

LIMERICK COUNTY COUNCIL



DEVELOPMENT CONTRIBUTION SCHEME 2014-2016

Effective from 1st January 2014.

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DEVELOPMENT CONTRIBUTION SCHEME LIMERICK COUNTY COUNCIL 2014-2016

Contents

	Page
1. Introduction	3
2. Definitions	3
3. Types of Development Contributions	4
4. Basis for determination of the Development Contribution Scheme 2014-2016	5
5. Estimated Residential & Commercial Development for the Scheme	6
6. Review of Current Scheme	8
7. Classes of Public Infrastructure & Facilities	8
8. Exemption	9
9. Reductions	10
10. Change of use	11
11. Retention Applications	11
12. Replacement Applications	11
13. Index Link Adjustment	11
14. Outline Permissions	11
15. Payment of Contribution	11
16. Appeals to An Bord Pleanála	12
17. Duration of Scheme	12
18. Annual Report	12
19. Rates of Contribution	12

Appendices

- A: Rates of Contributions – Residential, Commercial & Other
- B: Range of Capital & Other projects to be funded from the Scheme

DEVELOPMENT CONTRIBUTION SCHEME
LIMERICK COUNTY COUNCIL 2014 - 2016

1. INTRODUCTION

Section 48 of the Planning & Development Act 2000 to 2013 enables the Planning Authority when granting planning permission under Section 34 of the Act, to include conditions requiring the payment of a financial contribution in respect of public infrastructure and facilities benefiting development in the area of the Planning Authority and that is provided, or that is intended to be provided, by or on behalf of the Local Authority, regardless of other sources of funding for the infrastructure and facilities.

In addition a Planning Authority may require the payment of a Special Contribution in respect of a particular development where specific exceptional costs not covered by a scheme are incurred by a local authority in respect of public infrastructure and facilities which benefit the proposed development.

Subsection (2) & (3) of Section 48 of the Planning & Development Act 2000 to 2013 specifies that a scheme shall:

- set out the basis for determining the contributions to be paid in respect of public infrastructure and facilities, in accordance with the terms of the scheme.
- make provision for payment of different contributions in respect of different classes or descriptions of development.
- allow for the payment of a reduced contribution or no contribution in certain circumstances, in accordance with the provisions of the scheme.
- indicate the contribution to be paid in respect of different classes of public infrastructure and facilities which are provided, or to be provided by the local authority having regard to the actual estimated cost of providing the classes of public infrastructure and facilities, except that any benefit which accrues in respect of existing development may not be included in any such determination.
- facilitate the phased payment of contributions and may require the giving of security to ensure payment of contributions.

2. DEFINITIONS

Section 48 of the Planning & Development Act 2000-2013 as amended gives the following meaning to "public infrastructure and facilities" -

- (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, service connections, watermains and flood relief work,
- (d) the provision of bus corridors and lanes, bus interchange facilities (including car parks for these 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 treatment facilities, service connections or watermains,
- (f) the provision of high-capacity telecommunications infrastructure, such as broadband,
- (g) the provision of school sites, and
- (h) any matters ancillary to paragraphs (a) to (g).

"Scheme" means a development contribution scheme made under Section 48 of the Planning & Development Act 2000-2013

"Special contribution" means a special contribution referred to in Section 48 (2)(c) of the Planning & Development Act 2000-2013.

In the preparation of the Development Contribution Scheme planning authorities are required to have regard to Development Contribution Guidelines for Planning Authorities issued by the Department of the Environment, Community and Local Government issued in January 2013 under Circular Letter PL1/2013 and also to take account of the non-statutory guidance previously issued in Departmental Circulars PD 4/2003 and PD 5/2007.

3. TYPES OF DEVELOPMENT CONTRIBUTIONS

The Act provides for three types of development contributions that may be attached as conditions of planning permissions:

- (a) General Development Contributions (Section 48 – Principal Contribution Scheme)
- (b) Supplementary Development Contributions (Section 49)
- (c) Special Development Contributions (Section 48(2)(c)).

Both General and Supplementary Contributions are based on a scheme adopted by members of the local authority.

(a) General Development Contribution Schemes (Section 48 of P & D Act 2000-2013)

These contribution schemes apply in respect of public infrastructure and facilities provided by or on behalf of the Local Authority that benefit development in the local authorities functional area. Section 48 (1) of the Planning and Development Act 2000-2013 outlines that a planning authority, when making a grant of permission may include a condition requiring the payment of a contribution in respect of public infrastructure and facilities. This section also indicates that such contributions may be related to works benefiting development in the area of the planning authority

(b) Supplementary Development Contributions (Section 49).

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 and which will directly benefit the development on which the levy is imposed.

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. However, the scheme must in addition specify the area or areas within the functional areas of the planning authority where the scheme will apply and the particular public infrastructure project or service for which the scheme is being applied. In the area for which the scheme is adopted these contributions will be payable in addition to those payable under Section 48.

Limerick County Council does not propose to make a Supplementary Contribution Scheme at this time but may do so, if necessary, at a future time.

(c) Special Development Contributions (Section 48(2)(c)) of the Planning and Development Act 2000-2013

This provides for a Special Development Contribution where exceptional costs not covered by the general contribution scheme are incurred by a local authority in the provision of a specific public infrastructure or facility. The Planning Authority may require the payment of a Special Development Contribution in addition to a contribution under the General Scheme.

4. BASIS FOR THE DETERMINATION OF THE DEVELOPMENT CONTRIBUTION

The Council used the following methodology as the basis for determining the Development Contribution Scheme:-

- a) The projected capital programme prepared for the previous scheme (2009-2013) was reviewed with regard to the current position in relation to projects, the total cost involved, the development contributions required and the timescale for the delivery of each project. A revised capital programme has been compiled. Details of the projects are set out in Appendix B of this Scheme.
- b) The objectives contained in the County Development Plan 2010-2016.
- c) The Council conducted an examination/analysis of:
 - Residential Planning Applications Commenced/Granted on a Countywide basis (over the period 2009-2013) and a projected figure for residential unit numbers over the life of the Scheme. (See projected figures set out below).
 - Housing Completion Rates on a Countywide basis (over the period 2009-2013).
 - Analysis of Non-Residential development commenced/granted from 2009-2013 in terms of floor area and class of development and from this an estimation of the amount of non-residential floorspace per annum which the Council is likely to grant over the life of the scheme along with economic forecasts. (Projected figures are set out below).

- d) New or improved services are necessary for new development but also benefit existing developments. Only that part of the capital expenditure which will benefit new or improved services is used in the calculations of the amounts to be met by the levies on new development.
- e) Exemptions and reduced rates in the current scheme were reviewed and a number of new exemptions and reduced rates have been incorporated into the scheme having regard to the Guidelines issued by the Department of the Environment, Community and Local Government in January 2013.

5. ESTIMATED RESIDENTIAL AND COMMERCIAL DEVELOPMENT FOR THE SCHEME:

Background

It is projected that 70% of the attributable cost to new development will come from contributions for residential development and 30% of the attributable cost to new development should come from contributions for non-residential development. This has been determined taking into consideration the degree to which benefits accrue to both development types. The rural nature of the County and the degree to which the nature of public infrastructure investment is a greater benefit to residential rather than non-residential development has been taken into consideration. This 70:30 apportionment is used in the calculation of development contributions amounts for residential units and non-residential built development.

Only that part of the capital expenditure which will benefit new or improved services is used in the calculation of the amounts to be met by the levies on new development.

Explanatory Note: The capital programme for 2014-2016 based on the directorates submission is approximately €90m. However this capital programme will benefit existing as well as new development. Given that the capital expenditure will benefit new dwellings as well as existing dwellings, applying the same principle to commercial development, only €10m of the €90m can be charged to new development through the contribution scheme.

Residential

The Development Contribution guidelines indicate that the relevant development plan core strategy should provide the most appropriate basis from which to commence the estimation of the number of housing units. The core strategy indicates that on average 759 houses will be built per year up to 2022.

However, following an assessment of the residential units permitted over the last 4 years it is considered that in the current economic climate a lower projected housing figure should be used.

Therefore based on the average residential units granted over the last 4 years (366 per year) and to allow for modest growth it is assumed that the additional housing units for the 3 years of the proposed scheme will be 1500 houses.

Split between County and Environs:

The core strategy indicates that 27% of the total additional population for the county will be in the environs. Therefore 27% of the projected houses shall be allocated to the environs area (405 units) with the balance of 73% (1,095 units) to the county.

Commercial Development:

Estimated commercial developments based on average permissions and commencement notices over the last four years. (Split between Environs and County is based upon analysis of Commercial Developments which have commenced and were granted, by location).

	Total sqm 2014- 2016	Retail sqm 2014- 2016	Retail plus retail warehouse sqm 2014-2016	Office sqm 2014- 2016	Manufacturing sqm 2014-2016	Warehouse sqm 2014-2016
Totals	45,891	8,365	9,294	7,668	18,198	2,367
Environs	17,823	3,730	2,078	4,201	6,452	1,362
County	28,069	4,635	7,216	3,467	11,746	1,005

Estimated Yield from Residential & Commercial Development

Residential Up to 150 sq.m.	€6,322,500
Residential over 150 sq.m.	€1,877,500
Commercial	€2,438,374
Total	€10,638,374

6. REVIEW OF CURRENT SCHEME

The existing Development Contribution Scheme has been in place since 2009 and was an ambitious scheme which isn't reflective of the current economic situation. The scheme sought to bring in approx. €75m whereas to date only 11% has been received.

Furthermore, it didn't reflect the emphasis placed on economic development and employment creation as outlined in the Development Contributions Guidelines for Planning Authorities issued in January 2013.

In addition because of the amalgamation of Limerick City and County in June 2014 it is necessary to ensure that both City and County Schemes are harmonized particularly with regard to the metropolitan area.

Having examined the scheme it is considered appropriate to make a number of changes for e.g.

- Agriculture development, horticultural polytunnels, glasshouses and mushroom tunnels (apart from areas used for retail) included as exempt.
- Removed charges for renewable energy technology for domestic purposes.
- Revised charges for renewable energy technology to distinguish between large scale and small scale.
- Broadband infrastructure included as exempt.
- Applied a 50% reduction on the water contribution for single house developments that connect to a Group Water Scheme with a public supply where the financial contribution to the Group is €1,500 or greater.
- 50% reduction applied to development grant aided by IDA/Enterprise Ireland.

7. CLASSES OF PUBLIC INFRASTRUCTURE & FACILITIES

Development Contribution Schemes provide funding for four general classes of public infrastructure or facilities and their enabling costs.

1. **Transport** - to include the provision of roads, refurbishment, upgrading, enlargement or replacement of roads, car parks, provision of bus corridors and other infrastructure to facilitate public transport, cycle and pedestrian facilities and traffic calming measures.
2. **Recreation & Amenities** - to include the provision of open spaces, amenities, playgrounds, walkways and landscaping works.
3. **Community Facilities** – to include the provision of recreational & community facilities.

4. **Water Supply & Waste Water Services** – to include the provision of sewers, waste water and water treatment facilities, drains and watermains and the refurbishment, upgrading, enlargement or replacement of sewers, waste water and treatment facilities, drains or water mains.

The level of charges are set out in Appendix A attached and a range of capital and other projects to be funded from the development fund is set out in Appendix B.

8. EXEMPTIONS:

The following categories of development will be exempted from the requirement to pay development contributions under the Scheme:

- Social housing and Affordable Housing units, including those which are provided in accordance with an agreement made under Part V of the Act (as amended under the Planning & Development (Amendment) Act, 2002) or which are provided by a voluntary or co-operative housing body, which is recognized as such by the Council.
- Where an old or derelict dwelling is being reconstructed in sympathy with its existing character, or where an old building of character is being reused as a dwelling, including protected structures.
- Non-fee paying primary schools and secondary schools.
- Developments by voluntary not for profit clubs, non-statutory groups/organizations for non-commercial community related developments (For clarification purposes, Third Level Educational Institution facilities and student accommodation will not be exempt from the requirement to pay development contributions)
- Burial grounds.
- The provision of transmission or distribution lines for conducting electricity or telecommunication lines.
- Developments provided for individuals who are in receipt of funding under Housing Adaptation Grant Scheme in respect of new developments up to 150 sq.m. Developments above this size will be subject to the normal residential charge outlined in Appendix A attached.
- Horticultural polytunnels, glasshouses and mushroom tunnels. Agricultural developments as defined in the Planning & Development Act 2000-2013 including Anaerobic Digesters.

Note 1: Garden Centres & Nurseries will be subject to the development contribution charge for Retail Development in respect of the covered floor area which is retail based.

Note 2: Small quarrying works, of less than 0.2 hectares, relating to agricultural activity, which is only to be used in connection with the agricultural holding it is located on and is not for commercial purposes will be exempt.

- Broadband infrastructure (masts and antennae) – Masts and antennae, dish and other apparatus/equipment for communication purposes which form part of the National Broadband (NBS) as defined by the Department of Communication, Energy and Natural Resources will be exempt from paying development contributions.

- Renewable energy developments which are not supplying electricity to the national grid including small scale renewable energy developments generating energy primarily for onsite usage e.g. for domestic, agricultural, small industry and educational purposes. Note: This exemption does not apply to proposed renewable energy developments primarily delivering energy off site (for sale), whether for use in Ireland or for export to another market.
- Small quarrying works, of less than 0.2 hectares, relating to agricultural activity, which may only to be used in connection with the agricultural holding on which it is located and is not for commercial purposes, will be exempt.

9. REDUCTIONS

The following categories of development will attract a reduction in respect of development contributions:

- Single house developments that connect to Group Water Supply Schemes not taken over by the Council, which do consume public water and where the financial contribution to the Group is €1,500 or greater shall be entitled to a 50% reduction of the Water Contribution only.
- Frontage developments in the centre of towns and villages, the development of which represent an infill/gap site which would enhance the streetscape will be subject to a 50% reduction.

An infill/ gap site is defined as a 'gap' site in an otherwise continuous street frontage in an urban area, including towns and villages, where development would restore the integrity of an historic street plot pattern, or provide for a more coherent streetscape than currently exists.

- Developments grant aided by IDA/Enterprise Ireland that would progress the Government's Jobs Initiative, will be subject to a 50% reduction on the normal rates.
- Reduced rates for temporary permissions to be calculated as follows:
 - 33% of normal rate for permissions of up to 3 years
 - 50% of normal rate for permissions of up to 5 years
 - 66% of normal rate for permissions of up to 10 years.
- Large scale windfarms that are 100% community owned co-ops shall be granted a 50% exemption. This will be subject to a full rebate if the development is sold within 10 years.

10. CHANGE OF USE

Applications for change of use shall be charged at the rate appropriate to the new use, subject to a reduction in respect of the contribution rate appropriate to the existing usage.

11. RETENTION

Applications for retention will be charged at the full rate under the scheme.

12. REPLACEMENT

In the case of an application for replacement, development contributions will be charged on any additional floor area.

13. INDEX LINK ADJUSTMENT:

No indexation will be applied to this scheme.

14. OUTLINE PERMISSIONS:

If the amount of contribution is not stated in the Outline Permission, the contribution rate applicable at the time of the decision on the Permission Consequent/Approval will be applied.

15. PAYMENT OF CONTRIBUTIONS

- a) Conditions requiring payment of the contributions provided for in the Scheme will be imposed in all relevant decisions to grant planning permissions made following the making of the Scheme by the Council.
- b) The contributions under the Scheme shall be payable prior to commencement of development.
- c) The Planning Authority may facilitate the phased payment of contributions payable under the Scheme, and the Council may require the giving of security to ensure payment of contributions.
- d) Consideration will be given to the provision of specific infrastructural works and facilities by a developer and other planning applicants in lieu of payment of development contributions subject to the written agreement of the Planning Authority.

16. APPEALS TO AN BORD PLEANĀLA

An appeal may be brought to the Board where the applicant for planning permission under Section 34 of the Planning and Development Acts 2000-2013 considers that the terms of the Scheme have not been properly applied in respect of any conditions laid down by the Council.

17. DURATION OF SCHEME

It is recommended that the Development Contribution Scheme will be in place for the lifetime of the current Development Plan or until such time as a new scheme is made.

This scheme was approved by the Council on the 16th December 2013 and comes into effect from 1st January, 2014.

18. ANNUAL REPORT

The Annual Report of Limerick County Council shall indicate the monies paid to and owed to the Council under Section 48 and how this money was spent.

19. RATES OF CONTRIBUTIONS

The rates of contributions for Limerick County from 1st January, 2014 are set out on the attached Appendix A.

Appendix A

APPORTIONMENT OF CONTRIBUTIONS

Monies received by way of development contributions collected under this Scheme will be ring fenced in accordance with the following table, if not specified otherwise.

Public Infrastructure & Facilities	% Apportionment
Water Services (Water Supply & Waste Water)	30%
Recreation & Amenities	15%
Community Facilities	15%
Transport	40%
TOTAL	100%

Residential Development

Location	Residential Development Up to 150 sq.m.	Additional Floor Area per Sq.m Over 150 sq.m.
Environs	€7,500	€20
Other	€3,000	€20

Domestic Extensions in excess of 60 sq.m. will be charged at a rate of €20 per sq.m. (€20 for every square metre over 60 square metres).

Apartments will be charged at 75% the normal residential rate.

Environs relates to the areas in the current Castletroy and Southern Environs Local Area Plans.

Commercial Development (Charge per sq.m.)

COMMERCIAL	Manufacturing	Offices	Retail	Retail/Ware-house	Warehouse
Environs	€50	€100	€100	€80	€40
Other	€20	€50	€50	€40	€20

Other Categories of Development

	Category	Rate
1	The use of land for mining or refining metal ore such as lead, zinc, copper.	€10,000 per hectare. (refers to surface area) In addition a Special Contribution may be applied to these developments on an individual basis.
2	The use of land for quarrying of rock, sand and gravel.	€6,000 per hectare. In addition a Special Contribution may be applied to these developments on an individual basis.
3	The use of land for the deposit of refuse or waste	€1,000 per hectare. In addition a Special Contribution may be applied to these development on an individual basis.
4.	The use of land as a Golf Course or a Pitch and Putt Course	€200 per hectare. In addition club houses and other related building will be charged at €4,000 per 100 sq.m.
5.	The use of land for – (a) the keeping or placing of any tents, campervans, caravans or other structures, for the purpose of caravanning or camping or the sale of goods (b) the parking of motor vehicles (c) the open storage of motor vehicles or other objects or substances	€4,000 per hectare
6.	The provision of tanks or other structures (other than buildings) for storage purposes.	€200 per cubic metre.
7.	The provision of an advertising structure or the use of an existing structure or other land for the exhibition of advertisements.	€15 per sq.m. of advertising.
8.	Wind Farm Development	€11,000 per 1MW or part thereof.
9.	Telecommunications Structures	€5,000 per mast
10.	Nursing Home	€2,000 per 100 sq.m.
11.	Development not previously mentioned in the Scheme	€4,000 per 100 sq.m.

APPENDIX B

RANGE OF CAPITAL AND OTHER PROJECTS TO BE FUNDED FROM THE DEVELOPMENT FUND:

The tables below lists a sample of projects to be funded from the Development Fund.

Table 1: Water Service Programme

Scheme/Project Title	Allocation from Development Fund
WPP Contribution under WSIP:	
Askeaton Waste Water Treatment Plant	
Dromcollogher Sewerage Scheme	
Kilmallock Sewerage Scheme	
Mungret Sewerage Scheme	
Adare-Patrickswell Trunkmain	
Patrickswell Sewerage Scheme	
Abbeyfeale Sewerage Scheme	
Castletroy Sewerage Scheme	
Newcastlewest Sewerage Scheme	
Energy Optimisation at Water/Waste Water Works	
Watermain Croom Limerick	
Water Conservation Stage 3	
Rural Water Programme	
Burial Grounds (Conservation)	
Small Water Services Improvement Schemes.	
Total	€9.5m

Table 2: Roads & Transportation Infrastructural Projects

Scheme/Project Title	Allocation from Development Fund
Black Bridge, Castletroy, River Shannon	
Bloodmill Road Realignment	
Golf Links Road Phase 1 & Phase 2 Ballysimon to Schoolhouse Road and R445 to Schoolhouse Road	
Cappamore Roundabout	
Fr. Russell Road	
Murroe Village – Footpath to Housing Estate	
Oola Village – Main St.	
Retrofit Cyclelanes Castletroy	
Fedamore Junction	
Newcastlewest Distributor Road	
R445 to Old Dublin Road at Groody	

Area Schemes	
Village Renewal	
Town Renewal	
City Environs Renewal	
Bridges	
Signage	
Public Lighting	
Housing Estates	
Traffic Calming	
Traffic Management (5 Areas)	
Traffic Management Abbeyfeale	
Traffic Management Newcastlewest	
Distributor Roads	
Total	€69.9m

Table 3: Community & Enterprise Projects

Scheme/Project Title	Allocation from Development Fund
Great Southern Trail	
Glin Estuary Walks	
Broadford Hill Walks	
Mulcair River Walk	
Kilmallock Heritage Centre	
Kilmallock Conservation of Walls, Historic Walk	
Adare Heritage Upgrade	
Lough Gur Heritage Centre Refurbishment	
Bruff Heritage Centre	
Enterprise Incentives – broadband and WIFI in towns & villages	
Croom, Kantoher & Kilmallock Enterprise Centre	
Industrial Site Acquisitions and site development costs	
Newcastlewest Industrial Sites – infrastructure development initiatives	
Askeaton Leisure Centre	
Community & Youth Facilities	
Intercultural City Initiatives	
Traveller Interagency Initiatives	
Homeless Centre	
Estate Management Works	
Castletroy North Park	
Southern Environs Park	
Teenage Recreation Park at Newcastlewest	
Public park demesne Newcastlewest – Upgrade Facilities	
Refurbishment/Upgrade of Multi Use Games areas at	

Abbeyfeale & Hospital	
Community playgrounds	
Graveyard Enhancement Works	
Cappamore Library & Arts Studios	
Roads & Footpath contribution to Dept of Education at Castletroy North at Gaelscoil	
Ballykeeffe Public Park	
Adare Court House	
N69 Foynes western approach	
Matrix Way River Walk	
Walking routes; Cycling routes; Greenways, River Trails	
Gristeen Bog Interpretative Trail	
Walkway outside the western town wall of Kilmallock	
Interpretation & directional signage for Kilmallock Walled Town	
Medieval Mansion Interpretative Centre	
Detailed structural & condition survey of Bouchier's Castle	
Communities in Motion – Facilities for Older Adults	
Askeaton Leisure Centre – Energy Conservation Initiatives	
Croom, Kantoher & Kilmallock Community Enterprise Centre	
Sli na Slainte	
Small Community and Enterprise Projects.	
TOTAL	€10.58m

The Schemes listed are infrastructure which have been identified in relevant objectives of the Development Plan or Local Area Plans or include infrastructure that is essential to realizing the objectives of the Development Plan.

It should be noted that the Scheme is an indicative list of current demands for infrastructure from the various directorates and other projects may be substituted where appropriate while staying within the overall approved budget and where they are identified in the Development Plan or Local Area Plans.

Forward Planning

Limerick County Council is statutorily required to prepare a County Development Plan and Local Area Plans and as part of its overall development brief remit is obliged to undertake the drawing up of land use plans and studies which will enable the planned development of the county, including the provision of infrastructure. These plans and studies set out overall strategies for the proper planning and sustainable development of the areas which are the subject of the plans. These plans include objectives for the provision or facilitation of the provision of infrastructure in the areas concerned.

Given the critical nature of Forward Planning in identifying the infrastructural requirements of the county, expenditure associated with Forward Planning, including the drawing up of land use plans and studies, development plans and local area plans, is to be charged to capital account (development contributions), in accordance with Section 48 (17)(h) of the Planning and Development Acts 2000-2013.

A proportion of the cost of Forward Planning will be charged. This will cover the staff and ancillary cost associated with drawing up Local Area Plans, carrying out strategic environmental assessment, reviewing the County Development Plan, reviewing the Housing Strategy and the preparation of similar strategic planning reports. This cost is included in the development contribution figure for each of the services.

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