

APPENDIX 3 – INFRASTRUCTURE FUNDING GAP: JUSTIFICATION FOR THE LEEDS CIL (JANUARY 2013)

LEEDS INFRASTRUCTURE FUNDING GAP

JUSTIFICATION FOR THE COMMUNITY INFRASTRUCTURE LEVY

Introduction to the Funding Gap

- 1.1 This paper sets out the justification for progressing with the development of a Community Infrastructure Levy (CIL) in Leeds and forms part of the evidence base for the Leeds CIL Preliminary Draft Charging Schedule.
- 1.2 The Planning Act 2008 (as amended), the Localism Act 2011, and the Community Infrastructure Levy Regulations 2010¹ (the CIL Regulations 2010) set out that a charging authority can collect a CIL in its area. In particular, the CIL Regulations 2010 state at Regulation 14 that authorities must strike an appropriate balance between “the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.”
- 1.3 Statutory guidance issued by the Secretary of State ‘Community Infrastructure Levy Guidance (December 2012, CLG) states at paragraph 12 that: “A charging authority needs to identify the total cost of infrastructure that it desires to fund in whole or in part from the levy. In order to do this, the charging authority must consider what additional infrastructure is needed in its area to support development and what other funding sources are available (for example, core Government funding for infrastructure, which will continue following the introduction of a levy, anticipated section 106 agreements and anticipated necessary highway improvement schemes funded by anyone other than the charging authority) based on appropriate available evidence.”
- 1.4 The guidance goes on to state at paragraph 14: “In determining the size of its total or aggregate infrastructure funding gap, the charging authority should consider known and expected infrastructure costs and the other sources of possible funding available to meet those costs. This process will identify a Community Infrastructure Levy infrastructure funding target. This target should be informed by a selection of infrastructure projects or types (drawn from infrastructure planning for the area) which are identified as candidates to be funded by the levy in whole or in part in that area. The Government recognises that there will be uncertainty in pinpointing other infrastructure funding sources, particularly beyond the short-term. The focus should be on providing evidence of an aggregate funding gap that demonstrates the need to levy the CIL.”
- 1.5 This paper is intended to set out the aggregate funding gap in line with the above guidance and regulations.

¹ As amended by the Community Infrastructure Levy (Amendment) Regulations 2011 and 2012

Infrastructure Projects

- 1.6 The CLG guidance states that information on the Council's infrastructure needs should be drawn directly from the infrastructure planning that underpins its Development Plan (paragraph 13). The existing development plan for Leeds is the Unitary Development Plan Review (2006) and this is being replaced by the emerging Local Development Framework (LDF). Within the LDF the Leeds Core Strategy is currently at Publication Draft stage (March 2012) including the Publication Draft Pre-Submission Changes (December 2012). Submission is expected in Spring 2013. The Core Strategy is supported by a draft Infrastructure Delivery Plan (IDP), the published version of which was also consulted upon in March 2012. The IDP identifies the current infrastructure provision in the Leeds District, and where possible bearing in mind funding uncertainties and shorter timescales of partner infrastructure providers, the critical infrastructure necessary for the delivery of the Core Strategy over the plan period including funding gaps and priorities.
- 1.7 The March 2012 Draft IDP is not the final document intended to support the Core Strategy as it is a draft 'living' document which will be updated as necessary. The IDP will be published as a final version alongside the Core Strategy Submission document, and reviewed in future as necessary. However, in developing the Economic Viability Study and the Preliminary Draft Charging Schedule for the CIL, the March 2012 Draft IDP has been used as the main piece of evidence in relation to the cost gap for Leeds.
- 1.8 For the purposes of this justification paper the IDP has been updated with amendments and refinements as a result of further consultation and discussion with infrastructure service providers. Taking into account the list of infrastructure needs, a fuller assessment was made of sources of funding for each item of infrastructure identified and whether CIL was an appropriate tool for plugging any gaps, once other sources of funding had been explored. This review resulted in the much shorter list of infrastructure items, as set out in Table 1. Table 1 also includes a column outlining the assumptions made on the level of CIL needed to support each project. For many projects no alternative sources of funding have yet been identified, so the full cost has been included for funding from the CIL, albeit that in reality it is expected that such other sources would come forwards for instance as new Government programmes and grants become available. This is in line with the CIL guidance as outlined further below.
- 1.9 The guidance states that "where infrastructure planning has been undertaken specifically for the CIL and was not tested as part of another examination, the CIL examiner will need to test that the evidence is sufficient in order to confirm the aggregate infrastructure funding gap and total target amount that the authority proposes to raise through the levy" (paragraph 17). However, in Leeds, the infrastructure evidence will have been tested at examination of the Core Strategy and therefore in line with paragraph 18 it is not intended that the CIL examination should re-open detailed discussion on this infrastructure planning.
- 1.10 Table 1 should not therefore be considered to be the Council's programme for spending on infrastructure, or the definitive list of the infrastructure items that CIL will contribute to. The infrastructure projects or types of infrastructure that LCC intends will be wholly or partly funded by CIL will be set out in its Regulation 123 list. Table 1 is the best available information at this time on the funding gap for the infrastructure

needed to support planned development in the District, and for which CIL is a suitable mechanism for contributing to filling that gap. Infrastructure requirements and costs may change over the plan period and will be updated accordingly in future revisions of the IDP or supporting CIL documentation.

- 1.11 Predicting future levels of funding beyond the short-term is difficult and it is particularly problematic in the current economic and funding climate, where funding has considerably reduced from the levels available in previous years. Where exact levels of funding are unknown and therefore are not included within funding assumptions, Table 1 identifies indicative future funding sources and expected value, in line with national guidance.
- 1.12 For instance, the resources available to fund the Council's infrastructure provision may be provided by central Government in the form of supported borrowing and grants (normally for specific purposes, and particularly from the Department for Transport and the Department for Education), in the form of grants from other external bodies, or from developer contributions. Funding sources investigated for LCC services also include the capital programme including Council tax, generation of capital receipts, the New Homes Bonus, and other innovative sources of funding and borrowing such as TIF and the Aire Valley Enterprise Zone. The recent City Deal for the Leeds City Region will also be a very important tool in bidding for funding and attracting investment.
- 1.13 **In summary, an overall 'funding gap' of £1.3 billion has been identified for the Leeds District up to 2028.**

TABLE 1 - INFRASTRUCTURE POTENTIALLY TO BE FUNDED FROM THE COMMUNITY INFRASTRUCTURE LEVY UP TO 2028

TOPIC	SCHEME	TOTAL COST	CONFIRMED FUNDING SOURCES	FUNDING GAP	DELIVERY NOTES
PUBLIC TRANSPORT, PEDESTRIAN AND CYCLE					
Cycle	Leeds Core Cycle Network Route 1 East Middleton Spur	£190k	None	£190k	Spur to extend coverage of route 3. LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 4 Adel Spur	£157k	None	£157k	Spur to extend coverage of route 15. LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 6 North Morley Spur	£448k	None	£448k	Spur to extend coverage of route 13. LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 7 Scholes to City Centre	£611k	None	£611k	Connects to Penda's Way (17) and Wyke Beck Way (16). LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 8 Rothwell to City Centre	£887k	None	£887k	Connects to Route 3 and Aire Valley. LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 11 Farnley - Leeds City Centre	£1.107m	None	£1.107m	Links to Route 10. LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 13 Morley to City Centre	£932k	None	£932k	Links to White Rose shopping centre and Holbeck regeneration area. LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 14 A64 York Rd corridor improvements	£482k	None	£482k	Connects with Route 16. LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 16 - Wyke Beck Valley (phase 2)	£573k	None	£573k	Connections to East Leeds Radial, Aire Valley and Trans-Pennine trail. LTP3 scheme post 2014
Cycle	Leeds Core Cycle Network Route 17 Penda's Way	£1.441m	None	£1.441m	Links to Routes 7 and 14. LTP3 scheme post 2014

Pedestrian	Public Right Of Way Network	£1.2m	£800k from LTP, grants, and on-site provision	£400k	The Leeds ROWIP will be reviewed again by 2017. If all of the identified projects were to be delivered over the next ten years, the City Council would need to seek funding between £2.3m and £3.9m, including through S106, West Yorkshire Transport Plan and third party grants. The Plan should mainly be viewed as an aspirational document highlighting improvements (which in part) are over and above the basic statutory requirements. A cautious estimate has therefore been used of £1.2m (half the lowest estimate) to reflect that schemes are aspirational. The current PROW network is a LTP3 scheme, supported through LTP3 for next 3 years with £75k and likely to extend beyond this through ongoing work. An assumption of £75k LTP funding has therefore been assumed for each 3 year period = £300k. Additional 3 rd party grants and provision on site as part of development schemes has assumed an additional £500k.
Public Transport	Leeds NGT trolleybus network; Stourton - Holt Park, Stourton Park and Ride, Bodington Park and Ride	£250m	£173m DfT, £50m LCC and Metro	£27m	Overall cost £250m, due to start construction late 2016.
Public Transport	Leeds NGT trolleybus network extension to Aire Valley Leeds	£59.2m	None	£59.2m	NGT extension from City Centre to Aire Valley (WYTF scheme) Currently unfunded, further study required.
Public Transport	Leeds NGT trolleybus network extension to East Leeds (including City Centre loop)	£97.4m	None	£97.4m	NGT extension to St James' Hospital and east Leeds (WYTF scheme) Currently unfunded, further study required.
Public Transport	East Leeds Link Road park and ride	£5m	None	£5m	TfL study. Timescale dependent on funding bids, estimated at 2014. Currently unfunded
Public Transport	Railways - East Leeds Parkway Station, Micklefield	£8.8m	National Rail/ DfT/ Metro	£8.8m	Scheme identified in regional RUS and Initial Industry Plan for CP5 (2014-19) awaiting publication of Network Rail business plan expected early 2013 and subsequent decision on funding. Upgrade to City Region Parkway scheme would be contingent on funding and business case. Implications of Trans-Pennine electrification on this scheme yet to be understood. Scheme for 'smaller' station is not currently funded but forms part of the HLOS for CP5
Public Transport	Railways - Horsforth Woodside Station	Not yet costed	None	Not yet costed	Requires further study. Outline business case is prepared but scheme has no status in DfT publication "Investment in Local Major Transport Schemes' and is not included in LTP Railplan 7. To be progressed with developer funding. No funding from Network Rail for this scheme.

Public Transport	Railways - Leeds City Station new platform and platform 17 extension	£30m	DfT	£30m	Scheme is not currently funded but forms part of the High Level Output Specification for Control Period 5 (2014-2019).
Public Transport	Railways - New Pudsey park and ride extensions and access	£1m	None	£1m	TFL study. Scheme to extend the existing provision of park and ride spaces at new Pudsey Station and carry out associated improvements to the highway to accommodate increasing demand for access to the station. Timescale dependent on the outcome of a bid for partial funding to DfT - to be determined 2013. Metro scheme?
Public Transport	Railways - TransPennine electrification between Manchester Victoria and Leeds, and on through Garforth to Colton Junction west of York	£1.5m	Dft/Metro LPA & developer contributions for Garforth only	£1.5m	Announced in Chancellor's Statement Nov 2011. Preliminary feasibility work undertaken, with a view to implementation around 2016/17, although likely DfT will ask for programme to be accelerated. Work on GRIP stage 3 to start Autumn 2012. DfT commitment to fund core route Stalybridge to Leeds, Neville Hill to Colton Junction and Selby. Only potential CIL contribution would be access improvements at Garforth station (£1.5m).
Public Transport	Yorcard - provision of card vending machines and top-up points, integration of other services onto smartcards (school and leisure), on-bus equipment, enabling internet sales, development of Leeds City Region MetroCard product by smart media.	Not yet costed	£6.14m	Not yet costed	<p>West Yorkshire Integrated Transport Authority Executive Board on April 27 2012 agreed £6.14m to be spent on the project from the Better Bus Area Fund (£4.33 million plus £0.65 million relating to York City Council funding) and LTP3 funding £1.16million.</p> <p>Later phases assume contributions from City Region Authorities and Metro although split not yet determined.</p> <p>Metro, together with local bus operators, recently made a successful Better Bus Area Fund bid to the Department for Transport for almost £5m to develop West Yorkshire's smartcard network. It will allow passengers to load money on to their tickets, the new system should be in place across West Yorkshire and York by early 2014. Key targets include developing a county-wide retail network including local shops, vending machines and an online 'top up' service. Almost 400 buses run by smaller operators would be fitted with smartcard readers, while further work on the complex back-office systems that make the scheme work would continue. Transdev Keighley and Arriva have already switched on their smartcard readers, and First are currently testing their equipment, much of West Yorkshire's bus fleet will soon be smartcard enabled. Currently it is just senior, disabled and blind concessionary pass-holders who can swipe on to local bus services, the scheme is aimed to open up to all bus users as soon as possible. Establishing a smartcard retail network, equipping more vehicles and completing the development of back-office technology are the next steps to extending smartcard travel to all bus users, rather than just concessionary pass-holders, and eventually rail passengers as well.</p>

Airport	Leeds Bradford International Airport tram-train link - fixed link from the Harrogate Rail line	£132.6m	None	£132.6m	Unfunded, but included within the City Region Connectivity Study and Core Strategy priority (on Key Diagram).
HIGHWAYS					
Highways (local)	Aire Valley Leeds - East Leeds Link Road and river crossing	£24.8m	Enterprise zone borrowing, developer funding, LCC.	£12.3m	New river bridge and link road to connect East Leeds Link Road with Pontefract Road. Unfunded. Includes Skelton Grange link route protection for a new road link and river crossing into the Cross Green Development area and improvement at the junction between Skelton Grange Road and Pontefract Road. In LCC Capital Programme Dec 2011 £2.5m provided to support a new spine road in the AVL enterprise zone. This will enable public transport to connect to East Leeds and enable local people to access the new jobs. The LEP has agreed that Leeds will use funding raised from increased business rates in the Enterprise Zone to pay the borrowing costs for this investment, but there may still be a role for the CIL.
Highways (local)	Armley Gyratory major improvement	Not yet costed	£130K contribution from LTP3 IT Block	Not yet costed	TfL scheme - linked to City Square improvements. This would form part of the city centre transport strategy which is still in development and not yet costed.
Highways (local)	City Square renaissance public space and public transport priority	Not yet costed	None	Not yet costed	TfL study and LTP3 block fund. This would form part of the city centre transport strategy which is still in development.
Highways (local)	A6120 dualling – Dawson's Corner-Horsforth	£24.2m	None	£24.2m	Conversion of single carriageway to dual carriageway (TfL scheme)
Highways (local)	Meadow Lane / Victoria Road scheme	Not yet costed	None	Not yet costed	Meadow Lane / Victoria Road scheme. This would form part of the city centre transport strategy which is still in development.
Highways (strategic)	A65-A658 Link Road (bypassing Rawdon and Horsforth) - includes extension of A65 Quality Bus Corridor to serve the airport.	£30m	Dft and developers	£15m	At early development and unfunded but initial work shows a potentially robust benefit cost ratio within DfT guidelines, and is included within the City Region Connectivity Study. Cost estimate £30m, would expect DfT funding with private sector contribution plus s106/CIL, use 50% as very approximate estimate.
Highways (strategic)	Loop road extensions	Not yet costed	None	Not yet costed	Proposed south west and south east extensions of the Loop road. This remains a concept rather than a defined scheme. It would form part of the city centre transport strategy which is still in development.

Highways (strategic)	M1 J39-42 Managed Motorway - Use of hard shoulder running and active traffic management during peak periods	Not yet costed	Highways Agency	Not yet costed	Major Scheme. Remains in programme following CSR. Estimated cost £120m to £170m but would benefit from Highways Agency funding. Funding gap for CIL not yet costed so overall figure not been included either.
Highways (strategic)	M1 J46 southbound slip road - ramp metering	Not yet costed	Highways Agency	Not yet costed	Original target 2015 although currently being renegotiated to be traffic dependent. The scheme is to be delivered by Leeds City Council under a Section 6 agreement with the Highways Agency. Current Agreement states works to be delivered in 2019.
Highways (strategic)	M1 Junction 45 Phase 2 improvement	£8m	None	£8m	<p>Widening of northbound and southbound off slip road and ELLR entries to roundabout, roundabout widening from 2 to 3 lanes, enhancement of traffic signal control (including entry to Skelton Business Park), extension of northbound on-slip road from Type A to Type C merge. Original target 2015 although currently being renegotiated The scheme is to be delivered by Leeds City Council under a Section 6 Agreement with the Highways Agency. Current Agreement states works to be delivered by end of 2015, however the Highways Agency is in the process of renegotiating the delivery date (as at October 2012) to be traffic dependent and progression linked to build out of developments in Aire Valley.</p> <p>Recent estimate from Connect (operators of this section of the M1) suggested indicative cost of £8m, although as yet this is not based on any detailed design or surveys.</p>
Highways (strategic)	M621 Corridor Management Plan	Not yet costed	None	Not yet costed	M621 Corridor Management Plan including Active Traffic Management. Ongoing work (as at Oct 2012), level of intervention required not yet ascertained or costed until have details of LCC's City Centre Transport Strategy.

EDUCATION					
Education	School requirement District wide resulting from Core Strategy housing growth	£655m	None at present to support new growth	£655m	<p>Build costs (notwithstanding land costs) approximately: £5 million for 1FE primary school £7 million for 2FE primary school £20 million for 5FE secondary school £30 million for 8FE secondary school</p> <p>The need for adequate and appropriate school provision is factored into decisions regarding the strategic location of development outlined in the Core Strategy and in particular, more detailed proposals in relation to specific areas of the city are being worked up for the Site Allocations DPD. In very broad terms the overall growth to 2028 equates to 83 new form entry (without adjustments for location and current capacity), to be provided by extensions and new schools. Therefore build costs approximately: 83 x 1FE primary schools = £415 m 17 x 5FE secondary schools = £340 m <u>total</u> = £755m</p> <p>Or, if larger schools were built the figures would be: 42 x 2FE primary schools = £294m 10 x 8FE secondary schools = £300m <u>total</u> = £594m</p> <p>The size of schools will depend on the size of development planned and is likely to be a mix of 1FE and 2FE primaries, and 5FE and 8FE secondaries. The assumed mix for the purposes of the cost gap is therefore: 23 x 1FE and 30 x 2FE primary schools (£325m), 12 x 5FE and 3 x 8FE secondary schools (£330m) <u>total</u> = £655m</p>
FLOOD DEFENCE					
Flood Defence	River Aire Flood Alleviation Scheme (FAS) – Phase 1	£52m	LCC capital programme £10m, ERDF £10m, RGF £4m, FDGiA £8.8m, BID £1m, developers £1m	£17.2m	<p>Phase 1 - Create flood defences protecting the city from flooding along a 3.5 kilometre stretch of the River Aire between Leeds Central Station and downstream to Knostrop Weir. The FAS Phase 1 will provide a 1 in 75 years Standard of Protection from flooding. Completion anticipated 2015, subject to planning permission and funding availability.</p> <p>The FAS Phase 1 comprises 3 elements to be undertaken as funding becomes available :</p> <p>i) Remove existing weirs and install moveable weirs at Knostrop and Crown Point ii) Provide defences: embankments, terracing, setting back of defences,</p>

					walls as required between Leeds Train Station and Granary Wharf iii) Remove Knostrop Cut to merge the Canal and River Aire £47m cost plus £5m maintenance. Assumed funding sources, although none yet confirmed: European Regional Development Fund £10m, Regional Growth Fund £4m, Flood Defence Grant in Aid (FDGiA) via Yorkshire Regional Flood and Coastal Committee and EA £8.8m, Business Improvement District (assume nominal £1m), development industry contributions (assume nominal £1m outside of the CIL).
Flood Defence	River Aire Flood Alleviation Scheme – Phase 2	£25m	ERDF, BID, FDGiAF Jessica, LCC, development industry contributions	£25m	Phase 2 - to provide a 1:75 year Standard of Protection along the River Aire, from Newlay Bridge the City Centre and from Knostrop to Woodlesford. As at October 2012 Phase 2 has not been sufficiently costed to allow for an accurate figure, but £25m is the best estimate possible – this is a minimum figure so as not to overstate the cost gap.
Flood Defence	River Aire Flood Alleviation Scheme – Phase 3	£25m	ERDF, FDGiA, BID Jessica, LCC, development industry contributions	£25m	Phase 3 - to increase the overall level of protection offered by the defences to a 1:200 Standard of Protection for the whole scheme. As at October 2012 Phase 3 has not been sufficiently costed to allow for an accurate figure, but £25m is the best estimate possible – this is a minimum figure so as not to overstate the cost gap.
GREEN INFRASTRUCTURE AND LEISURE					
Green Infra	City Centre Park and smaller pocket parks in city centre	£34.5m	None, in partnership with developers	£34.5m	£4.5m investment is required to develop the smaller pocket parks in the City Centre i.e. Hanover Square, Lovell Park, Queens Square, and Sovereign Street. For the city centre park a broad estimate including restructuring works of some of the highways is £40m. As the highway works may be scaled back a cautious estimate of £30m for this has therefore been used.
Green Infra	District wide child fixed play, MUGA, and skate/BMX improvements as result of new housing development	£35.4m	Some would be provided on larger sites by developers, so assume £17.7m (half)	£12.5m	Example costs from S106 equivalent: At 2012 rates, greenspace calculator gives cost per child for play as £975. At 0.62 children per house and 0.1 children per flat = costs £605 per house and £98 per flat (rounded). Core Strategy housing figures of 74,000 dwellings gross to 2028, of which target is 25% flats, = total cost of child play £35,356,400. Some of this would be provided by developers within their sites, so assume it can be discounted by half (£17.7m). A proportion of the remainder will also be incorporated within the specific schemes listed below, and therefore there a further discount has been applied of £1.2m (community parks) + £4m (outdoor recreation) leaving a total gap of £12.5m

Green Infra	Improvements to greenspace quantity and/or quality as result of new housing development	£55.25m	None	£55.25m	<p>The increase in population will lead to need for new areas of greenspace as well as improvements to existing parks. Core Strategy housing figures of 74,000 dwellings gross to 2028, of which target is 25% flats.</p> <p>Example cost taken from the current S106 policy equivalent is £67,574,718. Assumptions are at 2012 rates, that maintenance is only taken for N2.1, 50% of all N2 greenspace would be provided within sites (and therefore no contribution necessary), and that a further 50% of the sites which do not provide it on site would be located within an area of adequate provision (and therefore no contribution for N2.2 and N2.3). Some of this £67.6m figure would also be incorporated within the specific schemes listed below, and therefore has been discounted by a further £3.6m (community parks) + £8m (outdoor recreation) + £75k (allotments) = £55.25m total cost.</p>
Green Infra	62 Community Parks city wide.	£6m	None	£6m	<p>In order to gain understanding of standards of all parks and green space, an assessment programme was devised in 2004 to assess a representative sample of 144 parks and green spaces over a rolling 3 year period against the national Green Flag standard criteria. This investment is required to achieve the Parks and Green Space Strategy target of all 62 Community Parks attaining the national Green Flag standard by 2020. Prior to the CIL being introduced S106 funding is generally used for this purpose.</p>
Green Infra	7 City Parks – Major Visitor Attractions	£10m	Assume external funding of £8m	£2m	<p>Investment required to develop our City Parks: Roundhay Park, Temple Newsam, Lotherton Hall, Middleton Park, Golden Acre Park, Otley Chevin and Kirkstall Abbey. Funding is primarily sourced from external bodies namely Heritage Lottery Fund, assume 80% of costs.</p>
Green Infra	Outdoor recreation city wide	£20m	None	£15m	<p>Parks and Countryside are responsible for the majority of parks and green spaces throughout the city. New housing growth and increased usage means that they will require investment to improve standards. Prior to the CIL being introduced S106 funding is generally used for this purpose, along with additional match funding from external sources (assume £5m).</p>
Green Infra	Allotments city wide	£1.5m	None	£1.5m	<p>There is currently a waiting list of 1100 people requesting an allotment across the city, and increased housing growth will increase pressure on allotments. To accommodate this provision significant investment is required to create new allotment sites and to provide for the future level of demand. Prior to the CIL being introduced S106 funding is generally used for this purpose.</p>
Leisure	Fearnville and East Leeds Leisure Centre replacement	£12.5m	None	£12.5m	<p>Reprovision of Fearnville and East Leeds Leisure Centre in the form of one new, purpose built, wellbeing centre, with a commitment to deliver and resource by 2013 / 2015. Investment continues to be sought for this proposal, a PFI bid was unsuccessful. Develop a sustainable community asset transfer model in-line with this development. Cost £10m - £15m.</p>

Leisure	Kippax and Garforth Leisure Centre replacement	£10.5m	None	£10.5m	Reprovision of Kippax and Garforth Leisure Centre in the form of one new or re-furbished swimming pool, fitness suite and other appropriate dry side sports facilities, with a commitment to resource and deliver by 2017. Cost £8m - £13m.
Leisure	Aireborough Leisure Centre Refurbishment	£3.8m	None	£3.8m	Refurbish changing rooms, reception, and exterior, extend gym, access work. By 2020 and dependent on funding.
Leisure	Otley Chippindale Swimming Pool	£250k	Prince Henry Grammar School	£250k	Accessibility, energy and wider refurbishment. By 2020 and dependent on funding.
Leisure	Wetherby Leisure Centre	£1.4m	None	£1.4m	Refurbish changing rooms, extend gym, access work. By 2020 and dependent on funding.
Leisure	Pudsey Leisure Centre	£2m	None	£2m	New entrance and frontage, interior refurbishment, extend gym. By 2020 and dependent on funding.
Leisure	Kirkstall Leisure Centre	£1m	None	£1m	Refurbish changing room, re-orientate reception, works to heating / lighting / ventilation, reception, access. By 2020 and dependent on funding.
Leisure	Rothwell Leisure Centre	£5.8m	None	£5.8m	Pool hall refurbishment - new atrium, circulation and relaxation area. Refurbish dryside changing, additional car parking, fitness studio / spinning area, extend gym. By 2020 and dependent on funding.
TOTAL FUNDING GAP FOR CIL		£1.7 billion	-	£1.3 billion	(Total cost = £1,747,428,000) (Funding gap = £1,335,428,000)

APPENDIX 4 – HISTORIC SECTION 106 DATA: JUSTIFICATION FOR THE LEEDS CIL (JANUARY 2013)

LEEDS HISTORIC SECTION 106 DATA

JUSTIFICATION FOR THE COMMUNITY INFRASTRUCTURE LEVY

Introduction

- 1.1 The CIL Regulations set out that the CIL should be set high enough to ensure that (when combined with other sources of funding) sufficient money is available to pay for the community infrastructure needed to support growth. However, it should not be set so high that the growth ambitions of the development plan are rendered commercially unviable.
- 1.2 As the Government's intention is that CIL should unlock significant new capital funding, then matching the demonstrated performance of S106 agreements is the very least that should be considered. This paper sets out S106 data for previous years in order to determine this minimum level of CIL which should be collected, on the basis that this is a level which is viable.
- 1.3 Under statutory requirements S106 agreements have to be:
 - a. Necessary to make the development acceptable in planning terms,
 - b. Directly related to the development, and,
 - c. Fairly and reasonably related in scale and kind to the development.
- 1.4 S106 agreements are negotiated for site specific mitigation measures including affordable housing and other matters such as flood storage, junction improvements, on-site greenspace, travel plans and public transport travel cards, and anything else which is required in order to grant the planning permission. In Leeds S106 contributions are also collected on a tariff style basis through Supplementary Planning Documents/Guidance for three key areas of infrastructure provision; education, public open space, and public transport improvements. This means that the money is used across a wider area than in the immediate vicinity of the development site to provide for the cumulative impact of individual new developments on infrastructure requirements. After April 2014 or after the CIL is adopted if earlier, it will no longer be possible to collect these three tariff types of S106 contribution.

S106 Funds received

- 1.5 Tables 1 and 2 show the S106 monies received from all types of development in the past few years (excluding affordable housing S106s). The impact of the current recession has to be borne in mind in making assumptions about the continuation of these trends but the data is the best available. The average per year from the last two years of received S106s is £3.28m, and £3.5m from the last five years.

Table 1 - Section 106 funds received 2007/08 to 2011/12

Year S106 received	Amount	Average	Average
2007-8	£5.5m	£3.5m	-
2008-9	£1.4m		

2009-10	£4.2m		£3.3m
2010-11	£4.5m		
2011-12	£2.1m		

Table 2 - Section 106 funds received April 2010 – March 2012:

Type of S106 received	2010/2011	2011/2012	Average per year
Greenspace	£1,260,106	£473,519	£866,813
Public Transport Improvements	£1,515,419	£618,800	£1,067,110
Education	£0	£54,500	£27,250
Community Benefit	£13,136	£29,729	£21,433
Highways/ Other	£1,423,636	£536,525	£980,081
Public Realm	£185,000	£310,809	£247,905
Travel plan	£71,558	£75,315	£73,437
Total	£4,468,854	£2,099,197	£3,284,026

- 1.6 The Preliminary Draft Charging Schedule sets out the future relationship in Leeds between the CIL and ongoing use of S106s for site specific measures including potential pooling of up to five S106s. As an approximation, from Table 2 it is assumed that travel plans and highways would continue to be provided in future alongside the CIL and that the other types would be subsumed within the CIL. Therefore the minimum CIL income should be £2.23m per year, with an additional £1.05m to continue each year from site specific S106s.

S106s Signed

- 1.7 An alternative approach is to break down S106s into the amount which was signed per year, which can then be compared against floorspace, albeit that there is much less certainty that signed S106s will come forwards into actual payments, and in some instances developers may sign agreements which are then renegotiated at a later stage.
- 1.8 The year June 2011 to May 2012 was used for residential permissions, and as these schemes were primarily brownfield, they were balanced against Phase 2 and 3 UDP greenfield sites permitted (since November 2009) to better reflect the type of sites which will come forwards through the Core Strategy. Appendix 1 gives the full schedule of the relevant S106s.
- 1.9 The CIL is to be levied on the basis of floorspace, and so the calculations used an average of 88 sqm for a 3 bed house in Leeds. Table 3 shows that the average total from signed S106s was £5,096 per dwelling or £58 per sqm. As outlined above, the three current tariff style S106s for greenspace, education, and public transport improvements would be directly superseded by the CIL, which equate to an average of £4,535 per dwelling, or £52 per sqm. Although not a direct approximation of the amount which the CIL could be set at, as the CIL rates need to take into account geographic differences in viability plus the CIL will be charged on all residential units compared to the historic S106s only signed for schemes above 10 units, it is a very useful benchmark.

Table 3 - Residential Section 106s signed (excluding affordable housing):

	Residential <50 units June 11 - May 12	Residential >50 units June 11 - May 12	UDP Phase 2 & 3 - since Nov 2009	OVERALL TOTAL
Total S106 Value	£0.52m	£4.00m	£6.75m	£11.28m
Total No. dwellings	231	771	1,212	2,214
S106 per dwelling	£2,271	£5,196	£5,571	£5,096
Average per sqm from all S106s	£26	£59	£63	£58
S106 tariff value: Greenspace	£0.48m	£0.17m	£0.94m	£1.59m
S106 tariff value: Education	£0.00m	£1.54m	£4.03m	£5.570m
S106 tariff value: Public Transport Imps	£0.00m	£1.88m	£1.00m	£2.88m
Total to be replaced by CIL (tariff S106s)	£0.48m	£3.59m	£5.97m	£10.04m
S106 per dwelling to be replaced by CIL	£2,066	£4,656	£4,929	£4,535
Average per sqm from tariff S106s	£23	£53	£56	£52

1.10 Information was also gathered on the commercial schemes with signed S106s between June 2011 to May 2012, although it is more difficult to identify averages due to the small numbers of some uses and especially because many schemes are mixed use and it has not been possible to break down the S106 payments against the different floorspace and uses within them. The full schedule of the relevant commercial S106s are contained within Appendix 1.

Table 4 - Commercial Section 106s Signed

	Average per sqm from all S106s	Average per sqm from tariff S106s
Hotels (C1)	£5 - £23	£4 - £19
Care homes (Class C2)	£7 - £10	£6 - £8
Gyms (D2)	£16	£9
City centre office (B1a)	£11	£10
Large retail (A1)	£57 - £74	£46 - £69
	Average per bed space* from all S106s	Average per bed space* from tariff S106s
Student accommodation (5 signed)	£77 - £670 Average £324	£43 - £617 Average £281
*Student accommodation schemes range greatly in size per bedroom plus size of circulation areas and shared facilities and therefore bed space is used in this calculation.		

1.11 This broad data has been included within the assumptions in the Economic Viability Study by GVA.

APPENDIX 1 – SCHEDULE OF SIGNED SECTION 106 AGREEMENTS

(a) Overall S106 value excludes affordable housing

(b) Economic Viability Assessment (DTZ 2010) and Economic Viability Study (GVA 2012) assumptions, using average 88 sqm (3 bed house)

SUMMARY OF RESIDENTIAL SIGNED S106s

	Overall S106 Value (a)	Total No. dwlgs	S106 per dwlg	S106 tariff: G'space / Public Realm	S106 tariff: Education	S106 tariff: Public Transport Imps	Total to be replaced by CIL (Gspace/ Educ / PTI)	S106 per dwlg to be replaced by CIL	Average from all S106s psm (b)	Average tariff S106s psm (b)
UNDER 50 UNITS 01/06/11 - 31/05/12	£524,661	231	£2,271	£477,167	£0	£0	£477,167	£2,066	£26	£23
OVER 50 UNITS 01/06/11 - 31/05/12	£4,005,894	771	£5,196	£174,820	£1,536,557	£1,878,168	£3,589,545	£4,656	£59	£53
UDP PHASE 2 & 3 since Nov 2009	£6,751,722	1212	£5,571	£941,323	£4,033,671	£998,482	£5,973,476	£4,929	£63	£56
OVERALL TOTAL	£11,282,277	2214	£5,096	£1,593,310	£5,570,228	£2,876,650	£10,040,188	£4,535	£58	£52
Total under 50 units (including Phase 2 & 3)	£781,380	363	£2,153	£676,862	£20,000	£0	£696,862	£1,920	£24	£22
Total over 50 units (including Phase 2 & 3)	£10,500,897	1851	£5,673	£916,448	£5,550,228	£2,876,650	£9,343,326	£5,048	£64	£57

RESIDENTIAL - Schemes under 50 units - 1st June 2011 - 31st May 2012

Site	Date	Plan App Ref	Overall S106 Value (a)	Total No. dwigs	S106 per dwlg	S106 tariff: G'space / Public Realm	S106 tariff: Education	S106 tariff: Public Transport Imps	Total to be replaced by CIL (Gspace/ Educ / PTI)	S106 per dwlg to be replaced by CIL	Average from all S106s psm (b)	Average tariff S106s psm (b)
30-34 Barrowby Lane, Aughton	15-Jun-12	12/00646/FU (revised from 11/01963/EXT to 08/01087/FU)	£37,563	11	£3,415	£30,882	£0	£0	£30,882	£2,807	£39	£32
Pepper Road Hunslet	17-Jun-11	10/03728/EXT to 06/06269/FU	£32,814	14	£2,344	£32,214	£0	£0	£32,214	£2,301	£27	£26
1 - 41 And 2 - 20 St Lukes Green, Beeston	28-Jul-11	10/05219/RM	£2,500	19	£132	£0	£0	£0	£0	£0	£1	£0
Leeds Girls High School - Rose Court	23-Jun-11	08/04214/OT	£1,653	12	£138	£1,053	£0	£0	£1,053	£88	£2	£1
St Vincents School, Church Street, Boston Spa	16-Jun-11	11/01086/EXT to 08/02322/FU	£37,492	13	£2,884	£36,492	£0	£0	£36,492	£2,807	£33	£32
Bramley Gardens, Skeltons Lane	06-Jun-11	11/00934/FU	£21,970	14	£1,569	£14,162	£0	£0	£14,162	£1,012	£18	£11
The Tannery, Leeds Road, Otley	09-Jan-12	11/04382/FU	£36,107	10	£3,611	£23,902	£0	£0	£23,902	£2,390	£41	£27
Manor House Farm, Great North Road, Micklefield	19-Jul-11	10/03358/EXT to 07/01571/FU	£35,549	14	£2,539	£35,549	£0	£0	£35,549	£2,539	£29	£29
Methley Infants School	19-Dec-11	11/04226/FU	£34,439	12	£2,870	£33,689	£0	£0	£33,689	£2,807	£33	£32
Carlisle Road, Pudsey	29-May-12	11/01860/FU	£73,820	23	£3,210	£64,570	£0	£0	£64,570	£2,807	£36	£32
Land North of Morrisons, Swinnow Road	30-Jun-11	11/00991/OT	£72,685	25	£2,907	£70,185	£0	£0	£70,185	£2,807	£33	£32
Elder Road, Bramley	05-Mar-12	08/05924/FU	£47,514	22	£2,160	£46,514	£0	£0	£46,514	£2,114	£25	£24
Broad Lane, Bramley	12-Jan-12	11/04358/FU	£40,087	19	£2,110	£39,087	£0	£0	£39,087	£2,057	£24	£23

The Former Weasel Public House, 94 Roker Lane, Pudsey	11-Aug-11	11/00108/EXT to 07/03657/FU	£28,306	12	£2,359	£27,706	£0	£0	£27,706	£2,309	£27	£26
St Lawrence House, Crawshaw Road, Pudsey	11-Apr-12	11/05295/FU	£22,162	11	£2,015	£21,162	£0	£0	£21,162	£1,924	£23	£22
TOTAL			£524,661	231	£2,271	£477,167	£0	£0	£477,167	£2,066	£26	£23

RESIDENTIAL - Schemes over 50 units - 1st June 2011 - 31st May 2012

Site	Date	Plan App Ref	Overall S106 Value (a)	Total No. dwellings	S106 per dwelling	S106 tariff: Greenspace / Public Realm	S106 tariff: Education	S106 tariff: Public Transport Improvements	Total to be replaced by CIL (Gspace/ Educ / PTI)	S106 per dwlg to be replaced by CIL	Average from all S106s psm (b)	Average tariff S106s psm (b)
Albert Road, Morley	30-Nov-11	10/03141/OT	£155,187	70	£2,217	£99,960	£0	£0	£99,960	£1,428	£25	£16
Netherfield Road, Guiseley (Factory site)	23-Mar-12	11/01843/FU	£509,075	74	£6,879	£74,860	£347,757	£44,400	£467,017	£6,311	£78	£72
Saxton Lane	02-Aug-11	11/01442/EXT for 08/01844/FU	£37,367	80	£467	£0	£0	£27,107	£27,107	£339	£5	£4
Former Bellows Engineering Site, East Street	22-Jun-11	10/03179/EXT to 07/04987/FU	£19,596	147	£133	£0	£0	£13,661	£13,661	£93	£2	£1
Clariant, Calverley Lane, Horsforth	21-Mar-12	10/04068/OT	£3,284,669	400	£8,212	£0	£1,188,800	£1,793,000	£2,981,800	£7,455	£93	£85
TOTAL			£4,005,894	771	£5,196	£174,820	£1,536,557	£1,878,168	£3,589,545	£4,656	£59	£53
<i>Haigh Moor Road, West Ardsley</i>	<i>14-Mar-12</i>	<i>11/01014/OT*</i>	<i>£23,750</i>	<i>32</i>	<i>£742</i>	<i>£0</i>	<i>£20,000</i>	<i>£0</i>	<i>£20,000</i>	<i>£625</i>	<i>£8</i>	<i>£7</i>

RESIDENTIAL - Schemes on UDP Phase 2 and 3 Greenfield Sites - since Nov 2009

Site	Date	Plan App Ref	Overall S106 Value (a)	Total No. dwlgs	S106 per dwlg	S106 tariff: Greenspace / Public Realm	S106 tariff: Education	S106 tariff: Public Transport Imps	Total to be replaced by CIL (Gspace/ Educ / PTI)	S106 per dwlg to be replaced by CIL	Average from all S106s psm (b)	Average tariff S106s psm (b)
Bagley Lane, Farsley	08-Mar-12	09/01601/OT	£81,441	45	£1,810	£64,584	£0	£0	£64,584	£1,435	£21	£16
Greenlea, Yeadon	15-Dec-11	11/02980/FU	£98,840	30	£3,295	£84,223	£0	£0	£84,223	£2,807	£37	£32
Netherfield Road, Guiseley (Phase 3 site)	07-Feb-12	11/02690/FU following 10/02762/OT	£706,053	87	£8,116	£136,538	£414,452	£106,662	£657,652	£7,559	£92	£86
Queen Street, Allerton Bywater	26-Jan-11	09/04353/OT	£755,955	120	£6,300	£150,380	£356,679	£94,680	£601,739	£5,014	£72	£57

Haigh Moor Road, West Ardsley	27-Sep-12	11/01014/OT	£23,750	32	£742	£0	£20,000	£0	£20,000	£625	£8	£7
Syke Lane, Scarcroft	01-Feb-11	09/05551/OT	£21,206	14	£1,515	£20,006	£0	£0	£20,006	£1,429	£17	£16
Pudsey Road, Swinnow	29-Nov-09	08/06785/OT	£31,482	11	£2,862	£30,882	£0	£0	£30,882	£2,807	£33	£32
Church Fields, Boston Spa	08-Mar-11	09/04531/FU	£793,195	153	£5,184	£115,815	£454,765	£101,597	£672,177	£4,393	£59	£50
Selby Road, Garforth	27-Nov-09	11/03814/FU following from 08/06019/OT	£547,464	78	£7,019	£97,158	£322,938	£79,016	£499,112	£6,399	£80	£73
Milner Lane, Robin Hood	31-Mar-10	12/00161/FU following from 08/04184/OT	£505,724	72	£7,024	£141,777	£214,007	£88,207	£443,991	£6,167	£80	£70
Holt Lane, Adel	09-May-11	09/04190/FU	£599,244	70	£8,561	£99,960	£308,946	£85,820	£494,726	£7,068	£97	£80
Grimes Dyke, York Road	26-May-11	09/03238/OT	£2,587,368	500	£5,175	£0	£1,941,884	£442,500	£2,384,384	£4,769	£59	£54
TOTAL			£6,751,722	1,212	£5,571	£941,323	£4,033,671	£998,482	£5,973,476	£4,929	£63	£56

STUDENT HOUSING SCHEMES - 1st June 2011 - 31st May 2012

Site	Date	Plan App Ref	Overall S106 Value (a)	Number beds	S106 per bed	S106 tariff: Greenspace / Public Realm	S106 tariff: Public Transport Imps	Total to be replaced by CIL (Gspace/ PTI)	S106 per bed to be replaced by CIL	Notes
Calverley Street	17-Jan-12	11/04138/FU (mod To 10/05541/FU)	£60,805	577	£105	£0	£29,780	£29,780	£52	
St Marks Road, Woodhouse	16-Jan-12	11/04449/FU	£162,945	526	£310	£147,945	£0	£147,945	£281	
Phase 3 The Gateway East Street	31-May-12	12/00828/FU (mod to 08/06681/FU)	£39,056	508	£77	£0	£22,056	£22,056	£43	Includes 3,521 sqm A1 retail
22 Lovell Park Hill	22-May-12	12/00684/FU	£42,760	66	£648	£38,260	£0	£38,260	£580	
Servia Road	15-Mar-12	11/05195/FU	£201,109	300	£670	£136,975	£48,134	£185,109	£617	
TOTAL / AVERAGE			£282,925	874	£324	£175,235	£70,190	£245,425	£281	-

COMMERCIAL - Schemes 1st June 2011 - 31st May 2012

Site	Date	Plan App Ref	Overall S106 Value	Uses	Floor space (sqm)	Breakdown of floor space (sqm)	S106 per metre against total floor space	S106 tariff: G'space / Public Realm	S106 tariff: Public Transport Imps	Total to be replaced by CIL (Gspace / PTI)	S106 per metre to be replaced by CIL
Otley Road, Guiseley	02-Feb-12	11/02169/FU	£78,302	A1	1,385	-	£57	£0	£64,302	£64,302	£46
Land off Carr Crofts, Armley	18-Jan-12	10/02363/OT	£711,556	A1	9,595	-	£74	£0	£660,756	£660,756	£69
Sweet Street	09-Dec-11	20/430/04/OT (20/534/05/RM)	£463,368**	A1, B1a	/	/	/	£461,868	£0	£461,868	
Trinity Quarter	07-Oct-11	11/00382/FU changes to 20/149/03/FU	£329,000**	A1, A2-5	/	/	/	£0	£326,500	£326,500	
28 New Briggate, City Centre	17-May-12	11/01993/FU	£36,246	A3/A4	1,000	-	£36	£0	£36,246	£36,246	£36
Trinity West	01-Nov-11	11/03290/FU	£70,495	A3, A4, D1 clinic, D2 gym	4,170	-	£17	£30,850	£34,895	£65,745	£16
Former City Square House Wellington Street	29-Jul-11	10/05681/EXT to 07/04127/FU	£179,925	B1a	16,012	-	£11	£0	£168,000	£168,000	£10
Land Off Sandbeck Lane	23-Nov-11	10/00279/OT	£241,180	B1a, B8	8,085	5,570 B1a, 2,515 B8	£30	£0	£200,000	£200,000	£25
Whitehall Road	23-Dec-11	11/04023/FU	£106,996	B1a, C1 office and hotel	11,355	6,005 B1a, 5,350 C1	£9	£0	£97,496	£97,496	£9
Thorp Arch Trading Estate	20-Dec-11	11/03150/OT	£33,057	B2	5,327	-	£6	£0	£29,057	£29,057	£5
1 Pilot Street, Sheepscar	03-Oct-11	11/02158/FU	£15,641	B8, B2, D1 college	2,010	550 B8, 690 B2, 770 D1	£8	£0	£12,391	£12,391	£6
Hepworth Point, Clay Pitt Lane, Sheepscar	30-Jun-11	11/01048/FU	£34,191	C1 hotel	6,660	-	£5	£0	£29,441	£29,441	£4
Car Park "D" Site Portland Crescent	29-Jul-11	11/01979/EXT to 08/05664/FU	£267,207	C1 hotel	11,590	-	£23	£40,000	£185,217	£225,217	£19

Elland Road,	16-Jun-11	08/06739/FU	£286,826	C1 hotel, A1, A3, A4, B1a, nightclub	22,025	2,240 A1, 1,605 A3, 1,530 A4, 1,215 B1a, 725 nightclub, 14,710 (347 bed) hotel	£13	£0	£285,326	£285,326	£13
Grove Lane, Headingley	08-Sep-11	12/00687 (amendment to 11/00915/FU)	£34,525	C2 79 bed care home	3,605	46 sqm per bed	£10	£0	£22,025	£22,025	£6
Springfield Healthcare, The Grange,	29-Sep-11	10/04942/FU	£29,682	C2 96 bed care home	4,156	43 sqm per bed	£7	£0	£24,782	£24,782	£6
Shaftesbury Hotel York, Road	02-Nov-11	11/02883/OT	£34,618	C2 84 bed care home	3,500	42 sqm per bed	£10	£0	£22,118	£22,118	£6
Waterloo Manor, Selby Road, Swillington	01-Sep-11	10/05315 (amendment to approval 09/00327/FU)	£21,566	C2a 33 low secure beds	2,275	69 sqm per bed	£9	£0	£0	£19,006	£8
Alf Cooke Print Works	10-Jan-12	11/04293/FU	£305,700	D1 college	16,170	-	£19	£15,000	£109,000	£124,000	£8
Former Job Centre, Pepper Road	28-Jun-11	10/05129/FU	£2,500	D1 college	561	-	£4	£0	£0	£0	£0
Unit 1 Kirkstall Industrial Estate	09-Dec-11	11/03248/FU	£54,443	D2 gym	3,330	-	£16	£0	£30,443	£30,443	£9
TOTAL			£1,752,288	-	132,811	-	£13	£547,718	£2,337,995	£2,904,719	£22

**** Not included in total as not possible to break down by floorspace**

APPENDIX 5 – EQUALITY SCREENING EXECUTIVE BOARD 15TH FEBRUARY 2013

As a public authority we need to ensure that all our strategies, policies, service and

Equality, Diversity, Cohesion and Integration Screening



functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions. Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

Directorate: City Development	Service area: Forward Planning and Implementation
Lead person: Lora Hughes	Contact number: 50714
Date: Jan 14th 2013	

1. Title: Community Infrastructure Levy – Preliminary Draft Charging Schedule

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

2. Please provide a brief description of what you are screening

The Planning Act 2008 established powers to create a Community Infrastructure Levy, and the Community Infrastructure Levy Regulations (April 2010 and April 2011) used these powers to allow a charging authority to levy a charge on the owners or developers of land that is developed, so that they contribute to the costs of providing the infrastructure needed to support the development of the area.

This Screening Report assesses the decision as to what Community Infrastructure Levy (CIL) rates are to be set across the District, including at what cost per square metre of floorspace of new development, what uses to be charged, and geographical differences.

The Council at this stage will set rates it considers appropriate as final rates, however, it is

important to note that they will be subject to public consultation and independent examination and are therefore open to further review and change depending on representations received. The rates set now will be publicised at the first stage of formal public consultation on the CIL process; the Preliminary Draft Charging Schedule.

The Officer's report to Executive Board recommends the rates to be set (based on viability evidence, national regulations and guidance, and potential impacts for Leeds). These options are assessed within the EIA screening process below.

3. Relevance to equality, diversity, cohesion and integration

All the council's strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration. The following questions will help you to identify how relevant your proposals are. When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation and any other relevant characteristics (for example socio-economic status, social class, income, unemployment, residential location or family background and education or skills levels).

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?	X	
Have there been or likely to be any public concerns about the policy or proposal?	X	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?		X
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 	X	

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?**
(think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement

activities (taken place or planned) with those likely to be affected)

There are three elements in considering equality in the Community Infrastructure Levy (CIL) charge setting process:

1) Equal and fair consultation throughout the charge setting process.

2) Equality for those who will have to pay the charge.

3) Equality as a result of decisions on spending the CIL and subsequent service and infrastructure delivery (which links back to a certain extent to the geographical locations where it is charged).

Adopting a CIL will help the authority to achieve the vision for sustainable development that is set out in the Core Strategy. The Core Strategy was itself subject to a detailed Equality Impact Assessment Screening that considered the impacts of individual policies on those groups identified as having protected characteristics.

To a large extent, the consideration of most relevance to equality, diversity, cohesion, and integration will be relating to the choices to be made in spending the CIL, based to a large extent on geographical differences including infrastructure needs. This includes the 'meaningful proportion' to be given to the community for spending. However, this Screening is primarily concerned with the first two elements set out above, as the decisions to be taken on governance, spending, and service delivery cannot be fully considered until after the initial rates have been set and an estimate of potential revenues can be determined.

The types of impacts would arise at the point at which money has been secured through CIL and new or improved infrastructure is actually delivered; they would not arise directly as a result of the Charging Schedule itself. Such matters will also involve extensive consultation and agreement with a wide range of stakeholders, and equality and cohesion will need to be fully integrated into decision making as there will likely be disproportionate impacts and mitigation. Therefore a full discussion of such issues cannot be provided at present, but initial indications and ideas have also been set out within this Screening in order to provide an overview and to show how the elements of the CIL link together.

1) Consultation in the charge setting process

The Council is required to carry out two rounds of formal public consultation prior to the adoption of the CIL. The decision to be made at this stage relates to the 1st stage; the Preliminary Draft Charging Schedule (PDCS), and specifically the levels of the charges, and the uses and areas of the District to which it will apply. Later stages are the Draft Charging Schedule, and the Submission and Examination.

Each round of public consultation will be carried out in accordance with the adopted Statement of Community Involvement (SCI). Frontloading consultation also occurred during the preparation of the CIL Economic Viability Study (final report December 2012) through a developer workshop and contact with key stakeholders in the development industry.

All relevant stakeholders on the Council's LDF mailing list, including e.g. parish councils, will be notified when the PDCS is available for consultation, alongside publication on the website and in libraries and One Stop Centres to raise awareness of the consultation. There will be events to publicise the PDCS and to provide information on it.

Collectively, the measures set out in the SCI ensure that a wide range of people will be made aware of the development of the CIL, so that a broad range of views can be taken into account as progress is made towards the final Charging Schedule. All comments received during consultation will be considered when preparing the Draft Charging Schedule, with a response given, and changes made where appropriate.

Equality has been considered across the District's boundaries through discussions with neighbouring authorities on the methodologies for the viability studies and the initial findings. All the neighbouring authorities are currently intending to progress with developing a CIL (subject to results from their viability evidence) and Kirklees, Bradford, and Harrogate are at the same stage in the process as Leeds.

2) Equality for those who will have to pay the charge

The CIL rates have to be set primarily on viability evidence. So essentially, the Council only has very limited choice over the types of development or geographical locations where it can be charged. Adopting a CIL will have an impact on anyone in the District with an interest in land, particularly landowners and developers. As income generated through CIL is used to fund new and improved infrastructure, there will be impacts on the wider community, depending on the type of infrastructure that is delivered and the locations in which money raised through CIL is invested.

In accordance with the CIL Regulations, the charge will be set based on evidence relating to the economic viability of development across the District, and also on the need for new and improved infrastructure as growth outlined in the Core Strategy occurs up to 2028. GVA were commissioned to undertake an Economic Viability Study across the District. It was overseen by a group of officers from the Council's Forward Planning and Asset Management teams alongside review by Members at Development Plan Panel and Scrutiny Board (Housing and Regeneration).

CIL is a levy payable by most new development. Development types that overwhelmingly cannot afford CIL do not have to pay it as it is set at a zero rate for such types. The Council is proposing that leisure centres, schools, public health facilities, community centres, and religious institutions will be exempt from CIL. By removing the requirement to pay CIL, the delivery of these services is less likely to be inhibited. This will be beneficial for those people who are reliant of these types of services, including older people, children and families.

The Regulations set out that development proposed by charities and used for charitable purposes is exempt from paying the CIL, as is social housing. Setting the CIL at an appropriate rate will mean that it should not be an additional barrier to the delivery of social housing.

3) Spending considerations

As outlined above, the scope of this current Screening is not considering the implications of spending decisions and infrastructure investment, as these are a separate workstream and will be subject to a separate EIA Screening.

Issues which will be considered at that time include:

- The 'meaningful proportion' which will be passed to local communities via parish or town councils to determine their own spending
- How the meaningful proportion will be spent in areas where there are no parish or town councils.
- Issues where no or minimal CIL will be raised across e.g. much of the inner area or city centre, and how this lack of meaningful proportional may disproportionately impact on those communities (and any mitigation required as a result).
- Other local ring-fencing mechanisms,
- How infrastructure priorities will be decided, based on the Council's Infrastructure Delivery Plan and input from the capital programme, Strategic Investment Board, DPP/Executive Board etc.
- Determining the split between spending from the CIL and spending from Section 106 Agreements. This is closely linked with developing the Regulation 123 List and the

preparation of the Site Allocations Development Plan Document.

- **Key findings**

(think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

General equality benefits of the CIL

Adopting a CIL will help the authority to achieve the vision for sustainable development that is set out in the Core Strategy. The Core Strategy was itself subject to a detailed Equality Impact Assessment Screening that considered the impacts of individual policies on those groups identified as having protected characteristics.

The Government has already conducted an EIA on the introduction of a CIL. This identified no adverse impact. The Government concluded that it does “not think that CIL will have an adverse impact on any social group. By making communities more sustainable, the CIL will facilitate economic growth and liveability and so create opportunity for all. The infrastructure and services that CIL will provide (such as medical and community facilities and transport networks) will enhance accessibility and liveability for all sectors of society, and could help to deliver new infrastructure that serves different needs within the community, for example, by increasing mobility and accessibility.”

The proposed changes to the CIL Regulations have an increased emphasis on community engagement, localism, specific spending in local areas, and an intent to increase the amount of affordable housing which can be provided. Bringing forwards the CIL in Leeds aims to enable the Council to direct spending on necessary infrastructure items, give more choice in priority setting for spending to local communities, and balance out the costs and benefits of growth across the District. It is therefore considered that it is a beneficial mechanism to help promote equality overall.

There are not considered to be any equality implications outside of the Leeds District as charges will be set based on viability, and the neighbouring authorities are working together and should not disproportionately deter or attract investment based on CIL rates.

1) Consultation in the charge setting process

As outlined above, consultation will be undertaken according to the criteria in the Council’s Statement of Community Involvement, and the CIL Regulations. It is therefore considered that there would be no undue equality implications arising out of the manner in which the charge setting process will be undertaken.

2) Equality for those who will have to pay the charge

It is considered that the levying of CIL will have neither a positive or a negative impact on equalities characteristics because the rate payable is based solely upon the viability of the development type. It is difficult to attribute the proposed CIL charge to specific impacts on the groups identified in the Equality Act as having protected characteristics. The CIL cost is ultimately expected to rest with landowners.

The CIL aims to provide more certainty for the development industry than the current system, and knowledge in advance of rates which will be charged and the transparency this will result in will allow for more equality in the process of negotiating payments and in balancing the infrastructure costs of new development across all types of viable development.

It is important to note that the CIL Regulations do not allow a charge to be levied on affordable housing or for development by charities. As outlined above, in Leeds the levy will

also not be charged on leisure centres, schools, public health facilities, community centres, and religious institutions. This ensures that projects which support the narrowing of gaps or bringing communities together, and infrastructure projects themselves, are not adversely impacted by the CIL.

Choosing where to set the rates

The Economic Viability Study (GVA, December 2012) sets out the maximum rates which are generally viable for different types of development across the District. However, the CIL guidance is clear that if the CIL is set at these maximum rates, there is the big risk that development as a whole across the District will be affected. This would likely have most impact on provision of affordable housing as this would still be negotiable and therefore could be reduced if developers argue that their schemes are unviable if they provide the full policy requirement for affordable housing.

Setting the CIL at a rate much lower than the maximum in the Viability Study would not gain sufficient money for infrastructure funding for the District. Although the CIL is not intended to fully meet the funding gap, there is significant infrastructure required in Leeds and new development should make a fair contribution towards this.

It is therefore recommended that to balance the opposing ideas above, to create an appropriate balance a rate of £5 or £10 per square metre below the maximum rates in the Study should be used. However, where the Study rate is zero for residential and main commercial uses, a nominal rate of £5 or £10 should be set to reflect historic provision of similar amounts through signed Section 106 agreements and also to ensure that all areas where growth occurs contribute to the CIL.

Determining exact zone boundaries

The recommended zone boundaries for the residential uses are aligned with the housing areas which have been used for previous studies (the Economic Viability Appraisal for Affordable Housing by DTZ 2010, and the Strategic Housing Market Assessment update 2010). Current affordable housing policy has been overlaid onto these zones. The boundaries for the CIL are based on viability evidence and aim to ensure overall viability of development across the District. Therefore although developers will have to pay different rates of CIL depending on their location in the District, the payments should be equal in terms of their impact on a development.

However, in setting the Preliminary Draft Charging Schedule officers and Members have slightly altered the exact boundaries used in the Viability Study, based on local knowledge and pragmatism of physical attributes. The instance of zone boundaries means that there will inevitably be inequality of payments either side of the boundary, but this is to be primarily based on viability, and Members will have to consider these issues to ensure that there is equality as far as possible based on sites and geographies with similar characteristics across the District. Specific landowners and developers who may be affected by such choices will have the opportunity to comment at the formal stages of public consultation, and equality issues can be considered further then.

3) Spending considerations

The introduction of CIL should, in principle, benefit all groups by contributing to the delivery of strategic and local infrastructure and helping to achieve more sustainable development. The Government's Impact Assessment states that the CIL "enables contributions to be sought to fund the development of an area, rather than to support the specific development that is seeking planning permission. CIL therefore offers local authorities a more flexible tool, helping them to secure the finances needed to deliver their infrastructure priorities. CIL will

make it easier for local authorities to coordinate contributions towards larger infrastructure items that contribute to the wider development of their local area, including larger sub-regional infrastructure, which might not be provided otherwise.”

The provision of some of the CIL to be given directly to communities via parish or town councils, or for the Council to spend on communities’ behalf in non-parished areas, will enable communities to determine their own priorities. However, the detailed implementation and governance of the CIL may have unequal impacts in Leeds, primarily based on a geographical basis (because of concentrations of groupings of people with the protected characteristics in different areas).

The Viability Study considers that the city centre and the inner areas are currently unviable for residential development and so should not be charged a CIL. There may be some instances where residential development does occur in those locations and does not therefore bring with it a CIL charge, however, overall development which comes forwards will generally be charged the CIL and therefore CIL funding locally should mitigate the impacts of growth. The phasing of allocations within the Site Allocations DPD and the need to ensure e.g. a 5 year housing land supply, mean that as long as the CIL is not inhibiting development, where growth is viable it should be able to sustain a CIL charge. In addition, by placing a nominal fee on all types of development in all locations this can be mitigated.

The overall revenues gained from the CIL are projected to be £5.7m a year (albeit this figure is inevitably with caveats including that for the first few years receipts will be lower to take into account extant permissions). The CIL has never been expected to fund all the necessary infrastructure for Leeds and other sources of funding will continue to be sought. This is a key element of infrastructure planning for the future of the District and will be discussed further at the appropriate decision making stage including in relation to equality considerations.

- **Actions**

(think about how you will promote positive impact and remove/ reduce negative impact)

1) Consultation in the charge setting process

As set out above, consultation will be undertaken according to the criteria in the Council’s Statement of Community Involvement, and the CIL Regulations. It is considered that there will be no negative impacts to mitigate, but that any lessons learnt in this regard as a result of early stages of consultation will be applied to the later stages. Such factors will also be considered at the Examination to ensure there has been fair and appropriate consultation.

2) Equality for those who will have to pay the charge

The rates to be chosen can be set at the limits of viability, at the lowest range, or in the middle. The aim is to not impact on the overall viability of development across the District. The addition of the CIL should not be the tipping point to make a particular scheme unviable, as it will only be a minor element of the residual calculation. i.e. a change in house prices or build costs would have a far more significant impact.

Specific landowners and developers will have the opportunity to comment at the formal stages of public consultation, and equality issues can be considered further then.

The Council is required to monitor both the receipt and expenditure of CIL on an annual basis, which will form part of the Annual Monitoring Report. This will include the amount raised, developments charged, CIL spent and infrastructure delivered. The CIL will be reviewed at an appropriate point based on this monitoring, e.g. when the economy improves.

In terms of equality of payment, the Council can use past development rates to determine whether CIL has affected development patterns, and whether its application and effect is equal. In addition, the Council will need to monitor if any relief from CIL is purely based on economic viability, and not creating bias to any particular developer or development type.

3) Spending considerations

The governance structure for allocating CIL will need to be transparent and ensure that the allocation of funds to projects is undertaken in a fair and consistent manner in accordance with agreed principles for prioritisation, taking account of the views of stakeholders and local communities for instance through neighbourhood planning.

In the longer term, the allocation of CIL monies is assumed to be subject to the similar process as currently undertaken for the allocation of Section 106 monies, i.e. via approval process through Council (or delegated authority), including engagement with service providers, Members and the public.

It is anticipated that CIL spending would be considered alongside the Council's capital spending programme. Investment decisions and specific proposals would normally be subject to separate equalities analysis at the appropriate time. Any impacts would be dependent on the type of infrastructure to be provided and its location. The Council will monitor the type, location, and value of infrastructure funding made from the CIL.

5. If you are *not* already considering the impact on equality, diversity, cohesion and integration you *will need to carry out an impact assessment*.

Date to scope and plan your impact assessment:	
Date to complete your impact assessment	
Lead person for your impact assessment (Include name and job title)	

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Lora Hughes	Principal Planner	10 th January 2013

7. Publishing

This screening document will act as evidence that due regard to equality and diversity has been given. If you are not carrying out an independent impact assessment the screening document will need to be published. Please send a copy to the Equality Team for publishing

Date screening completed	
Date sent to Equality Team	
Date published (To be completed by the Equality Team)	