make up only a relatively small proportion of the total infrastructure funding with section 106 and similar agreements making up a greater proportion. Other funding options are also being explored including funding opportunities through the Local Enterprise Partnership. Early financial viability work carried out as part of the Local Plan suggests that the value generated by major development at Princes Risborough ought to be capable of funding the range of infrastructure that is likely to be required.

Consultation

15. No formal consultation has been undertaken on this proposal but soundings with local members indicate strong support for this proposal.

Options

16. The alternative option is to not increase the local proportion of CIL from 15% to 25%. This is of course the normal approach but would perhaps not encourage the more local approach being taken to bringing forward major growth at Princes Risborough.

Conclusions

17. It is recommended that to support very major strategic growth at Princes Risborough and local involvement and ownership of this very significant growth, that 25% of the CIL receipts be provided to the Town Council instead of the normal 15%

Next Steps

18. Work on the proposals for Princes Risborough will continue. CIL receipts are actually some years off and will only be received once development commences.

Background Papers

Local Plan Options Consultation Report (January 2014)

Draft Viability Report on Local Plan Options, Adams Integra for WDC (February 2014)