

LONGFORD COUNTY COUNCIL

Development Contribution Scheme

PLANNING & DEVELOPMENT ACTS 2000 – 2007

Adopted 20th January 2010

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1. **Introduction:**

The Planning & Development Acts 2000-2007 provide for three types of development contributions that may be attached as conditions to a planning permission granted under the Acts:

- - general development contributions
- - special development contributions
- - supplementary development contributions

The adoption of a scheme is a reserved function. The contributions will be based on the development contribution scheme adopted by the elected members for their functional areas.

2. **General Development Contribution Scheme**

2.1 **Scheme Details**

Section 48 of the Planning & Development Act 2000 enables Planning Authorities when granting permission to include conditions requiring the payment of a contribution in respect of public infrastructure and facilities benefiting development in the area of the Planning Authority and that is provided, or that it is intended will be provided, by or on behalf of a local authority (regardless of other sources of funding).

“Public infrastructure and facilities” means:

- (a) the acquisition of land,
- (b) the provision of open spaces, recreational and community facilities and amenities and landscaping works,
- (c) the provision of roads, car parks, car parking places, sewers waste water and water treatment facilities, drains and water mains,
- (d) the provision of bus corridors and lanes, bus interchanges facilities (car parks for those facilities), infrastructure to facilitate public transport, cycle and pedestrian facilities, and traffic calming measures,
- (e) the refurbishment, upgrading, enlargement or replacement of roads, car parks, car parking places, sewers, waste water and water facilities, drains or water mains, and
- (f) any matters ancillary to paragraphs (a) to (e). This includes costs associated with taking in charge of incomplete housing estates in exceptional cases where planning enforcement has been unsuccessful in securing satisfactory completion of the estate.

2.2 Area of Application of Scheme

The Planning & Development Acts 2000- 2007 empower a Planning Authority to make one or more schemes in respect of different parts of its functional area. This Scheme shall apply to the administrative area of County Longford (excluding Longford Town Council).

2.3 Basis for Determination of Contributions

The Act provides that:-

- (i) The scheme must state the basis for determining the contributions to be paid in respect of public infrastructure and facilities
- (ii) The scheme must indicate the contribution to be paid in respect of the different classes of public infrastructure and facilities **which are provided or to be provided** by the local authority
- (iii) The planning authority shall have regard to the actual estimated cost of providing the classes of public infrastructure and facilities. The determination may not include any benefit that accrues in respect of existing development e.g. where a proportion of the capacity of a new wastewater treatment plant will be used by existing development.
- (iv) The scheme may make provision for payment of different contributions in respect of different classes or descriptions of development
- (v) The scheme may allow for the payment of a reduced contribution or no contribution in certain circumstances.

The basis for determining the contributions to be paid in respect of public infrastructure and facilities is calculated having regard to:-

- (a) the estimated cost to the Council in the period 2010 to 2014 of providing further public infrastructure and facilities as set out in the objectives outlined in the County Longford Development Plan, the Longford County Development Board Strategy, Annual Roads Programme and Village and Urban Renewal Projects. These costs include estimated costs of land acquisition where relevant.
- (b) the estimated floor area of projected development for residential and industrial/commercial classes for the period 2010 – 2014.
- (c) the estimated cost for each residential unit based on an average size of 125m², and the estimated cost per m² for industrial/commercial development.

The Appendix to this scheme details the projected development and estimated expenditure relating to the determining of the level of contributions included in the scheme.

2.4 **Level of Contributions**

2.4.1 – **Level of Contributions**

Having regard to the estimated cost to the Council of providing further public infrastructure and facilities in the period 2010 to 2014 and the estimated floor area of projected development for the same period it is estimated that a contribution in excess of €10,000 per house and €100 per m² of industrial/commercial development would be required to cover the full capital cost involved. However the Department of Environment and Local Government advise that each Local Authority should take care to avoid development contributions that are excessively high. In that regard the Department points out that while this might maximise funding for projects it could also lead to negative social and economic impacts such as pushing up housing costs and therefore decreasing developer interest or affecting the affordability of houses. The Department also recommend that there should not be a major divergence in the level of contributions adopted by other Local Authorities in their immediate area.

The development charges in respect of water and waste water services will not be adequate to fund the Council's contribution relating to water and waste water schemes, but should be sufficient to fund the loan charges on any loans raised by the Council.

The level of contributions to be paid under the Scheme, except where an Exemption applies (see Para. 2.5.4) in respect of the different classes of public infrastructure and facilities is set out in Table 1 and Table 2.

2.4.2 **Conversion of Residential Units**

Where an existing residential unit is extended or converted to create an additional residential unit e.g. an apartment or flat the appropriate rate of contribution will be payable in respect of each additional residential unit erected.

2.4.3 **Change of Use from Residential to Commercial**

The charges as appropriate in Table 1 shall apply in the case of a change of use from residential to commercial use with an allowance being made for any development contributions already paid in respect of the residential development.

2.4.4 **Extensions**

Subject to 2.4.2 above a development contribution will not be required in the case of extensions to residential units unless a connection to public water mains or sewerage is required. In such cases only the relevant contributions appropriate to the service provided will be required.

A development contribution will be required in the case of extensions to industrial/commercial development. The appropriate rate of contribution will be payable in respect of each additional m² of development involved.

2.4.5 **Mixed Development**

In the case of a mixed development, the fee payable will be based on the sum of charges applicable to each development type within the overall development.

2.5 **Payment of Contributions**

2.5.1 **Payment/Collection of Contributions**

Longford County Council will apply conditions requiring payment of the contributions provided for in the scheme on all relevant decisions to grant permissions on or after 20th January 2010, with the exception of the exemptions listed at 2.5.4 below. Contributions will be payable in accordance with the terms of the condition set out in the planning permission. If the contribution is not paid in accordance with the condition, then an amount to include interest at the Euribor rate plus 5 per cent in respect of the period the payment was withheld will be payable. Any amount owed may be recovered through the courts as a simple contract debt or by use of the enforcement provisions under the Planning & Development Act 2000.

2.5.2 **Indexation of Contributions**

The rates of contribution set out in Table 1 and Table 2 will be adjusted on the 1st January each year based on changes to the wholesale Price Index for Building and Construction published by the Central Statistics Office, commencing on 1st January 2011. The adjusted figure will be rounded to the nearest 10 Euro in respect of a residential unit or a fixed contribution and to the nearest 50 cent per m² in respect of industrial/commercial/other development.

2.5.3 **Phasing of Payments**

The contributions shall be payable prior to commencement of development or as otherwise agreed by the Planning Authority. Contributions shall be payable at the index adjusted rate relevant to the year in which the development authorised by planning permission is commenced. The Planning Authority may facilitate the phased payment of contributions and shall require the giving of security to ensure payment of contributions

2.5.4 **Exemptions**

The Planning Authority may allow for full or partial exemptions from payment at its discretion. The following categories of development will be considered in this regard:

- (a) Development by or on behalf of a voluntary organisation which is designed or intended to be used for social, recreational, educational or religious purposes by the inhabitants of a locality, or by people of a particular group or religious denomination, and is not to be used mainly for profit or gain – (100% Reduction)

- (b) Development which is designed or intended to be used as a workshop, training facility, hostel or other accommodation for persons with disabilities and is not to be used for profit or gain – (100% reduction)
- (c) Restoration/refurbishment to a high architectural standard of buildings included in the Record of Protected Structures – (25% reduction)
- (d) **Social** housing units, including those which are provided in accordance with an agreement made under Part V of the Planning & Development Act (as amended by the Planning & Development (Amendment) Act, 2002) or which are provided by a voluntary or co-operative housing body, which is recognised as such by the Council – (100% exemption)
- (e) Development ancillary to development referred to in paragraphs (a) to (d) above incl.

2.6 **Ring-Fencing of Income**

Money accruing to the Council under the Scheme must be accounted for in separate accounts and can only be applied as capital for approved public infrastructure and facilities. The Annual Reports must contain details of monies paid or owing to it under the scheme and indicate how such monies paid to it have been spent. As a general principle expenditure of monies received shall have regard to both needs and priorities and the income received from the development contribution scheme from the various areas within the County.

The County Manager will submit a report to the Council each year indicating the programme of capital projects proposed by the Council for the following 3 years having regard to the availability of resources.

2.7 **Appeals to An Bord Pleanála**

Conditions requiring a contribution to be paid in accordance with a General Development Contribution Scheme may not be appealed to An Bord Pleanála. However an appeal may be brought where an applicant for permission considers that the terms of the scheme have not been properly applied in respect of any condition laid down by the Planning Authority.

In such cases, where there is no other appeal against the decision of the planning authority, the Board can only deal with the matter under appeal, and the planning authority may make the grant of permission notwithstanding the appeal to the Board provided that the person taking the appeal furnishes to the planning authority security for payment of the full amount of the contribution.

2.8 **Duration of Scheme**

While the Planning & Development Act 2000 does not specify the lifetime of a Development Contribution Scheme the Department of Environment and Local Government recommends that it should be adopted for a specific period. In that regard it is recommended that the scheme be adopted for the period up to 31st December, 2014.

The Scheme may be reviewed in the interim from time to time by the Planning Authority having regard to circumstances prevailing at the time and a new scheme may be adopted in advance of the 31st December, 2014.

The revised Development Contribution Scheme will be applied to all relevant planning permissions where a decision to grant is made on or after the 1st January 2010.

3.0 **Special Development Contribution Scheme**

Longford County Council may, in addition to the terms of the General Development Contribution Scheme require the payment of a special contribution in respect of a particular development where specific exceptional costs not covered by a scheme are incurred in respect of public infrastructure and facilities which benefit the proposed development. In such cases the condition will specify the particular works carried out or proposed to be carried out by the Council.

If the works in question are not commenced within 5 years, or completed within 7 years of the receipt of payment, or where the Council decide not to proceed with the proposed works or part of works, the applicant will be refunded the special contribution together with any interest accrued over the period held by the Council. Any refund will be in proportion to the work not carried out. Conditions requiring the payment of contributions under the Special Development Contribution Scheme may be appealed to An Bord Pleanála.

4.0 **Supplementary Development Contribution Scheme**

Section 49 of the Act provides for the making of a Supplementary Development Contribution Scheme in order to facilitate a particular public infrastructure service or project which is provided by a local authority or a private developer on behalf of and pursuant to an agreement with a Local Authority (eg. through Public Private Partnership) and which will directly benefit the development on which the levy is imposed.

Supplementary development contribution schemes may be used for rail, light rail or other public transport infrastructure, particular new roads or particular water or waste water infrastructure. However they should only be used where the project will bring a direct benefit to the developments which it serves. In the case of a rail or light rail project, for example, provision of the infrastructure will facilitate increased residential densities surrounding the infrastructure.

In general the same rules of procedure apply to the adoption of a supplementary development contribution scheme, as to the adoption of a general contribution scheme.

It is not proposed to draft a Supplementary Draft Contribution Scheme at this stage.