

Mayo County Council Draft Development Contribution Scheme 2023



Comhairle Contae Mhaigh Eo
Mayo County Council



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1.0 Introduction

Mayo County Council, in common with other local authorities throughout the state, is required to source considerable amounts of money annually to fund a variety of public infrastructure projects. Projects may include for example road construction and improvements, the provision of parking, community facilities, parks and recreational areas. These projects enable future development to proceed and provide amenities for our communities and visitors to the county. While some funding is available from external sources, any shortfall is required to be sourced elsewhere.

The statutory basis for the operation of the various development contribution schemes is set out in the Planning and Development Act 2000 (as amended). Under the Act, the making of the scheme is a reserved function of the elected members of the local authority.

Section 48 of the Planning and Development Act 2000 (as amended) enables the Planning Authority when granting a planning permission under Section 34 of the Act, to include conditions requiring the payment of a contribution in respect of public infrastructure and facilities (outlined in Appendix 1) 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 for the infrastructure and facilities).

This scheme will apply to the entire functional area of the County of Mayo.

2.0 Duration of Scheme

This scheme shall apply from the date of its adoption by the members and will apply for a minimum period of six years. The Council will apply conditions requiring payment of the contributions provided for in the scheme to all relevant decisions to grant planning permission made on or after its adoption date. The scheme may be reviewed by the Planning Authority at any time. The scheme shall continue to remain in force until such time as the Council adopt a new Scheme.

3.0 Aim of the Development Contribution Scheme

When new development occurs, it impacts on the capacity of existing infrastructure thereby placing a greater demand on the services provided by a local authority. Accordingly, it is equitable that developers contribute to the funding of essential physical and social infrastructure that support the implementation of development plans of local authorities and the overall development of the county.

The Mayo County Development Plan 2022-2028 contains policies that will allow the County to reach its potential and maximise its contribution to the economy of the wider region. This



Development Contribution Scheme complements these policies by facilitating economic development and job creation.

The revitalisation of our town centres and the re-use of vacant buildings are key to the improvement of these areas for both residents and visitors to our county. In order to aid re-development within our town / village centres, careful consideration has been given to development contributions charged on this type of development.

4.0 Types of Development Contribution Schemes

There are three types of development contributions that may be attached as conditions to a planning permission;

4.1 General Development Contribution Scheme

Subsection (2) & (3) of Section 48 of the Act specifies that a Development Contribution 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, and;
- facilitate the phased payment of contributions and may require the giving of security to ensure payment of contributions

4.2 Special Development Contribution Scheme

A Planning Authority may, in addition to the terms of a 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 by the Local Authority in respect of public infrastructure and facilities which directly benefit the proposed development.

4.3 Supplementary Development Contribution Scheme

Under Section 49 of the Act, a Planning Authority may, when granting planning permission include conditions requiring the payment of a contribution in respect of any public infrastructure service or project specified in a “Supplementary Development Contribution Scheme” which is provided

by a local authority and which will directly benefit the development on which the development contribution is imposed.

5.0 Application of Development Contribution Scheme

In general, all planning permissions granted by Mayo County Council will be subject to the Development Contribution Scheme and development charges shall be levied as a condition under any permission issued under Section 34 of the Planning & Development Act 2000 (as amended). Contributions shall be payable immediately upon the commencement of development. In cases where a development is being carried out in phases and such phases have been identified as part of the planning permission, or where the applicant has reached agreement with the Council regarding the payment of the contribution in phases, the contribution may be paid in associated instalments at the commencement of each phase. The phased payment of the contribution payable requires the prior written agreement of the Council.

6.0 Water and Wastewater Facilities – Irish Water

Responsibility for water services (i.e. water supply and wastewater) nationally rests with Irish Water (IW). In accordance with the Water Services (No. 2) Act 2013, a charge for water services infrastructure provision in respect of developments granted planning permission after 1st January 2014, is levied and collected by Irish Water. No development contributions are therefore to be levied locally for water and wastewater projects.

7.0 Basis for Determination of Development Contributions

The primary objective of the development contribution scheme is to encourage economic activity while partly funding the provision of essential public infrastructure, without which development could not proceed. Since their introduction, development contributions have enabled much essential public infrastructure to be funded in combination with other sources of, mainly exchequer, funding. The basis for determining the contributions to be paid in respect of public infrastructure and facilities is calculated having regard to:

- a) A review of the Mayo Development Contribution Scheme 2004 and those of neighbouring and other similar local authorities in terms of their urban rural dimensions;
- b) the estimated cost to the Council in the period 2023 to 2028 of providing further public infrastructure and facilities as set out in the objectives outlined in the Mayo County Development Plan and associated Urban/Local Area Plans and the Capital Programme.
- c) the estimated number of units and floor area of projected development for residential and industrial/commercial classes for the period 2023 – 2028;

d) the estimated charge for each residential unit and the estimated charge per m² for industrial/commercial development and other categories of development.

As required by the DECLG (2013), “Development Contributions: Guidelines for Planning Authorities”, the following are required to be included in the scheme:

- reduced rates or waivers for development in town centres to support town centre development;
- reduced rates for temporary permissions on a sliding scale;
- waivers in the case of change-of-use permissions, where it does not lead to the need for new or upgraded infrastructure / services or significant intensification of demand placed on existing infrastructure (including, for example, transport infrastructure);
- waivers or reduced rates for businesses grant-aided or supported by IDA / Enterprise Ireland, as well as reduced rates for developments that would progress the Government’s Jobs Initiative;
- provision to charge only net additional development in cases of redevelopment projects;
- waivers for broadband infrastructure (masts and antennae and overhead wires);
- waivers in respect of works on protected structures where such works substantially contribute to the restoration or protection of the protected structure; and
- options for reduced charges in respect of renewable energy development to promote uptake of renewable energy technologies that connect to the national grid.

8.0 Projected Development

In the case of residential, the population and housing targets set out in the Mayo County Development Plan Core Strategy provides the most appropriate basis from which to commence the estimation process. The Core Strategy identifies the quantum, location and phasing of development for the plan period that’s consistent with the nationally and regionally defined population targets and settlement hierarchy, and which reflects the availability of existing services, planned investment, sequential development and environmental requirements.

8.1 Residential Forecasts

The Core Strategy of the Mayo County Development Plan 2022-2028 projects population growth rates across 5 different tiers ranging from the large urban centres of Castlebar, Ballina and Westport which are designated centres at a national and regional level, to rural towns and villages. The housing strategy establishes a total housing target for Mayo of 3252 units over the plan period 2022-2028, the equivalent of 542 units per annum to meet this projected population demand.

8.2 Non-Residential Forecasts

Mayo's population is expected to increase by 7997 over the next 6 years¹. Approximately 57% of Mayo's population are in current employment, with 8.5% employed in Forestry/Agriculture /Fishing, the remainder is broadly assumed for industrial/commercial/services. By assuming a mean occupancy load factor of 30m² (i.e. 1 person to every 30m²), this would result in a gross required commercial floor space of 125,100m² over the next 6 years or 20,850m² per annum.

Calculations are as follows:

Percentage employed of total population:

57% of 7997 = 4558.

Of this 4558 91.5% are assumed to be employed in industrial/commercial/services.

91.5% of 4558 = 4170.

By using a mean occupancy load factor of 30m², this gives us the projected commercial/industrial/services floor space over the next 6 years.

4170 x 30 = 125,100m² /6 years = 20,850m² per annum.

9.0 Level of Contributions

Having regard to the estimated cost to Mayo County Council of providing further public infrastructure and facilities in the period 2023 to 2028 (Appendix 3) and the estimated level of projected development for the same period, it is estimated that the contributions outlined below would be required to cover the marginal capital cost involved.

Table 1 – Level of Contribution for residential development.

Class	Description	Rate
1	Residential Unit	€3000 or €20/m ² whichever is the greater
2	Residential Extension	€15/m ² > 40m ²
3	Ancillary Buildings i.e. Self- contained isolation units, Granny flats, independent living units	€20/m ²
4	New/extension of a domestic garage/shed ancillary to existing dwelling house	€15/m ² > 25m ²

¹Implementation Roadmap NPF 2018 -KPMG HNDA MCDP 2022-2028

Table 2 – Level of Contribution for other categories of development.

Class	Description	Rate
5	Commercial/ Industrial	€20/ m ²
6	Storage / Warehousing (Non-retail)	€15/ m ²
7	Private Health and educational facilities	€15/ m ²
8	The provision of buildings or other structures for the purposes of agricultural development (including extensions)	0 – 750m ² = €0 751 m ² – 1000 m ² = €2.50 per m ² Over 1001 m ² = €5 per m ²
9	Energy development and/or other forms of energy projects	€10,000 per MW of capacity
10	The provision of overhead and/or underground distribution lines for the distribution of electricity and/or telecommunications, inclusive of transmission lines to grid connection. The provision of Utility supply lines and/or ducts for the distribution of gas, water or wastewater. <i>This does not include works required for the maintenance or refurbishment of existing networks.</i>	€1,000 per km
11	Extractive Industries	€2.10 per m ² of site extraction area
12	The use of land for: a) Caravan Park, Mobile Home or Campervan Park. b) Camping and Glamping areas. c)the provision of open storage of motor vehicles or other objects or goods for sale.	€250/0.1ha

13	i) Initial afforestation	€600 per ha of site area
	(ii) New forestry road	€5,000 per new entrance onto public road where the area of afforestation exceeds 2 hectares
14	Landfilling/raising of sites (inert material) for non-agricultural purposes	€1.75 per m ²
15	Shortfall in provision of car parking	€2382 per space
16	Development not coming within any of the foregoing classes	€20 per m ² (Buildings) €250/0.1 ha (Site Area)

10.0 Floor Space, Footprint Area & Site Area

The floor space area of proposed development shall be calculated as the gross floor space area. This means the floor area determined from the internal dimensions of the proposed buildings, including internal walls, each floor and mezzanine floors. Floor space area includes partially enclosed roofed areas or areas covered by overhanging roofs/canopies. Where the proposed development does not constitute floor space, development contributions will be levied on the gross footprint or site area of the development as appropriate.

10.1 Conversion to Residential Units

A contribution will be charged in accordance with the scheme in respect of any additional residential units created as a result of subdivision and/or additional development.

10.2 Residential Extensions and Garages/Domestic Outbuildings

Development contributions shall be levied on the additional amount of floor space in excess of the originally constructed dwelling / garages and domestic outbuildings. In the case where permission is sought to construct a domestic shed/garage ancillary to an existing dwelling house or extend/replace an existing domestic shed/garage ancillary to an existing dwelling house, then the development will only be levied for the additional floor area proposed in the case of a new domestic shed/garage i.e. the floor area in excess of 25 m². New garages or sheds ancillary to a house that are already constructed and where development contributions have already been paid shall not be levied.

10.3 Change of Use

Applications for change of use shall be charged at the balance between the normal charges that would be imposed for the development's proposed use and normal charges that would be imposed for the current use.

10.4 Mixed Development

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

10.5 Amendments to Previously Permitted Developments

In the case of planning permissions for amendments to developments permitted prior to the adoption of this scheme, development contributions will be levied on the current charges set out in Appendix 1 where the development has not been commenced. In all other cases, the development contribution charges previously applied to the previous permission will still be payable subject to indexation set out in Section 13 below. Where additional floor space / foot print has been created in the amended proposal, or where there is a demand for new, upgraded or additional infrastructure or services, additional development contributions will be levied in respect of the gross additional development in addition to that levied upon the original development in accordance with the charges set out in Appendix 1. Applications for permission for modification/revision to a permitted development including a change of building design or amendment to a site layout will be treated as an independent permission for development for the purposes of calculating development contributions and will be assessed on the floor area, foot print or site area of the full proposal on the date of issue of the decision to grant permission with a deduction/substitution for any contributions paid on any previously permitted development.

10.6 Retention Permissions

Retention permissions shall be charged at double the applicable rate of the development contribution. No exemptions or waivers are applicable for retention permission. Retention of minor changes to previous permitted developments shall be assessed on a case by case basis.

10.7 Reductions and Exemptions

Section 48(3) (c) of the Act allows for a reduction in contributions or no contribution in certain circumstances under the terms of the Scheme. The following categories of development will be exempted from the requirement to pay development contributions, or will be required to pay a reduced contribution as outlined in the following:

10.7.1 Reductions

(1) In defined town/village cores development on brownfield sites a 30% reduction on the applicable rate of development contribution.

Reductions shall not apply to betting shops, amusement arcades, mobile phone shops, licenced premises, night clubs, take-aways.

(2) Opportunity Sites as identified in the County Development Plan or other Local Area Plans. A 30% reduction on the applicable rate of development contribution.

(3) New businesses grant-aided or supported by IDA/Enterprise Ireland/LEO that progress the Government's Jobs Initiative. A 30% reduction on the applicable rate of development contribution. Proof of support from IDA/ EI/LEO will be required to avail of the reduction.

(4) Expansions to existing manufacturing or industrial facilities. A 30% reduction on the applicable rate of development contribution.

(5) Development within an architectural conservation area (ACA) that the Council considers retains and enhances the architectural character of the area. A 50% reduction on the applicable rate of development contribution.

Reductions can only be availed of under either 5 or 6 and not both.

(6) Developments resulting in the restoration of derelict properties that are on the Derelict Sites Register. A 50% reduction on the applicable rate of development contribution.

Reductions can only be availed of under either 5 or 6 and not both.

(7) Renewable energy projects - for renewable energy projects that generate electricity this will only apply to those that do not supply electricity to the National Grid. A 30% reduction on the applicable rate of development contribution.

(8) Temporary permissions shall be liable for development contributions at the following rates:

- 33% of normal rate for permissions of up to 3 years
- 50% of normal rate for permissions up to 5 years
- 66% of normal rate for permissions up to 10 years

In cases where a subsequent full planning permission is granted for the same development the contribution payable on the new proposal will be net of the amount already paid.

(9) In the case of applications for redevelopment projects (residential, commercial/industrial and agricultural), the Scheme will charge only the gross additional development e.g. a redevelopment totalling 200m² of which 150m² is replacing existing development, contribution will be levied only on additional 50m². In developments where demolition is involved, such demolition must be necessary to facilitate the proposed development for the exemption to apply.

** Where works generate a requirement for off-site parking not provided for within the site, the full rate for such shortfall in car parking (as set out in the Development Plan) should be applied i.e. Reductions do not apply to parking.*

10.7.2 Exemptions

(a) *Social housing units*, including those which are provided in accordance with an agreement made under Part V of the Act or which are provided by a voluntary or co-operative housing body, which is recognised as such by the Council.

(b) Development in receipt of a *Housing Adaption Grant* for People with a Disability or similar will be exempted – only for the portion of the development that relates to the needs of the person in question.

(c) Development for *social, recreational or religious purposes* not used for profit or gain.

(d) Development to be used as a workshop, training facility, hostel or other accommodation specifically for *persons with disabilities* and not to be used for profit or gain.

(e) Renovations to restore/refurbish buildings and other items listed on Mayo County Council's *Record of Protected Structures* where the Council is satisfied that the works substantially contribute to the conservation or restoration of the structure.

(f) *Ancillary surface car parking* as part of a planning application.

(g) *Broadband* Infrastructure (Masts and Antennas and overhead wires).

11.0 Payment of Contributions

The Planning Authority will apply conditions requiring payment of the contributions provided for in the scheme and based on the terms of the Scheme on all decisions to grant permissions granted after the making of the Scheme. This shall also apply to any order by An Bord Pleanála where it is a condition of the order that the amount of a development contribution is to be determined by the Planning Authority.

12.0 Indexation of Contributions Due

The Chief Executive shall by written order within the 1st quarter of each year, direct whether indexation and /or interest shall be applied for the previous calendar year.

Appendix 1

Classes of Public Infrastructure and Facilities

Section 48 of the Act defines “Public infrastructure and facilities” as:

- (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, wastewater 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 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, wastewater 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).

Appendix 2

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 and facilities	% Apportionment
Recreation, Amenities and Community	60%
Roads, Public Infrastructure (Footpaths, Public Lighting and Active Travel measures)	40%
Total	100%

Appendix 3

Estimated Total Capital Spend Estimate 2023-2028

Total	€934,008,267.18
Grants	€875,248,314.00
Loan	€25,087,357.00
Other/Shortfall	€33,672,596.18
Required from Levies	€13,588,456.18