

FAREHAM

BOROUGH COUNCIL

Community Infrastructure Levy – ‘First Review’ Preliminary Draft Charging Schedule

Non-Technical Summary

What is the Community Infrastructure Levy (CIL)?

CIL is a one-off financial fee that Councils are able to charge from new or extended buildings. The funds raised must be spent by the Council on infrastructure that helps support the development of Fareham. For example, funding could be used to help secure new school places or to pay for the improvement of local open space or sports pitches.

What is the Preliminary Draft Charging Schedule document?

The ‘Preliminary Draft Charging Schedule’ is the name given to the first stage in the setting of new CIL rates. The document sets out:

- What CIL is now
- How CIL rates are set
- How CIL will be collected
- The sorts of infrastructure that the levy funds are likely to be spent on

The new proposed CIL rates are also set out in the form of pounds payable per square metre of new development being built. An explanation of the evidence the Council used to set the rates is also included and is based on the ability of different types, sizes or locations of new development to pay CIL.

The rates are set at a level that are high enough to fund as much infrastructure as possible, but not so high as to make possible developments ‘unviable’ to developers.

Setting rates at a level that is ‘viable’ for developers will help ensure that the development set out in the Fareham Local Plan can be delivered as planned. It will also help support long term economic growth in Fareham.

Why are we consulting on CIL?

Fareham introduced its first CIL Charging Schedule on 1 May 2013. When the original Charging Schedule was being prepared there was not enough information available in relation to the Welborne area for us to form a view as to whether the viability of development at Welborne was likely to be the same as for the rest of the borough.

We have now reached the stage where the Publication Draft of the Welborne Plan has been prepared and other information is available which enables the viability of

development at Welborne to be assessed. The assessment shows that, after taking into account the financial burden of complying with anticipated s.106 planning obligation requirements (which will comply with the CIL regulations), the viability of development at Welborne will be less viable than in the rest of the borough.”

What about the rest of the Borough?

The Council is taking the opportunity to review all of our CIL rates across the Borough, to ensure that they are appropriate for current property market conditions. For example, the review needs to ensure CIL rates are not too high, which could prevent development from coming forward. Equally, the rates need to be high enough to ensure that as much infrastructure as possible can be funded.