

Title of meeting:	Cabinet Member for Planning, Regeneration and Economic Development
Date of meeting:	10 March 2015
Subject:	Community Infrastructure Levy (CIL) - Exceptional Circumstances Relief
Report by:	City Development Manager
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

1.1 To set out the need to withdraw CIL Exceptional Circumstances Relief

2. Recommendations

2.1 That the Cabinet Member authorises the City Development Manager to publicise the Council's intention to withdraw CIL Exceptional Circumstances Relief

3. Background

3.1 Exceptional Circumstances Relief is a form of relief from CIL in cases where a specific development scheme cannot afford to pay the levy. The developer may apply for this relief, giving evidence that CIL would make the scheme unviable.

3.2 It is optional for local authorities to make this form of relief from CIL available. In Portsmouth, the relief was made available at the time the CIL Charging Schedule came into force (April 2012). The regulations applicable at the time were restrictive, so that only a few schemes would be able to qualify, but they have been loosened over time, making relief possible for a greater number of schemes.

3.3 While the Council has not received many relief claims, and has not granted any, dealing with claims can be resource intensive. It is not in the public interest to grant such relief, because the city council should avoid permitting developments without ensuring that there are also infrastructure improvements provided to support it and funded by the developer.

3.4 It is therefore recommended that the Cabinet member authorises the City Development Manager to make the necessary arrangements to withdraw this relief. The prescribed process for this (Regulation 56(2) of the Community Infrastructure

Regulations 2010) is to advertise the council's intention to withdraw the relief for at least 14 days.

4. Reasons for recommendations

4.1 The CIL regulations make it optional for Local Authorities to make available Exceptional Circumstances Relief. For the reasons set out above, it is not in the public interest to grant relief from CIL for developments in the city.

5. Equality impact assessment (EIA)

5.1 An EIA is not required, as this report deals purely with financial and procedural matters.

6. Legal Implications

6.1 Regulation 56 of the Community Infrastructure Levy Regulations 2010 (as amended) makes provision for authorities, if they choose to do so, to grant relief for exceptional circumstances. In the same way as it has discretion to allow such relief, an authority may withdraw the relief (Regulation 56(2)). Such a statutory discretion must be exercised having regard to relevant considerations, and in a manner that is reasonable in all the circumstances. In exercising the discretion to withdraw relief it is proper to consider the overall impact on public resources, and how infrastructure is funded.

6.2 To implement a decision to withdraw the relief the Council must issue a statement (published on the Council's website, and in the same places as the decision to grant relief was published) that the relief will be withdrawn and stating the last date on which it will accept claims. The date of receipt of the last claim cannot be less than 14 days after the date the statement is made.

7. Head of Finance comments

7.1 The approval of the recommendation contained in this report will have no impact on the level of CIL income received as no Exceptional Circumstance Relief has been granted to date.

7.2 Applications to claim this relief can be resource intensive and therefore there will be a potential positive impact on the service as a result of withdrawing this relief.

7.3 The cost of advertising the withdrawal of this relief, as required by Regulation 56(2) will be met from existing budgets.

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Signed by:

Appendices:

None

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
2010 CIL Regulations (as amended)	http://www.legislation.gov.uk/uksi/2010/948/part/6/made

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: