

New Forest District Council Local Development Framework

Community Infrastructure Levy

Regulation 19(1) (b) Statement: Report of Draft Charging
Schedule Representations made in accordance with
Regulation 17 of the Community Infrastructure Levy 2010

New Forest District outside the National Park

May 2012

1.0 Introduction

- 1.1 Consultation on the Community Infrastructure Levy (CIL) Draft Charging Schedule for New Forest District Council ran from 201 April 2012 to 18 May 2012. This statement sets out the methods of consultation and provides a summary of the main points raised in the responses during the consultation.

2.0 Methods of Consultation

- 2.1 New Forest District was keen to receive as many comments as possible on the Preliminary Draft Charging Schedule and therefore promoted the consultation by the following means:
- Consultation material sent to all neighbouring authorities and Parish/Town Councils in the District.
 - Consultation material made available in all Council Local Information Offices and libraries in the District.
 - Consultation material sent to 38 Local Development Statutory Consultees, including the Department for Communities and Local Government.
 - A dedicated Community Infrastructure Levy website was created on the Council's website www.newforest.gov.uk, which included downloadable copies of the documentation and information regarding how to make representations. (The website information can be seen at Annex B)
 - Statutory Newspaper Adverts placed in 4 local newspapers between the 18 and 20 April 2012.
 - A press release was issued to all local newspapers on the 17 April 2012.
 - 235 Letters and emails sent to organisations, business, developers and individuals. The letters included a link to the website, dedicated email address and a contact telephone number.
- 2.2 Annex A includes copies of the consultation letter and press release.
- 2.3 New Forest District Council received a total of 16 representations, all within the consultation period. No late representations were received. A list of the respondents can be found in the table below. A table with the complete list of the respondents and a summary of the comments made can be seen in Annex C. The full representations can be seen on request from the Council and will be made available on the Council's website prior to the examination.

Representee Name	Representation Reference Number
Parish and Town Councils	
Ringwood Town Council	DCS002
Marchwood Parish Council	PCS006
Agents/ Developers/ Landowners	
Barker Mill Estates	DCS012
Burt Boulton Holdings Ltd	DCS016
Churchill Retirement Living Ltd.	DCS007
McCarthy and Stone	DCS001
Pennyfarthing Homes Ltd	DCS010

Persimmon Homes and Linden Homes	DCS015
Taylor Wimpey UK	DCS013
Turley Associates	DCS014
Statutory Consultees	
Dorset County Council	DCS011
Environment Agency	DCS003
Hampshire County Council	DCS009
Natural England	DCS004
New Forest National Park Authority	DCS005
Southern Water	DCS008

Table 1 List of respondents

2.4 Of the representations received, 5 representees requested the right to be heard by the Examiner at the public examination.

3.0 Summary of Issues raised and responses

3.1 There were 6 key issues arising from the period of representation, namely:

- Concerns that Sheltered Housing with characteristics of C2 (residential institution) use but still a C3 (dwelling house) use will still be charged;
- Concerns how the charge will affect the viability of residential development, particularly in the East sub area (Totton and the Waterside);
- Concerns over elements of the methodology used within the DTZ viability study;
- Concerns over exclusion and identification of projects within Infrastructure Delivery Plan;
- Concerns that the retail charge is too high and not in keeping with neighbouring authorities;
- Concern that CIL proposes a disproportionate burden on residential development.

3.2 The table below lists the representations made in to the specific question areas for the examiner:

Rep No	Representee	Area in which representation made			
		Compliance with procedures	Use of Appropriate evidence	Achieved Appropriate Balance	Other Comments
DCS001	McCarthy and Stone		√	√	
DCS002	Ringwood Town Council		√		
DCS003	Environment Agency				√
DCS004	Natural England		√		
DCS005	New Forest National Park Authority		√	√	√
DCS006	Marchwood Parish Council				√

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DCS007	Churchill Retirement Living Ltd	√	√	√	
DCS008	Southern Water				√
DCS009	Hampshire County Council		√	√	√
DCS010	Pennyfarthing Homes Limited		√	√	
DCS011	Dorset County Council				√
DCS012	Barker Mill Estates		√	√	√
DCS013	Taylor Wimpey UK		√	√	√
DCS014	Turley Associates		√	√	
DCS015	Persimmon Homes and Linden Homes	√	√	√	√
DCS016	Burt Boulton Holdings Ltd			√	√

Annexes

- Annex A** **Copy of representation letter, guidance note and press release**
- Annex B** **Community Infrastructure Levy website**
- Annex C** **Consultation Responses**

Annex A - Copy of consultation letter and press release

Planning and Transportation

Head of Service: Chris Elliott

My Ref: 354/cil/pdcs
Your Ref:

Date: 18 April 2012

Dear

The Community Infrastructure Levy Regulations 2010 New Forest District Council (Outside the National Park) Community Infrastructure Levy Draft Charging Schedule

The Community Infrastructure Levy (CIL) (as set out in the Planning Act 2008) is a new system of developer contributions and is intended to supplement other public sector revenue streams to ensure that new community infrastructure (such as new open space facilities) can be provided to keep pace with new development.

CIL is set locally and will become a standard charge per square metre applied to new developments with more than 100 square metres gross internal floor space (or less if a new dwelling is created). Social housing and buildings used by charities are exempt from paying CIL. The charge can vary for different types of development and can be zero where a charge is assessed not to be viable. The charge will be imposed at the time planning permission is granted and normally be paid at the commencement of development.

CIL will replace Section 106 contributions for large scale pieces of infrastructure. However Section 106 will still be used for site-specific mitigation measures that are required to make a development acceptable (such as a new access road) as well as for affordable housing provision.

CIL is to be paid according to a Charging Schedule prepared by the Charging Authority (in this case being New Forest District Council). In accordance with Regulation 15 of the Community Infrastructure Levy Regulations 2010 the Council consulted on the Preliminary Draft Charging Schedule between January and February 2012. All responses received have now been taken into account by the Council and in accordance with Regulation 16; the Council is now publishing a Draft Charging Schedule in advance of independent examination.

The Draft Charging Schedule has been prepared for a period of representation and proposes that the New Forest District Council CIL (for areas outside the National Park) will be set at a rate of **£80/m²** for new residential development and a rate of **£200/m²** for new A1 retail development over 1000m². All other uses will be charged at £0.

The CIL Draft Charging Schedule and supporting evidence can be downloaded from the following webpage:

<http://www.newforest.gov.uk/index.cfm?articleid=12182>.

Copies of all documents are also available for public inspection at the Council's offices at Appletree Court, Lyndhurst. In addition the main documents will be able to be viewed at the Council's local offices.

Information about how to make representations and the representation form is available on the Council's web site. The closing date to make representation by is **18 May 2012**. Representation forms can be submitted by e-mail to cilconsultation@nfdc.gov.uk, as well as by post to the following address:

Policy and Plans Team
New Forest District Council
Beaulieu Road
Appletree Court
Lyndhurst
Hampshire
SO43 7PA

Please note that comments cannot be treated as confidential, and will be made available as public documents.

Following consideration of any responses to this consultation, it is anticipated that the Draft Charging Schedule will be subject to independent examination during summer/autumn 2012. Persons making representations may request the right to be heard by the examiner and representations may be accompanied by a request to be notified at a specified address of any of the following:

- (i) that the Draft Charging Schedule has been submitted to the examiner in accordance with section 212 of the Planning Act 2008,
- (ii) the publication of the recommendations of the examiner and the reasons for those recommendations, and
- (iii) the approval of the Charging Schedule by the charging authority.

If you have any queries relating to the CIL consultation please do not hesitate to contact me using the details below.

Yours faithfully

Dean Brunton
Planning Policy Officer (CIL)
Policy and Plans Team
023 8028 5588
dean.brunton@nfdc.gov.uk

**New Forest District Council Local Development Framework
Statement of Representations Procedure**

Planning Act 2008 Section 212

**The Community Infrastructure Levy Regulations 2010 (as amended)
Regulations 16 and 17**

Subject matter and area covered by the document:

The Community Infrastructure Levy (CIL) Draft Charging Schedule sets out the charges that will be applied for new development within the district and details how the charge will be calculated. The Draft Charging Schedule is being published and comments invited, before their submission for Independent Examination.

Representations:

This Statement of Representations Procedure is published in accordance with Regulation 16 of the Community Infrastructure Levy Regulations 2010 (as amended) and specifies that:

- a. representations of the Draft Charging Schedule must be made in the period **20 April 2012 – 18 May 2012**
- b. representations may be made by way of email, or in writing
- c. representations made in writing must be sent to:

Policy and Plans Team
New Forest District Council
Beaulieu Road
Appletree Court
Lyndhurst
Hampshire
SO43 7PA

- d. persons making representations may request the right to be heard by the independent examiner and
- e. representations may be accompanied by a request to be notified at a specified address of any of the following:
 - i. That the Draft Charging Schedule has been submitted to the Examiner in accordance with Section 212 of the Planning Act 2008
 - ii. The publication of the recommendations of the Examiner and the reasons for those recommendations
 - iii. The approval of the Charging Schedule by the Charging Authority

How to Submit Representations:

By email: cilconsultation@nfdc.gov.uk

Representations forms can be submitted by email and will be accepted if sent before the closing date of 18 May 2012. Please use the Word version of the representations form which is available on the Council's website at: <http://www.newforest.gov.uk/index.cfm?articleid=12182>.

You will receive email confirmation that your representations have been received and after allowing us time to process the forms, they will appear on the website.

Hard Copy: by post or delivered in person

If you are sending your representations form by post, please allow sufficient time for delivery. Forms received after the closing date will not be accepted.

Statement of where and when the documents can be inspected:

All submission documents are available to view on New Forest District Council's website at: www.newforest.gov.uk.

In addition, all proposed Submission Documents will be available for inspection at:

- *Appletree Court, Lyndhurst (Mon. - Thurs. 8.45am - 5.15pm and Fri. 8.45am - 4.45pm):*

In addition the main documents will also be able to be viewed at:

- *Public Offices, Christchurch Road, Ringwood (Mon. - Thurs. 8.45am - 5.15pm and Fri. 8.45am - 4.45pm)*
- *Town Hall, Avenue Road, Lyminster (Mon. - Thurs. 8.45am - 5.15pm and Fri. 8.45am - 4.45pm)*
- *Town Hall, 2 Ashley Road, New Milton (Mon. - Fri. 8.45am - 4.30pm)*
- *The Grove, St John's Street, Hythe (Mon. - Fri. 8.45am - 5.00pm)*
- *West Wing, School House, Provost Street, Fordingbridge (Mon. - Fri. 8.45am - 4.30pm)*
- *Civic Centre, Totton (Mon. - Thurs. 9.00am - 5.00pm and Fri. 9.00am - 4.30pm)*
- *Jubilee Hall, The Square, Fawley (Mon. - Fri. 9.00am - 5.00pm)*

The main documents available for inspection are:

- Draft Charging Schedule for New Forest District Council (Outside the National Park)
- Draft Charging Schedule Context and Rationale Document for New Forest District Council (Outside the National Park)
- Statement of the representations procedure
- Representations form and guidance notes

The supporting documents available for inspection are:

- New Forest District Council (Outside the National Park) Infrastructure Delivery Plan 2012
- Community Infrastructure Levy Viability Assessment: New Forest District Council and New Forest National Park Authority December 2011

Copies of the draft charging schedule and supporting documents are available on request from the Policy and Plans Team. Representation forms can be downloaded from the Council's website, or obtained from the Policy and Plans team by request.

The prices of the supporting documents are set out below:

Document	Price
<i>New Forest District Council (Outside the National Park) Infrastructure Delivery Plan 2012</i>	£20
<i>Community Infrastructure Levy Viability Assessment: New Forest District Council and New Forest National Park Authority December 2011</i>	£20

Cheques should be made payable to New Forest District Council.

For further information contact:

Policy and Plans Team, Appletree Court, Lyndhurst, Hampshire, SO43 7PA

Telephone: 023 8028 5345

E-mail: cilconsultation@nfdc.gov.uk



Final comments sought on Community Infrastructure Levy

Further comments are now invited on New Forest District Council's draft charging schedule for a Community Infrastructure Levy (CIL).

Following an initial consultation on the preliminary draft schedule, the council has reviewed all the comments made and amended the schedule where needed. The amended schedule was given full council approval yesterday (16 April) and will now be subject to a four-week period of representation (Friday 20 April to Friday 18 May) before being submitted to the Planning Inspectorate for formal examination.

The CIL is a new levy that local authorities can charge on new developments in their area. CIL will largely replace the current system of seeking developer contributions under section 106 of the Town and Country Planning Act. The money will be used to fund associated infrastructure that the council and local community would like to benefit neighbourhoods by mitigating the impact of the development – for example: road schemes, park improvements or new community facilities.

The charge applies to most new buildings with 100sq.m or more of gross internal floorspace or the construction of at least one dwelling. Charities and affordable housing are exempt from paying the levy.

New Forest District Council is proposing a CIL charge of £80 per sq.m for new residential development and £200 per sq.m for new retail developments larger than 1,000sq.m. All other developments are proposed to be zero-rated and will pay no CIL charge.

New Forest District Council's portfolio holder for planning and transportation, Councillor Paul Vickers, said: "I believe the Community Infrastructure Levy is a fair system, which will bring much needed simplicity and transparency to the planning application process and will benefit all parties concerned. It will also enable the council to take on larger infrastructure projects than is currently possible under the current section 106 agreements.

"Thank you to everyone who commented on the preliminary schedule. We have considered all the comments received and made changes where appropriate."

You can view the draft charging schedule and find out how to make a representation on the council's website at newforest.gov.uk/haveyoursay

Copies of the charging schedule and representation forms are also available to view at locations around the district, including the council's offices at Appletree Court, Lyndhurst.

For further information, contact the Policy and Plans Team, New Forest District Council, Appletree Court, Lyndhurst, SO43 7PA, telephone 023 8028 5345 or email cilconsultation@nfdc.gov.uk

Please ensure your representations reach the council by Friday 18 May.

Once this period of representation has finished, the charging schedule will then be submitted for formal examination.

-ends-

April 17, 2012

For more information on the work of New Forest District Council visit: newforest.gov.uk

Annex B - Community Infrastructure Levy Website

Welcome to Environment and planning

Environment and planning

You are here: [Home](#) | [Environment and planning](#) | [Planning Policy](#) | Community Infrastructure Levy

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Community Infrastructure Levy

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[Recycling, Rubbish and Waste](#)

[Street Cleansing and Grounds Maintenance](#)

[Sustainability](#)

[Trees and hedges](#)

The Community Infrastructure Levy (CIL) is a new levy that local authorities in England and Wales can choose to charge on new developments in their area. The money will be used to support development by funding infrastructure that the council, local community and neighbourhoods want - for example, new or safer road schemes, park improvements or new community facilities. The system is very simple. It applies to most new buildings and charges are based on the size and type of the new development. The Council wants to move forward to use this system locally. To do this, the Council has undertaken a lot of the work needed to set the local rate.

The Council is now seeking your views on its Draft Charging Schedule before it decides whether to submit the charging schedule for public examination. The period for making representations is from 20 April 2012 to 18 May 2012.

The Charging Schedule

The full charging schedule can be seen here: [Draft Charging Schedule](#)

The Context and Rationale Document that has informed the Draft Charging Schedule can be seen here: [CIL Context and Rationale Document](#)

A summary leaflet of the charging schedule can also be seen here: [Community Infrastructure Levy newsletter](#)

The background papers that informed the Draft Charging Schedule can be read here:

- Infrastructure Delivery Plan 2012: [Infrastructure Delivery Plan 2012](#)
- Community Infrastructure Levy Viability Assessment: New Forest District Council and New Forest National Park Authority December 2011 [CIL Viability Study Dec 2011](#)
- [Core Strategy 2009](#)

Making Representations:

All submission documents are available to view

- On New Forest District Council's website at: www.newforest.gov.uk

- Appletree Court, Lyndhurst (Mon. - Thurs. 8.45am - 5.15pm and Fri. 8.45am - 4.45pm):

The main documents will also be able to be viewed at:

- Any of the Council's local offices

Representations can be submitted by email to cilconsultation@nfdc.gov.uk and will be accepted if sent before the closing date of 18 May 2012. A Word version of the representations form and the procedures for making representations can be downloaded here:

- Procedures for making representations: [Procedure Form](#)

- [Representation Form](#)

You will receive email confirmation that your representations have been received and after allowing us time to process the forms, they will appear on the website.

Hard Copies can be made by post or delivered in person to: Policy and Plans Team, New Forest District Council, Beaulieu Road, Appletree Court, Lyndhurst, Hampshire, SO43 7PA. If you are sending your representations form by post, please allow sufficient time for delivery. Forms received after the closing date will not be accepted.

Persons making representations may request the right to be heard by the Independent examiner and Representations may be accompanied by a request to be notified at a specified address of any of the following:

I. That the Draft Charging Schedule has been submitted to the Examiner in accordance with Section 212 of the Planning Act 2008

II. The publication of the recommendations of the Examiner and the reasons for those recommendations

III. The approval of the Charging Schedule by the Charging Authority

If you would like to have any of these opportunities please state this clearly on your representation.

If you have any queries regarding the Community Infrastructure Levy please contact the Policy Team by emailing cilconsultation@nfdc.gov.uk or by phone on 023 8028 5588.

What are the benefits?

The Community Infrastructure Levy will:

- Deliver additional funding for Local Authorities to carry out a wide range of infrastructure projects that support growth and benefit the local community
- Provide developers with much more certainty 'up front' about how much money they will be expected to contribute, which in turn encourages greater confidence and higher levels of inward investment
- Ensure greater transparency for local people, because they will be able to understand how new development is contributing to their community
- Enable Local Authorities to allocate a share of the levy raised in a neighbourhood to deliver infrastructure the neighbourhood wants.

How will the levy affect planning obligations?

CIL will be used as the mechanism for pooling contributions from a variety of new developments to fund the provision of new infrastructure to support those developments in the wider area. Planning obligations (private agreements between the local planning authority and the developer) will continue to play an important role in dealing with site specific issues and in helping to make individual developments acceptable to local planning authorities and communities. It will not be possible to 'double charge' for the same infrastructure works through both S106 and CIL.

What will CIL money be spent on?

The CIL will be spent on infrastructure needed to support the development within New Forest District Council. The Council has identified a number of projects as part of its work to set the CIL rates, including transport projects and green infrastructure. The regulations recognise that priorities change and allow for new projects to be identified that weren't originally foreseen. The Council will publish a list of

Annex C - Consultation Responses

New Forest District Council Community Infrastructure Levy Draft Charging Schedule Summary of Representations Received

May 2012

Rep No.	Representee	Has the charging authority has complied with the procedures/regulations?	Is the charging authority's draft charging schedule is supported by appropriate available evidence	Do the proposed rates strike an appropriate balance between the funding requirements from CIL / impact on the economic viability	Any further suggested changes
DCS 1	McCarthy & Stone	-	<p>McCarthy & Stone Retirement Lifestyles Ltd. are the market leader in the provision of private specialised accommodation for older people with over 30 years experience providing over 40,000 retirement apartments and extra care accommodation in developments designed to address the specific needs of older people . McCarthy & Stone has consistently been recognised by the house building industry for the quality and expertise within this specialist field of development and the comments set out in this letter therefore relate specifically to this specialist form of housing. Objection is raised as to how this specialist form of accommodation is considered and the assumptions made in the supporting viability assessment. The Draft Schedule over simplifies the charge and lumps all forms of residential under one heading with the potential impact of adversely affecting the delivery of specialist housing e.g. retirement housing.</p> <p>Specialist Accommodation for the Older Population - The National Planning Policy Framework sets out the strategic case to assess the housing need for the older population. Para 50 of the NPPF states that ... To deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should: " plan for a mix of housing based upon current and future demographic trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities " and " ... identify the size, type, tenure and range of housing that is required in particular locations reflecting local demand ... " and "where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off site provision or financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.</p> <p>Para 159 also sets out that Strategic Market Housing Assessments (SHMAs) should assess full housing needs, the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period, and plan for all types of housing, ... including ... older people's housing. This has not been adequately undertaken as part of the background research into the Core Strategy when considering owner occupier retirement housing.</p> <p>Developer Contributions NPPF: Paras 173 to 177 go further on the viability issue, with para 173 noting that development costs, such as affordable housing, should still provide acceptable returns to a willing land owner and willing developer to enable the development to be deliverable.</p> <p>By 2026 older people will account for almost half (48 per cent) of the increase in the total number of households, resulting in 2.4 million more older households than there are today. The number of people aged 85 or over will increase by 2.3 million by 2036 - 184 per cent increase. The ageing of society poses one of our greatest housing challenges. The Government has recognised this and has set out its aims and objectives of providing more specialised housing for older people in 'A National Strategy for Housing in an Ageing Society - Lifetime Homes, Lifetime Neighbourhoods'. The National Strategy identifies the important role the planning system has in delivering housing choice for older people, stating; 'Spatial planning offers a new and real opportunity to provide more and better quality housing - across the necessary range - for an ageing population in a way that we've not done before.' In respect to future planning policy the Strategy is clear as to the level of importance to be given to an ageing society, stating; 'Recent reforms to the planning system require regional and local plans to take proper account of ageing and the needs of older people. Future planning policy reform will reflect the high priority we are giving to the challenge of ageing.'</p> <p>It is considered that in light of the Government Strategy guidance that it is appropriate for the Community Infrastructure Levy to have regard to this objective. My Client's response to the draft charging schedule on the introduction of the Community Infrastructure Levy are based on meeting the Government's objective, set out in the National Strategy, to ensure that sufficient specialist housing is delivered to meet the growing needs of an ageing population.</p> <p>My Client is particularly concerned with some of the assumptions and the mechanics of the Community Infrastructure Levy Schedule, how the figures have been achieved and how they would apply to specialist forms of accommodation for older people such as retirement housing and extra care developments.</p>	<p>CIL Rate Setting - It is noted that the intention in finding an appropriate measure to use in calculating CIL rates is to ensure 'uniformity', or put another way, fairness for all classes of development liable to CIL payment. One of the principle intentions is to avoid producing a system that inadvertently produces advantages or disadvantages upon certain developers. My Client would wholly concur with the intention that CIL rates should be uniform, fair and avoid bias towards certain types of developments within a particular use. However, it is considered that the chosen 'metric' of 'pounds per square metre of gross internal floor space' unfairly penalises my Client and other developers of similar retirement housing when assessed against other forms of residential accommodation. The oversimplification of the charging level by setting this at a uniform £ per sqm across the board is seen as unduly harmful to specialised housing and care providers such as McCarthy and Stone, particularly when similar care / extra care developments (Class C2 uses) are exempted. Inadequate viability testing would appear to have been undertaken to cover this point.</p> <p>Summary - Given the extent of projected housing need for older persons accommodation including specialist forms of older persons housing and extra care accommodation identified in 'A National Strategy for Housing in an Ageing Society', and at the local level, it is paramount that CIL schedule recognises the shortcomings of the proposed 'metric' and address this issue to ensure fairness across the residential development industry.</p> <p>It is noted from the CIL regulations when considering exemptions to CIL payment lists a set of criteria which includes that 'relief from CIL should be fair and not create undue distortions of competition'. This criterion is equally valid when considering the application of CIL to differing forms of development. It is my Client's belief that the current Schedule is neither fair, nor do they prevent distortions of competition, when applied to specialist forms of older persons accommodation such as retirement housing.</p> <p>It is respectfully requested that these comments are given due consideration in the formulation of the charging schedule for the introduction of the Community Infrastructure Levy and that either specialist housing is treated the same as say a Class C2 use such as a care home or extra care housing which is given a nil contribution for very similar viability reasons or exception clauses are proposed.</p>	<p>Payment by Instalments - Consideration should be given to the timing of CIL payments and an allowance for payment by instalments. My Client would welcome further flexibility in the timing of CIL as payments on commencement will introduce an additional financial cost on the development prior to the receipt of any revenue from the proposed development. This would place an additional burden on the developer and would affect the viability of the development, and possibly in the case of residential development impinge upon the developer's ability to provide for affordable housing. This issue is compounded in my Client's case, and for other retirement housing providers, as developments need to be completed in their entirety before a single unit of accommodation can be sold. It is considered that at the earliest, part payment on first occupation would be fairer and would reduce unnecessary financial costs to the developer. This should then be phased depending upon occupation levels. For the foreseeable economic climate, such as currently being experienced, there is considerable merit in staged payments reflecting occupation levels throughout the sale of the development. Such an approach would encourage the delivery of many worthwhile development proposals that might otherwise not commence.</p> <p>There will also be a need to identify priorities in many instances between CIL and affordable housing for example where viability is marginal. The CIL becomes a very significant element of development costs which can greatly influence the amount of contribution reasonably available for affordable housing. How are the competing planning policy requirements to be weighted? For example the benefits of providing accommodation for the increasingly ageing population and affordable housing verses the CIL. The exception clause and relaxation options on CIL need to be spelt out or at the very least the process by which it will be judged.</p>

Rep No.	Representee	Has the charging authority has complied with the procedures/regulations?	Is the charging authority's draft charging schedule is supported by appropriate available evidence	Do the proposed rates strike an appropriate balance between the funding requirements from CIL / impact on the economic viability	Any further suggested changes
			<p>The scenarios set out in the viability testing have not considered this very important sector in much detail, bearing in mind that this will become even more significant over the period of the Core Strategy.</p> <p>Viability Appraisal - The viability appraisal does not adequately consider specialist housing such as owner occupier older persons housing and generalises all residential together, when in reality there are clear differences, which has the potential to discriminate against such provision when using a pounds per sqm tariff.</p> <p>Nearly all types of retirement developments are impacted on financially by communal space and also a slower sales rate than other residential development. Given that viability of such schemes may therefore be marginal, application of a CIL may prevent many forms of retirement housing coming forward. Whilst there is an understandable desire to keep the charging rates as simple as possible the broad inclusion of some retirement housing within a "general residential heading" fails to acknowledge the very specific viability issues associated with such Housing.</p> <p>There is no reference in the schedule or background evidence that acknowledges these points and it fails to fully consider the actual implications. There are over generalised statements covering residential properties which do not fully consider the implications for all kinds of specialist housing.</p> <p>A retirement housing development typically has 30% of its internal floor area devoted to necessary communal areas and facilities, such as residents lounge, laundry, guest suites, and communal space. It is these specific communal areas and facilities that differentiate retirement / older peoples' housing developments from other forms of accommodation for the wider population. These communal areas are a necessary part of a retirement housing development that are non-saleable floor space which the developer has to build but does not receive any direct revenue from. Therefore, to apply a CIL rate based on 'pounds per square metre of gross internal floor space' would unreasonably penalise a retirement housing developer who would have a building of typically 70% net saleable area to acquire revenue from, compared to other forms of residential accommodation that would have 90-100% net saleable floor area to acquire revenue from. This would place those providers of retirement housing at a disadvantage in land acquisition as the ratio of CIL rate to net saleable area would be disproportionately high when compared to other forms of residential accommodation. It is considered that this would threaten the delivery of much needed specialist accommodation for older people, contrary to the Government's aims and objectives to ensuring the provision of appropriate specialist accommodation for older people as set out in 'A National Strategy for Housing in an Ageing Society'. It is respectfully suggested that retirement developments which have very similar characteristics to that of Care / Retirement Developments which fall within Class C2 are likewise treated the same.</p> <p>Viability Appraisal Assumptions - As set out in the viability report which accompanied the proposed Schedule, the appraisal makes a number of assumptions and generalisations when it comes to some of the inputs. It also acknowledges that some of these can be quite influential in the final figures derived at. The report does not provide the detailed viability appraisals themselves and what all assumptions and inputs have been used.</p> <p>In the case of retirement housing for example there is a much longer sales period which reflects the niche market and sales pattern of a typical retirement housing development. This has a significant knock on effect upon the final return on investment. This is particularly important with empty property costs, finance costs and sales and marketing which extends typically for a longer time period. Sales and marketing fees are typically in excess of 6%, for example, and increasing in the ever fragile housing market.</p> <p>In the foreseeable economic climate 20 % developer profits may still not be enough incentive to achieve the required finance backing for a retirement scheme to proceed and the developer take on the risk of return. Similarly the incentives required to acquire land, particularly brownfield sites the type where sustainable uses such as retirement housing are best located, in the first place is likely to be 30%+ of current existing use market value.</p> <p>All these factors have the potential to impact upon what development will come forward. The Minister for State for Decentralisation (Mr Greg Clark) in his Written Ministerial Statement: Planning for Growth 23rd March 2011 states that LPAs should support enterprise and facilitate housing and economic and other forms of sustainable growth. LPAs are required to avoid unnecessary burdens on development and with this in mind greater flexibility is required in the interpretation when CIL is payable for different types of residential use. For example retirement housing does not have the same impact upon open space, sports, recreation, education and strategic transport and yet is being lumped in with the same CIL as family residential housing. This is unfair and unreasonable. Typically a retirement scheme will be located in a highly sustainable location very close to public transport,</p>		

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			shops and services and will inevitably have a relatively large amount of floorspace reflecting its central location and yet will not have the same proportionate impact upon local infrastructure. Eg: education, health, road movement, recreation children's play areas. Either the exceptions and reductions on levy are set out to respect this; it is explicitly set out as a separate charging cost; or retirement housing is acknowledged to have very similar viability implications and those falling within Class C3 are exempted in the same way as the Class C2 use are being proposed.		
DCS 2	Ringwood Town Council		Further to this Council's covering letter to our previous response dated 21st Febuary, we still have concerns about the content of the Infrastructure Delivery Plan. Although it is stated in paragprah 3.22 (5) of the Regulation 15: Report of Preliminary Draft Charging Schedule Consultation that "The IDP has been updated accordingly with proposed amendments, which including the provision all projects from the Ringwood Town Plan", it quite clearly does not. This statement is incorrect. The IDP includes all projects included in the Ringwood Town Access Plan, which is a completely different document to the Ringwood Town Plan, which was published by the Town Council in 2008.		
DCS 3	Environment Agency				<p>The Environment Agency is generally supportive of the Community Infrastructure Levy and are satisfied it can go some way to supplement other funding streams in providing new infrastructure to support local growth.</p> <p>We have no comments to make on this consultation, we look forward to receiving any further information in due course.</p>
DCS 4	Natural England		<p>We welcome the inclusion of the Dorset Heathlands mitigation projects into the planned and costed infrastructure projects.</p> <p>Whilst we recognise that further work is required on the PUSH Green Infrastructure Strategy and the Solent Mitigation and Disturbance Project before action plans can be costed and timetabled, (and that they cannot therefore be added to Appendix A of the Infrastructure Plan), we wish to point out that the title of Appendix B may be misleading. Where mitigation for new development is found to be required the achievement of housing targets set within the LDF will depend on it. Therefore, to put mitigation projects into Appendix B, but to say that they are not necessary may cause later confusion. It would be more appropriate to point out in the title to Appendix B that the projects are not yet costed and planned for implementation (but may come about in the near future).</p> <p>It is our understanding that the list in Appendix A is not meant to be exhaustive, or to suggest prioritisation. Therefore, if any other mitigation is found to be required to meet the requirements of nature conservation legislation, it will be possible to fund its delivery through CIL contributions with immediate effect</p>		
DCS 5	New Forest National Park Authority	No comment.	As is outlined in paragraph 2.14 of the 'Context and Rationale' document, the National Park Authority and the District Council jointly commissioned DTZ to prepare an economic viability assessment of the proposed CIL charges. The Authority considers this economic viability evidence to be robust and fit for purpose and the resultant figures in the draft Charging Schedule are therefore supported.	The Authority supports the District Council's conclusion (set out in paragraph 6.5 of the 'Context and Rationale Document) that it is not necessary to develop different charging zones within the District, as the Council's affordable housing policy (CS15) effectively already does this. A single charge across the District Council's planning area is simpler to apply and understand.	<p>Para 8.8/8.9: Following our representations on the Preliminary Draft Charging Schedule in February 2012, the Authority welcomes the recognition in paragraph 8.9 that cross boundary working is required to implement strategic mitigation for the impacts of development on the internationally protected habitats within the New Forest. The adopted New Forest District Core Strategy (2009) commits the Council to working with others to deliver a suite of avoidance and mitigation measures for the Natura 2000 sites, supported by appropriate developer contributions. The new wording inserted by paragraph 8.9 begins to acknowledge the potential use of CIL funding in adjacent areas to implement measures made necessary by development within New Forest District. It is assumed that the Council's Regulation 123 infrastructure list could be updated once further details of these projects emerge.</p> <p>Infrastructure Delivery Plan: It is noted that there is limited reference within the Infrastructure Delivery Plan to the use of CIL funds arising from development within New Forest District in adjacent areas. Reference is made to a contribution to heathland mitigation in Verwood (Table 1) and also to the proposal for a Forest Park in southern Test Valley. Linked to the point above, the New Forest District Core Strategy (2009) commits the Council to working with others to implement appropriate cross-boundary</p>

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	DCS 6 Marchwood Parish Council				<p>mitigation and this could include the use of CIL funding arising from development within New Forest District on immediately adjacent areas such as the Natura 2000 sites within the National Park. The Authority is working on an initial package of habitat mitigation measures and it is hoped that in time these could be incorporated within the Council's Regulation 123 infrastructure list.</p> <p>Marchwood Parish Council considered the above document at their Planning Committee on Monday 14th May 2012 and have the following comment to make: Concern over point 7.1 Exemptions from CIL, It would seem that any development scheme bought forward by a social housing provider would not be required to pay any CIL contributions. There are concerns that if the proposed development is large this will have an impact on the infrastructure needed to support it but no contributions are being taken from the developer to provide it. Where will the money come from to provide the infrastructure for large social housing developments</p>
DCS 7	Churchill Retirement Living Limited	The Viability Assessment in respect developments for sheltered housing is flawed.	<p>The assumptions made and data used in respect of values has been gathered from "Assisted Living" type retirement schemes only and are not representative of Category II type sheltered housing developments which form the majority type of sheltered housing developments. Other cost inputs used may be appropriate for mainstream market housing but are understated when it comes to sheltered Housing schemes.</p> <p>Sheltered Housing - sales values: The sales values used to test the viability of sheltered housing Le. 1 B@ £5,220/m2 and 2B@ £5,400/m2 relate to one Assisted Living scheme in Lymington which is not representative of values across NFDC either in terms of location or other types of sheltered housing.</p> <p>"Assisted Living" retirement schemes generally achieve higher selling prices than traditional Category II or "Later Living" type sheltered housing. McCarthy & Stone's web site currently provides details of each type in the same road in Banbury where the asking price of 1 B "Assisted Living Apts" at Foxhall Court are stated "from £159,950" and the asking price of 1 B traditional sheltered retirement apartments at Mersham Court are stated "from £139,950"</p> <p>5 Cost and Modelling Assumptions: Build Costs Figure 17 does not detail Base Build Costs for sheltered housing. However if a build cost of £1 ,106 (Care Homes) has been used in the viability assessment for sheltered housing, the rate is understated when compared to BCIS published data for sheltered housing because there is no mention of allowances for external works (usually 5%) or contingencies (5%) in addition to an b8% addition for Code of Sustainable Homes or the BREEAM equivalent which applies to sheltered housing.</p> <p>Figure18 - Other Modelling Assumptions: Other Modelling assumptions and costs used in the assessment are not appropriate to the specialist nature of sheltered housing e.g. (a) The sales rate is not mentioned in the text but is crucial for the cash flow to calculate the correct amount of interest charges. Sales rates for sheltered housing are much slower than an ordinary traditional mainstream housing development. A sales rate of less than one per month is typical and unlike ordinary general housing, where you can build to suit sales, a sheltered housing scheme must be completely built and with the communal areas finished and furnished before any sales can be completed. (b) The viability of sheltered housing schemes should be tested against developer returns which better reflect the additional inherent risks associated with such developments. 20%, 22.5% and 25% returns on GDV should apply to the assessments of sheltered housing schemes. It's no secret that very few house builders undertake sheltered housing developments, and those that have tried do so no more. (c) Sales and Marketing Costs: 3% of GDV has been used, but at least 6% of GDV is appropriate for sheltered housing. This figure has been supported by planning inspectors at appeals involving sheltered housing developments. See appeal ref: APP/U1620/A/09/21 06651 and APP/P1560/A/11/2161214 (d) Empty Property Costs - have not been included, but items including service and management charges are payable for each unsold apartment from the date of the first occupation of the scheme and Council Tax is payable for each unsold apartment after 6 months of the building being finished</p>	A different (lower) levy rate should be calculated and applied to sheltered housing schemes having first been tested for viability using realistic data more applicable to sheltered housing developments	
DCS 8	Southern Water				We note the rates proposed, and have no further

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DCS 9	Hampshire County Council	No comments.	<p>Infrastructure Delivery Plan</p> <p>The County Council is pleased to note a number of amendments have been made to the infrastructure delivery plan following the previous consultation. Notwithstanding those amendments, there are a number of further adjustments to the IDP which would ensure that the charging schedule is supported by the most up-to-date information.</p> <p>Education</p> <p>As Education Authority the County Council notes there is no reference to additional primary school places required as a consequence of residential development in Ringwood. The infrastructure delivery plan should be amended to recognise that there is likely to be a need to expand school capacity in this area. Para. 2.5.2 if the IDP should be amended as follows: 2.5.2 In December 2011 Hampshire County Council produced a Draft School Places Plan 2011-20156 This study concluded that there was sufficient provision within the plan area during this period. ' In the longer term, the County Council has identified a likely requirement for an additional 60 primary school places by 2018 as a result of residential development in Ringwood, at an estimated cost of £800,000.'</p> <p>Transport</p> <p>As Highways Authority, the County Council has started a process of producing a Transport Statement for each district setting out transport policy and infrastructure requirements. Work is still ongoing but the emerging statement shows a total cost of necessary infrastructure to serve the New Forest of £44.8m, with £3.2m of identified funding. This list aims to be compatible with the District Council's IDP, although its scope goes beyond the IDP in that it covers all transport investment and not just that required to accommodate development. The County Council is broadly content with the transport schemes identified in the IDP with the following caveats:</p> <ul style="list-style-type: none"> - Paragraph 2.2.2, page 9. The list of funding sources should be updated to include the HA Pinch Point fund, as follows: 2.2.2 There are four(delete) five main sources of funding identified by HCC for improvements to the road network namely: <ul style="list-style-type: none"> •Developer Contributions •Regional Growth Fund •Local Sustainable Transport Fund •Government Block Funding for maintenance and small transport improvement schemes. •Highways Agency Pinch Point Funding. (addition) - Paragraph 2.2.13, page 10. The wording of this paragraph should be amended to better reflect the funding position, as follows: 2.2.13 Other than a small amount of LTP money(delete) possible contribution (addition) from HCC (for the Totton Western Bypass) there is very little money available to deliver the transport projects. Therefore the CIL funds will be the main source of funding to deliver the identified projects. - Appendix A, page 4, scheme RI/T/19 – Upgrade of Mansfield Rd / The Cross pelican crossing. Details of this scheme can now be updated to reflect the current funding position. The scheme now has an estimated cost of £50,000 and identified LEP funding of £50,000. There is therefore no funding shortfall. - Appendix B, page 11, scheme TE/T/69 - Totton A35 east of A326 <p>This scheme is currently under review and given the estimated cost of £100m the County Council HCC considers it prudent for this scheme to be removed from the list until there is a realistic prospect of it coming forward within the current plan timeframe.</p> <p>Countryside</p> <p>The County Council's countryside service has identified a number of schemes in and near the New Forest which will serve the District, and in particular the proposals for Lepe Country Park. These are identified in the Interim Infrastructure Statement which can be found at http://www3.hants.gov.uk/councilmeetings/advsearchmeetings/meetingsitemdocuments.htm?sta=&pref=Y&item_ID=3567&tab=2</p>	<p>The County Council is particularly concerned with the proposals to charge CIL on all residential development which falls within Use Class C3 and the implications this may have for the delivery of Extra Care housing.</p> <p>Whilst some of the housing needs of Older People will in future continue to be met through the provision of general needs accommodation, for an increasing number specialist provision will be required.</p> <p>Extra Care Housing is defined as "purpose-built accommodation in which varying amounts of care and support can be offered and where some services are shared."(Housing LIN (2006), Extra Care Housing Toolkit (p16). Care Services Improvement Partnership, Department for Health). The principle aim of Extra Care is to offer older people a 'home for life' avoiding the need for them to be moved from care setting to care setting as their health and care needs change. Extra Care schemes enable care services to be increased in situ according to the individual's evolving requirements, allowing older people to retain a degree of independence whilst providing support as needed. In short, it is recognised that Extra Care as a flexible housing format, could unify the accommodation and care requirements of older people, which historically have been provided in various institutional forms.</p> <p>The key feature of any Extra Care scheme is that the design, layout, facilities and support services available enhance the quality of life for individual residents. High levels of support may be supplied to only a small proportion of occupants, but the crucial factor is that the scheme is capable of meeting the housing with care and/or lifestyle needs of an individual who would otherwise lose their independence. In this respect the most important facilities are:</p> <ul style="list-style-type: none"> • an on-site team of carers, including management, • 24-hour cover, • ability to provide daily hot meals (usually from an on-site kitchen) • enhanced bathing and toilet facilities. <p>Due to the need to accommodate and support a range of appropriate facilities on site, and in order to secure a 'critical mass' to allow economically viable care provision and other services to be established, it is widely accepted that a certain scale of development is needed in order for Extra Care schemes to be viable. It is not feasible to provide Extra Care units as a quota from smaller developments. However, Extra Care housing can be incorporated as part of Local Authorities Section 106 requirements from private developers on any large new housing development. These agreements require the developer to make available a proportion of a site or dwellings for Extra Care housing as a condition of planning. Agreements reached may either be in the form of a scheme built by the developer and then handed over to a provider to run, a handover of land at subsidised or nil cost to a specialist provider, the local authority to build a scheme, or a monetary contribution which can be put towards future developments on better located or sized sites. Schemes can combine a range of tenures and as such the private units can provide some cross-subsidy to the affordable.</p> <p>The County Council considers that, given the demographic profile of the district, there is likely to be a need for up to 873 units of extra-care housing in the whole of the New Forest District area in the period to 2025. Funding for such a level of development will need to be assembled from a range of public and private sources, of which the County Council will be only one. To encourage developments necessary to move towards achieving this ambitious objective will require a strong policy commitment from all agencies concerned to the need for further extra-care housing in order to provide greater certainty for its delivery.</p> <p>The County Council has formed a partnership with the eleven Hampshire district authorities and heath commissioners to form the partnership for Extra Care Housing in Hampshire. The Partnership</p>	<p>comments to make.</p> <p>We are pleased that the potential need for additional developer contributions above the CIL and S106 planning obligations has been recognised in the Context and Rationale Document (paragraph 3.4 page 7). This will inform developers, and help to identify necessary contributions to local water distribution and sewerage infrastructure early in the planning process. Many thanks for your assistance in this matter.</p> <p>The County Council is keen to work in partnership with the District Council in considering the planning and funding of infrastructure. The two authorities are currently considering a Memorandum of Understanding which will outline the position on partnership working. Part of this process will be considering the implications of both the overall funding available through CIL and other sources of income, and the management of CIL monies once received including the publication of the Regulation 123 list. The County Council supports the approach set out in Chapter 8 of the CIL Context and Rationale document and would like to discuss with the District Council in due course how this can best be used to secure the most appropriate funding mechanism for each item of essential infrastructure.</p>

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DCS10	Pennyfarthing Homes Ltd		<p>The draft charging schedule assumes at paragraph 6.9 that between 40% and 50% of new dwellings built in the area will be affordable. Whilst that may be the current policy assumption such a proportion of affordable housing may not be realised once the impact of that upon viability is taken into account. In our experience, the application of such a high affordable housing requirement has had a significant impact upon viability, and schemes often have to be the subject of negotiation to reduce the affordable housing requirements to account for that. My clients feel that the viability of housing developments is</p>	<p>has adopted a policy document which sets out the partnership vision for the development of Extra Care housing in Hampshire. In addition, the County Council has produced a guide to designing extra care housing to inform the delivery of schemes. In addition, separate documents such as Fact sheet no: 6 'Design Principles for Extra Care' produced by the Department of Health should also be referred to.</p> <p>There is considerable literature on whether Extra Care housing falls within Use Class C2 or C3 of the Town and Country Planning (Use Classes) Order as amended. It is likely that some extra care development will fall within Class C3. Therefore if the District Council makes all Class C3 development liable to CIL then some extra care housing development will be liable to the charge. This is because any private tenure units (which are often essential to the deliverability of a scheme) would be subject to CIL.</p> <p>The County Council is looking to invest £45 million over the next decade to stimulate development in Extra Care housing across Hampshire. This investment will generate significant joint capital investment from partners such as developers, health, registered care providers and district councils, to stimulate the market to provide county wide coverage of Extra Care housing. So far four extra care housing schemes have been delivered in Hampshire, none of which are in the New Forest district area. All of these schemes were not commercially viable without significant public subsidy, even where they included private units for sale. Therefore imposing the CIL charge on extra care housing could jeopardise delivery of this key asset.</p> <p>When examining the viability of residential developments, the viability assessment draws on the results of a range of development scenarios – small and large sites, houses, flats, etc. It also looks explicitly at sheltered housing. However, none of the scenarios directly address the requirements of Extra Care housing. By their nature, extra care developments will have a significant proportion of their total floorspace given over to communal areas, service areas and care facilities.</p> <p>When considering residential development, the CIL viability assessment uses a number of net to gross floorspace assumptions for each type of development as follows:</p> <p>Development type & Net to gross ratio/multiplier Residential – flats - 125% Residential – houses - 105% Care Homes - 140% Sheltered Housing - 140%</p> <p>Using these assumptions the assessment has concluded that residential development, including sheltered housing, can support a CIL charge. However, the Extra Care schemes delivered in Hampshire to date have a have net to gross ratios of between 165%-177% - a significant difference to other C3 uses – because of the additional communal areas discussed above.</p> <p>Furthermore, as discussed above extra care housing developments are likely to have different funding arrangements than other residential developments.</p> <p>For these reasons, it is considered that the Economic Viability assessment does not address the viability implications of extra care housing. The County Council considers that charging CIL on extra care housing is likely to affect the viability and deliverability of this important infrastructure asset and so the charging schedule should specifically exclude Extra Care housing from the CIL charge on grounds of viability.</p> <p>The County Council proposes that the charging schedule should be amended to recognise the particular circumstances of extra care housing and to recognise that schemes which are recognised by the District Council and the County Council's Adult Services department as being in accordance with the requirements and guidance for extra care housing should not be charged at the residential rate, but at the standard rate of £0 per sq m on grounds of viability.</p>	<p>My clients feel that a charge of £80 per square metre for residential development but a zero contribution for commercial developments places a disproportionate burden on housing providers. Whilst the findings of the viability report are noted my clients feel that all types of development should contribute to CIL, even if at a lower rate than housing.</p> <p>Paragraph 6.18 of the draft charging schedule assumes that CIL will generate approximately £8000 per dwelling, and that there are no</p>

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			such that the Council's aspiration of 40-50% of new housing being affordable is unlikely to be realised. This will have a significant impact on the money received from CIL, because if fewer homes granted planning permission are affordable (and CIL exempt) the Council will be securing CIL contributions from a greater proportion of applications for new housing. The CIL rate of £80 per square metre is based upon the affordable homes anticipated by the LPA not paying CIL. My clients feel that with a greater proportion of non-affordable homes being built for reasons of viability the rate of £80 per square metre will be disproportionately high. It is contended that the CIL rates should be based on the true proportion of new housing built as affordable.	'sufficiently clear signals of recovery in the housing market.' The CIL rate proposed is equivalent to around a 20-30% increase in contributions relative to existing S106 requirements, and more for larger houses. Pennyfarthing Homes feel that in the light of present market conditions it is unreasonable for the LPA to impose an increase in contributions in this manner, and that the CIL rates should be reduced to a level not higher than existing contribution rates until such time as the housing market improves.	
DCS11	Dorset County Council				Having considered the Draft Charging Schedule I can confirm that we have no comments to make on it.
DCS12	Barker Mill Estates		<p>Demonstrating a Need for CIL</p> <p>Paragraph 2.9 of the Context and Rationale document sets out the basis upon which a CIL is being sought. It makes clear reference to CIL providing a funding stream for infrastructure that is required to support new development. It also states that: 'The finance generated from the CIL will be used to secure strategic and local infrastructure in the District which is required to accommodate the level of housing and employment growth proposed within the Local Development Framework'. The inference to be taken from this is that the CIL should relate to the provision of infrastructure that is required to serve development proposals, principally those that are set out in the Core Strategy and Site Allocations DPD.</p> <p>In seeking to justify a need for additional funding to address these 'infrastructure needs', paragraphs 5.6 to 5.8 of the draft charging schedule indicate that there is a 'funding gap' of £25m but suggests that this relates to: 'projects currently considered a priority to support the objectives of the Core Strategy'. It is suggested that this is different to infrastructure that is required to accommodate housing and employment growth.</p> <p>It is our contention that the extent and form of infrastructure set out in the Infrastructure Delivery Plan (IDP) goes well beyond that which is required to service the needs of the levels of development proposed in the Core Strategy. This is evident from an examination of the Appendices of the IDP, which include a multitude of schemes that have no relationship, or are completely out of scale with the levels of development being proposed within those settlements. By way of simple example, it is noted that in respect of Marchwood, reference is made to a number of elements of infrastructure that are questionable in the context of their relationship with new development being proposed, such as new bus stops that are distant from new developments or key trip generating destinations.</p> <p>The Core Strategy identifies a high proportion of development in the form of affordable housing. This includes provision to meet future needs but also, a specific range of sites to address existing affordable housing needs within particular settlements.</p> <p>Given that such development is taking place to effectively accommodate a need that is already pre-existing, it is questionable as to whether or not, that development creates any additional pressure on infrastructure.</p> <p>In view of the above, it is suggested that before a reasoned view can be reached on the need for an extent of a CIL, the following should be addressed:</p> <ul style="list-style-type: none"> • The IDP should be re-examined to determine the level of actual infrastructure required to serve the needs of the development set out in the Core Strategy; and • In undertaking this re-examination, the infrastructure burden should take account of the fact that a significant proportion of the proposed development relates to elements of the existing population (where their infrastructure needs are already being met). 	<p>In respect of land values, It is noted that the DTZ report has acknowledged that 'there are relatively limited transactional data on which to benchmark data'. In addition, DTZ have chosen to assume that land values in New Forest will lie between values for Southampton and Bournemouth. In respect of the eastern sub area, a figure of £2m per ha has been identified. It is suggested that the evidence base underpinning these values is weak and makes many assumptions that cannot be supported by the data. In addition, given the vast difference in values within the sub-areas themselves, it would be more realistic to have taken advice from local agents, rather than relying upon the limited transaction data.</p> <p>When applied to the various potential rates of CIL, it is noted that in most sub areas, the potential impact of CIL will be to reduce residual values below £2m. This is particularly relevant in the eastern sub region, where DTZ acknowledge that: 'this is the sub-area which is most challenged in terms of viability in current market conditions' and 'The likely conclusion of the analysis is that the land allocation made in Totton will not proceed until the market improves'.</p> <p>Given the degree of constraint on the ability of the market to deliver residential development in this eastern region, it is suggested that a lower CIL rate should be considered, in order to support the delivery of the growth envisaged in the Core Strategy. Based on the DTZ evidence base, this figure would be £0 per sq m.</p> <p>The eastern area represents an important component of growth to support the wider South Hampshire sub-region and it is important that any unnecessary burdens should be removed. Development in this area should be supported and by adopting a differential charge for residential within this sub area, it would recognise both the challenging land value issues and support the delivery of important development, which as the DTZ report acknowledges, will not come forward due to value constraints.</p> <p>Whilst paragraph 6.5 refers to the 'simplicity' of having a single charge across all of the areas, this is not considered to be an appropriate justification for burdening development in specific areas unnecessarily.</p> <p>Paragraph 6.15 of the Context and Rationale document states that: 'the viability assessment shows that residential developments are likely to be able to support a CIL contribution in all cases across the District'.</p> <p>This conclusion is misplaced and fails to recognise the difficulties in residual land values in the eastern sub-area (as discussed above). Paragraphs 6.16 to 6.18 go on to use this justification to support a charging level of £80 per sq m. This is out of kilter with the evidence base and we propose a differential charge, with £0 per sq m being applied in the eastern sub area for residential development.</p> <p>The Context and Rationale document acknowledges that values in the Eastern Sub Area will fall below £2m per ha but inexplicably suggests that the imposition of a further financial burden (in the form of CIL) will not affect decisions on whether to bring land to the market. This is clearly incorrect and any additional burden that impacts upon the financial viability of sites, which are already heavily under pressure due to affordable housing requirements (which are exceptionally high in NFDC) and other infrastructure requirements, should be considered very carefully.</p> <p>NFDC appear to take the view that there is 'insufficient evidence' to justify a lower charge in the Eastern Sub Area. It is our view that NFDC are incorrect to apply such a requirement and the burden of evidential proof should be on the local authority to justify that a charge is reasonable. The Context and Rationale document and the wider evidence base simply fails to do this and as such, no charge can reasonably be applied when it will have an impact on the</p>	<p>Exemptions from CIL and Exceptional Circumstances: TBME support the recognition of the statutory exemptions set out in the charging document. However, given the vast differences in land values across the District, it is noteworthy that the statutory processes associated with viability and discretionary relief are complex and a major barrier to development. To address this, the charging schedule should support the provision of an additional level of locally based flexibility, which would recognise local land value variations in particular areas and provide a process that is less burdensome than having to navigate an open book independent assessors route. This approach would be applied on a discretionary basis by the District Council or in respect of specific allocations (as set out in the emerging Site & Allocations DPD).</p> <p>Payments in Kind TBME welcome the potential for payment in kind. However, the charging schedule should provide greater flexibility for such provisions, particularly where there are benefits to the wider community which go beyond the needs of the future residents of the development itself (i.e. open space provision, ecological benefits, allotments etc).</p> <p>CIL Instalment Policy The instalment policy is welcomed but is defined in a manner that is too restrictive and will act as a disincentive to development, particularly those where viability is marginal. The instalment policy should allow for payment to be phased in accordance with the phasing of a particular development or after the construction of a specified percentage of the units (for a residential scheme). This will allow the CIL burden to be carried through the development and allow it to be offset by sales income. This will be particularly important for sites in the eastern plan area and for schemes with a high proportion of affordable units.</p> <p>Reviewing the CIL The CIL is very much in its infancy and its publication has come at a time when there is great uncertainty in respect of both the market and indeed the definition of development allocations through the Site Allocations DPD. In light of these considerations, it is suggested that NFDC should commit to an early review of the charging schedule within 18 months</p>
			<p>Viability - Residential</p> <p>The DTZ Viability Assessment has identified a range of valuations based on the various sub-areas. This has indicated the vast differences in value across the area, including rather depressed values in Totton / Hythe (£210 to £280 per sq ft), The assessment has also set out base build costs, which for residential are defined under 'general estate housing', with an indicative cost of £802 per sq m (net internal). This figure has been increased by 8% to reflect changes to the Code for Sustainable Homes and by a further 10% to take account of site infrastructure work. It is suggested that whilst the figure of 8% is reasonable, the 10% figure is not and fails to recognise the particular characteristics of the sites identified in the emerging Site Allocations DPD. On this basis, it is suggested that the figure of 15% would be more relevant. The DTZ report makes reference to a range of other 'modelling assumptions'. In this regard, a figure of £0 has been applied to S106 costs. Such an</p>		

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DCS13	Taylor Wimpey UK	<p>assumption is misplaced and whilst the assessment has sought to justify this on the basis of CIL and density assumptions covering the 'impacts', it is likely that S106 costs will still be incurred. These could relate to matters such as trainee initiatives, ecologic improvements and access / transport infrastructure directly associated with the site. In this regard, it is noted that many of the sites identified in the Site Allocations DPD have been set out with specific requirements for on-site or directly related infrastructure needs. As such, S106 costs will still have a significant role to play in the determination of viability and it is inappropriate for DTZ to have ignored the costs of this. Paragraph 6.12 and 6.13 of the Context and Rationale document has indicated that such costs are relevant, but that they do not impinge upon the ability to charge. It is our view that such a conclusion is unjustified, particularly given the issues associated with the residual land values evident in the eastern sub area.</p> <p>Demonstrating a Need for CIL Paragraph 2.9 of the Context and Rationale document sets out the basis upon which a CIL is being sought. It makes clear reference to CIL providing a funding stream for infrastructure that is required to support new development. It also states that: 'The finance generated from the CIL will be used to secure strategic and local infrastructure in the District which is required to accommodate the level of housing and employment growth proposed within the Local Development Framework'. The inference to be taken from this is that the CIL should relate to the provision of infrastructure that is required to serve development proposals, principally those that are set out in the Core Strategy and Site Allocations DPD.</p> <p>In seeking to justify a need for additional funding to address these 'infrastructure needs', paragraphs 5.6 to 5.8 of the draft charging schedule indicate that there is a 'funding gap' of £25m but suggests that this relates to: 'projects currently considered a priority to support the objectives of the Core Strategy'. It is suggested that this is different to infrastructure that is required to accommodate housing and employment growth.</p> <p>It is our contention that the extent and form of infrastructure set out in the Infrastructure Delivery Plan (IDP) goes well beyond that which is required to service the needs of the levels of development proposed in the Core Strategy. This is evident from an examination of the Appendices of the IDP, which include a multitude of schemes that have no relationship, or are completely out of scale with the levels of development being proposed within those settlements. By way of simple example, it is noted that in respect of Marchwood, reference is made to a number of elements of infrastructure that are questionable in the context of their relationship with new development being proposed, such as new bus stops that are distant from new developments or key trip generating destinations.</p> <p>The Core Strategy identifies a high proportion of development in the form of affordable housing. This includes provision to meet future needs but also, a specific range of sites to address existing affordable housing needs within particular settlements.</p> <p>Given that such development is taking place to effectively accommodate a need that is already pre-existing, it is questionable as to whether or not, that development creates any additional pressure on infrastructure.</p> <p>In view of the above, it is suggested that before a reasoned view can be reached on the need for an extent of a CIL, the following should be addressed:</p> <ul style="list-style-type: none"> • The IDP should be re-examined to determine the level of actual infrastructure required to serve the needs of the development set out in the Core Strategy; and • In undertaking this re-examination, the infrastructure burden should take account of the fact that a significant proportion of the proposed development relates to elements of the existing population (where their infrastructure needs are already being met). <p>Viability - Residential The DTZ Viability Assessment has identified a range of valuations based on the various sub-areas. This has indicated the vast differences in value across the area, including rather depressed values in Totton / Hythe (£210 to £280 per sq ft). The assessment has also set out base build costs, which for residential are defined under 'general estate housing', with an indicative cost of £802 per sq m (net internal). This figure has been increased by 8% to reflect changes to the Code for Sustainable Homes and by a further 10% to take account of site infrastructure work. It is suggested that whilst the figure of 8% is reasonable, the 10% figure is not and fails to recognise the particular characteristics of the sites identified in the emerging Site Allocations DPD. On this basis, it is suggested that the figure of 15% would be more relevant. The DTZ report makes reference to a range of other 'modelling assumptions'.</p>	<p>potential delivery of land for important and badly needed residential development in the Eastern area</p> <p>In respect of land values, It is noted that the DTZ report has acknowledged that 'there are relatively limited transactional data on which to benchmark data'. In addition, DTZ have chosen to assume that land values in New Forest will lie between values for Southampton and Bournemouth. In respect of the eastern sub area, a figure of £2m per ha has been identified. It is suggested that the evidence base underpinning these values is weak and makes many assumptions that cannot be supported by the data. In addition, given the vast difference in values within the sub-areas themselves, it would be more realistic to have taken advice from local agents, rather than relying upon the limited transaction data.</p> <p>When applied to the various potential rates of CIL, it is noted that in most sub areas, the potential impact of CIL will be to reduce residual values below £2m. This is particularly relevant in the eastern sub region, where DTZ acknowledge that: 'this is the sub-area which is most challenged in terms of viability in current market conditions' and 'The likely conclusion of the analysis is that the land allocation made in Totton will not proceed until the market improves'.</p> <p>Given the degree of constraint on the ability of the market to deliver residential development in this eastern region, it is suggested that a lower CIL rate should be considered, in order to support the delivery of the growth envisaged in the Core Strategy. Based on the DTZ evidence base, this figure would be £0 per sq m.</p> <p>The eastern area represents an important component of growth to support the wider South Hampshire sub-region and it is important that any unnecessary burdens should be removed. Development in this area should be supported and by adopting a differential charge for residential within this sub area, it would recognise both the challenging land value issues and support the delivery of important development, which as the DTZ report acknowledges, will not come forward due to value constraints.</p> <p>Whilst paragraph 6.5 refers to the 'simplicity' of having a single charge across all of the areas, this is not considered to be an appropriate justification for burdening development in specific areas unnecessarily.</p> <p>Paragraph 6.15 of the Context and Rationale document states that: 'the viability assessment shows that residential developments are likely to be able to support a CIL contribution in all cases across the District'.</p> <p>This conclusion is misplaced and fails to recognise the difficulties in residual land values in the eastern sub-area (as discussed above). Paragraphs 6.16 to 6.18 go on to use this justification to support a charging level of £80 per sq m. This is out of kilter with the evidence base and we propose a differential charge, with £0 per sq m being applied in the eastern sub area for residential development.</p> <p>The Context and Rationale document acknowledges that values in the Eastern Sub Area will fall below £2m per ha but inexplicably suggests that the imposition of a further financial burden (in the form of CIL) will not affect decisions on whether to bring land to the market. This is clearly incorrect and any additional burden that impacts upon the financial viability of sites, which are already heavily under pressure due to affordable housing requirements (which are exceptionally high in NFDC) and other infrastructure requirements, should be considered very carefully.</p> <p>NFDC appear to take the view that there is 'insufficient evidence' to justify a lower charge in the Eastern Sub Area. It is our view that NFDC are incorrect to apply such a requirement and the burden of evidential proof should be on the local authority to justify that a charge is reasonable. The Context and Rationale document and the wider evidence base simply fails to do this and as such, no charge</p>	<p>Exemptions from CIL and Exceptional Circumstances: TWsupport the recognition of the statutory exemptions set out in the charging document. However, given the vast differences in land values across the District, it is noteworthy that the statutory processes associated with viability and discretionary relief are complex and a major barrier to development. To address this, the charging schedule should support the provision of an additional level of locally based flexibility, which would recognise local land value variations in particular areas and provide a process that is less burdensome than having to navigate an open book independent assessors route. This approach would be applied on a discretionary basis by the District Council or in respect of specific allocations (as set out in the emerging Site & Allocations DPD).</p> <p>Payments in Kind TW welcome the potential for payment in kind. However, the charging schedule should provide greater flexibility for such provisions, particularly where there are benefits to the wider community which go beyond the needs of the future residents of the development itself (i.e. open space provision, ecological benefits, allotments etc).</p> <p>CIL Instalment Policy The instalment policy is welcomed but is defined in a manner that is too restrictive and will act as a disincentive to development, particularly those where viability is marginal. The instalment policy should allow for payment to be phased in accordance with the phasing of a particular development or after the construction of a specified percentage of the units (for a residential scheme). This will allow the CIL burden to be carried through the development and allow it to be offset by sales income. This will be particularly important for sites in the eastern plan area and for schemes with a high proportion of affordable units.</p> <p>Reviewing the CIL The CIL is very much in its infancy and its publication has come at a time when there is great uncertainty in respect of both the market and indeed the definition of development allocations through the Site Allocations DPD. In light of these considerations, it is suggested that NFDC should commit to an early review of the charging schedule within 18 months</p>	

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DCS14	Turley Associates		<p>In this regard, a figure of £0 has been applied to S106 costs. Such an assumption is misplaced and whilst the assessment has sought to justify this on the basis of CIL and density assumptions covering the 'impacts', it is likely that S106 costs will still be incurred. These could relate to matters such as trainee initiatives, ecologic improvements and access / transport infrastructure directly associated with the site. In this regard, it is noted that many of the sites identified in the Site Allocations DPD have been set out with specific requirements for on-site or directly related infrastructure needs. As such, S106 costs will still have a significant role to play in the determination of viability and it is inappropriate for DTZ to have ignored the costs of this. Paragraph 6.12 and 6.13 of the Context and Rationale document has indicated that such costs are relevant, but that they do not impinge upon the ability to charge. It is our view that such a conclusion is unjustified, particularly given the issues associated with the residual land values evident in the eastern sub area.</p> <p>The DTZ Report has 'assumed that s106 costs are nil.... this does mean that both CIL and residual s106 values have to be funded out of any positive residual land value'. Given this position and the failure to take account of S106 costs, it casts doubt on whether a fair and reasonable assessment of viability (for the purposes of justifying CIL) has been undertaken. The retail residual land values set out in Figure 29 of the DTZ Report are confusing and do not identify what assumptions have been made on land values (given that there is no data in section 6 of the report on retail values). This lack of clarity and the failure to take account of what could be significant site specific costs and S106 burdens would suggest that there is no robust evidence base to justify such a high retail charge.</p> <p>In terms of comparatives with other local authorities, it is noted that Southampton have identified a charge of £90 per sq m (for A1), Portsmouth has identified £53 per sq m (for A1-A5) and Havant have identified a charge of a maximum of £84 per sq m (for edge / out of town large retail). Whilst we are not suggesting that NFDC should simply follow other local authorities, it is considered questionable that given that the DTZ evidence base has looked at the wider South East for its justification and evidence base, local authorities in the local area (using a similar evidence base) have reached a completely different outcome.</p> <p>The clear disparity also raises an issue of whether NFDC has acted appropriately in its Duty to Cooperate (as outlined in S110 of the localism Act). By having such a vastly different charge for retail developments from its immediate neighbour in Southampton (over double), this could impact on the future direction of growth for retail in the wider vicinity creating an uneven playing field, particularly in the absence of a specific impact assessment. Clearly retail development is only likely to occur in the New Forest if there is a strong desire for such growth, or if it forms part of a regeneration scheme for a particular site. In these circumstances, it is inappropriate for the CIL to take such a strong line and potentially constrain the viability of such schemes. Creating a barrier to regeneration goes very much against the grain of current Government guidance and using CIL as a form of barrier fails to accord with existing Governmental advice (in the form of Planning for Growth) and with the NPPF.</p> <p>In light of the above, it is suggested that the evidence base should be reviewed with regards to justifying any CIL charge for retail. As a benchmark, a charge of a similar level to that which exists in the adjacent local authority should be assumed (i.e, £90 per sq m). This should apply to A1 only as none of the other uses have been assessed at all in viability terms</p>	<p>can reasonably be applied when it will have an impact on the potential delivery of land for important and badly needed residential development in the Eastern area</p> <p>The Context and Rationale document (paragraph 6.22 and 6.23) states: 'Viability evidence has shown a CIL rate of £200 psm on net additional floorspace for large format food store / supermarket development would not have a negative impact on the viability'. Consequently, the charging schedule has set out a charge of £200 psm for large format retail over 1000 sqm.</p> <p>It is our view that the adoption of such a charge will act as a major barrier to the delivery of retail developments in the District and is vastly out of kilter with other local authorities in the area. We have doubts over the methodology applied in the viability assessment and given the clear thrust of Government guidance, which seeks to support economic and job creating development, the CIL charging levels will frustrate unnecessarily retail development.</p> <p>It is recognised that in certain circumstances, there is a prospect of a large format retail 'superstore' coming forward. However, the nature of such proposals and in particular, their site specific impacts and S106 requirements are very difficult to gauge. The DTZ report acknowledges that there has been 'limited retail development' and they have been reliant upon data generated in the wider South East, rather than in the District itself. As a consequence, it is suggested that the land values suggested in the report must be viewed with caution. Indeed, it is notable that the DTZ Report provides no data at all in Section 6 relating to retail land values and no data has been generated to reflect the vastly different land values that are apparent across the District itself (as evidence by the assessment of values for other land uses such as residential)</p>	
DCS15	Persimmon Homes and Linden Homes	<p>The Approach of National Policy With regard to the preparation of Charging Schedules and supporting documentation, it is important to have due regard to the available Government guidance and law, notably, the CLG Community Infrastructure Levy - an Overview (May 2011), CLG Community Infrastructure Levy Guidance - Charge Setting & Charging Schedule Procedures (March 2010), CLG Community Infrastructure Levy Relief (May 2011), the 2008 Planning Act, CIL Regulations 2010 (as amended 2011) and are also in the spirit of emerging National Planning Policy Framework (NPPF). PH/IH's comments are based on these publications and the Regulations.</p> <p>The National Planning Policy Framework (NPPF) is clear on the requirement that the planning system "does everything it can to support sustainable economic growth" (paragraph 19). The NPPF outlines that CIL "should support and incentives new</p>	<p>Viability Appraisal - DTZ The proposed CIL rate has been supported by evidence produced by DTZ dated December 2011. Owing to the key test of Regulation 14(1) it is important that the viability appraisal prepared is fit for purpose. It is clear that at Examination the Charging Schedule will need to be supported by "relevant evidence" (Regulation 11(1) (f) / 19(1) (e)). This Viability Appraisal has not been updated in response to representations made at the Preliminary Draft consultation stage or it appears a response provided by DTZ to the comments.</p> <p>As outlined, at this stage no alternative viability evidence has been prepared, although our clients may do so at the Examination stage if it is felt this were required. It may however be more prudent for Savills on behalf of our clients to liaise directly with DTZ over the necessary changes to the viability study in the period running up to the Examination. It had been anticipated that the viability evidence would have been updated following the Preliminary Draft consultation stage.</p> <p>The Requirement for a Viability Study The requirement to justify the Charging Schedule with evidence of viability is outlined by CIL - An Overview paragraphs 25 and 26, which notably also makes reference to setting deferential rates. The CLG CIL Charge Setting</p>	<p>Ascertaining the level of CIL is essentially a development viability exercise and owing to this it is critical that the level of CIL is based on robust and credible evidence. The 'CIL – An Overview' outlines that "Charging Authorities wishing to introduce the levy should propose a rate which does not put at serious risk the overall development of their area" (Paragraph 23). It will be important, therefore, that the rate is based on reality and the viable level of funding toward the planned provision of infrastructure needed to deliver the development plan. Paragraph 5.8 from the Preliminary Draft Charging Schedule identified a funding gap of 'around £25m' towards priority projects from the Core Strategy. Paragraph 5.8 then added there was a list 'of other possible projects costing over £250m'. From the evidence it is apparent that CIL alone will not be able to fund all of the identified infrastructure projects over the next 15 years.</p> <p>It is apparent that NFDC needs to focus priorities on the essential infrastructure required to assist with planned growth, and that this should be linked to expected CIL receipts.</p> <p>The objectives of CIL are therefore, fundamentally to assist with the delivery of development as CIL receipts are used toward the funding of infrastructure (Regulation 59(1)). The CIL Charging Schedule and</p>	<p>Infrastructure Delivery Priorities It is important the infrastructure delivery priorities for the district are clearly outlined notably, the District Council should clarify the intention that CIL funding will be focussed towards those projects considered a priority to support the objectives of the Core Strategy Our clients question whether community facilities (community halls/groups and libraries), energy, water and drainage, and emergency services as set out in the Infrastructure Delivery Plan (April 2012) at sections 24, 27, 28 and 210 are within the definition of 'infrastructure' provided by Section 216 of the Planning Act 2008 It will be necessary to ensure appropriate modifications to the infrastructure projects This may reduce the total cost of infrastructure projects and accordingly, to reduce the identified funding gap and focus spending priorities. Table 2 (page 17) of the Preliminary Draft Charging Schedule anticipated CIL receipts of £5,349,000 over the six year period 2013-2018, an average of</p>

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		<p>development" (paragraph 175). The NPPF makes clear that the "cumulative impact" of standards and policies of local Plans should not put at risk development and be flexible to changing economic circumstances (paragraph 174). Crucially "competitive returns" should be provided to willing land owners and developers to enable delivery (paragraph 173).</p> <p>In addition, the Ministerial Statement of Greg Clark (March 2011) is not emerging; it is current guidance to decision makers. It has a clear 'get on' with development message and makes clear local Planning Authorities should not impose unnecessary burdens on development. The steer from Central Government is very much angled towards facilitating development, which should have a major material bearing on the preparation of CIL and the balance applied when considering Regulation 14(1).</p> <p>The Government has also confirmed through Community Infrastructure Levy Guidance Charge Setting and Charging Schedule Procedures (March 2010) guidance on the preparation of CIL, notably:</p> <ul style="list-style-type: none"> • The need for an 'appropriate balance' (Regulation 14) • The need for 'appropriate available evidence to inform the draft Charging Schedule' (Schedule 212(4) (b)) of the 2008 Act) <p>Paragraph 7 of the Guidance states the "CIL is expected to have a positive economic effect on development across an area in the medium to long term". The Government also makes clear that it is up to local authorities to decide 'how much' potential development they are willing to put at risk through CIL. This judgement needs to consider the wider planning priorities. It is therefore imperative that the viability of CIL is tested against the key planned sites, notably in the case of NFDC, sites in the key towns such as Totton, Marchwood, Dibden and Hythe, Lyminster and New Milton.</p> <p>Supporting Documentation Despite the narrow Regulatory requirements of the Examination, our clients urge the District Council to make clear at an early stage the supporting documentation needed to operate CIL for input / comment. Practically, this needs to be done prior to the Examination. Whilst this supporting information is not tested at Examination, this information is critical to allow for the successful imposition of CIL. The documentation should include:</p> <ul style="list-style-type: none"> • Guidance on how to calculate the relevant 'chargeable development'/ level of CIL (cross referral to CLG guidance/ Planning Portal - location of the Notice of Chargeable Development Form) - notably what defines Net Internal Area (NIA) for residential development, against for example published RICS guidance. • Guidance on liability to pay CIL Appeals process. • Policy for payments by instalments (by build rate). • Approach to payments in kind - notably valuation process for ascertaining land value and also the potential to accept land for infrastructure as a payment in kind. • Guidance on relief from CIL and policy on exceptional circumstances for relief from CIL. <p>PH/LH note that a number of matters related to the implementation of CIL provided by the Regulations are optional. Our clients strongly suggest the District Council permits the maximum flexibility available. The Draft Charging Schedule documentation identifies that the District Council does propose to offer relief and Appendix C includes a CIL Instalment Policy. Whilst the offer of an instalments policy is welcome, our clients object to the detail. It</p>	<p>and Charging Schedule Guidance (2010) at paragraph 21 refers to taking an "area based approach", further of notable importance, and paragraph 29 outlines "charging authorities should avoid setting a change right up to the margin of economic viability across the vast majority of sites in their area". The viability exercise must also be aimed to demonstrate a need for flexibility in seeking CIL payments. It should not be assumed that all development can afford to pay that all development should be charged the same levy. It must also be recognised that in certain circumstances relief may be offered where viability is an issue.</p> <p>The fundamental premise is that to enable delivery, sites must achieve a credible land value and developers the required return on investment, otherwise development will be stifled. This is recognised by the NPPF and is certainly 'in-built' within the CIL Regulations. It will also be an important consideration to ensure that the evidence of viability adequately tests scenarios that reflect the key sites required to deliver the planned growth (Core Strategy - 2009), split by west, south and east of the District.</p> <p>The DTZ Study The DTZ viability assessment was based on a series of residual valuation scenarios that models the gross development value achievable from different uses in the district and discounts development costs, interest costs and developer profit. In principle, our clients consider the overall methodology of seeking to determine viability on a residual valuation exercise as being appropriate. The specific comments relate to the inputs and assumptions made.</p> <p>According to the DTZ viability study, a single uniform charge was deemed the best and most simplistic method of calculating CIL; our clients question this method of calculating CIL.</p> <p>The Draft Charging Schedule outlines a level of £80 per square metre which based on the evidence provides no viability 'buffer' to take account of site specific circumstances and to ensure that CIL does not represent a 'serious risk' to viability of development.</p> <p>Methodology - Land Value No premium above existing/ current use value is included within the study. For urban land uses this is particularly relevant whereby the land owner would require a premium in excess of its existing use value for the inconvenience of having to relocate. This has been implied by a number of planning appeal decisions including land at Ewer Street, London (APP/A5840/A/1112153570) and land at Beckenham (APP/G5180/A/08/2084559). It was deemed appropriate in these particulars cases that a premium of 15% - 20% in excess of the existing use value was appropriate for development land to come forward. Whilst this does not affect the amount of money developers can offer for a site, it does affect the availability of sites for development and more importantly landowner expectations.</p> <p>It is wholly inappropriate to use agricultural land value as a benchmark value for greenfield land. Savills experience is that significant multiples of agricultural land value are typically required for release of strategic greenfield land in a range of £125,000 - £175,000 per acre for the South East.</p> <p>Scenarios Tested & Geographical Spread We think it would be prudent to outline how the housing land supply pipeline is distributed between the four market areas and the types of site tested. This information is of course readily available owing to the Core Strategy adoption. It is important that the financial appraisal addresses those key sites central to the delivery of the planned growth (Core Strategy).</p> <p>As outlined earlier in this representation, our clients are concerned that the potential to charge differential rates in the district has not been taken. We believe that this would be a more appropriate strategy to adopt.</p> <p>The proposed area-wide level of CIL takes no account of the variation in viability across the area. On this basis, the study finds a variation in a viable level of CIL of between zero and £14,000 per unit across the four areas (with the method and assumptions used), but recommends an average rate of £8,340 per unit across the four areas. This is wholly inappropriate to the least viable areas such as the eastern sub-area.</p> <p>There is no explicit mention of a viability buffer. As noted above, in reality, site specific circumstances will mean that the economics of the development pipeline will vary from the typical levels identified via analysis of the theoretical site typologies. This is inevitable given the varied nature of housing land supply and costs associated with bringing forward development. Therefore, there must be a viability buffer incorporated either into the benchmark land value, or elsewhere through the CIL assessment process which would ensure delivery of sufficient housing to meet strategic requirements.</p> <p>The land supply in New Forest District is geographically spread, for example for housing land supply it is spread by area, with growth located to the west,</p>	<p>supporting documentation must therefore outline the positive actions proposed from the District Council to enable the actual delivery of infrastructure, which may require additional 'top up' funding, or the Council using its powers under the local Government Acts (2000 and 2003) and CIL Regulations (2010 as amended 2011) to borrow money to 'front load' infrastructure delivery (see CIL - An Overview paragraphs 17 and 18).</p> <p>Area Specific CIL It is acknowledged that the District Council does not propose to adopt 'area specific' CIL rates despite the power being available to do so (see 'differential rates' outlined by Regulation 13(1)). It could be the case that a lower rate of CIL be proposed in the eastern parts of the District. Areas such as Totton, Marchwood, Dibden and Fawley are of a lower value, a point acknowledged on detailed inspection of the Viability Report (see section 4) and the Draft Charging Schedule Context and Rationale Document - April 2012 (paragraphs 6.3 to 6.6). Values here are more aligned to those of Southampton.</p> <p>Planned housing growth in the four locations in the east of the District (Totton, Marchwood, Hythe/Dibden and Holbury/Fawley/Blackfield) is 41% of planned housing, 1,635 dwellings (more with the additional planned locally affordable housing) over the plan period 2006 2026 This is a substantial proportion of the Core Strategy which could be put at risk should the level of CIL be set too high Figure 1 outlines a value analysis which illustrates the lower values in the east of the District.</p>	<p>£891,500 per annum. Applying this same average over the remaining eight years of the plan period 2019-2026, could potentially generate a further £7,132,000 of CIL receipts. Total anticipated CIL receipts of £12,481,000 between 2013-2026 could potentially be raised. It is evident that anticipated CIL receipts would not fully meet the identified funding shortfall (paragraph 5.8 of the Preliminary Draft Charging Schedule). Paragraph 6.28 of the Preliminary Draft Charging Schedule refers to potential support from other funding sources, but paragraph 6.29 adds 'these amounts from these sources are unknown and cannot be guaranteed' and similarly repeated in the Draft Charging Schedule Context and Rationale Document - April 2012 (paras 6.32 - 6.33). The Council will therefore, be reliant on other funding sources to assist with the delivery of the identified infrastructure projects.</p> <p>Payment of CIL - Instalments With regard to the payment of CIL, the Regulations (698(1)) and CIL - An Overview (paragraphs 45 - 48) are clear that the charging authority has the flexibility to request the timing of the charge and hence to outline the payment procedure. This flexibility extends to:</p> <ul style="list-style-type: none"> • levy payment deadlines • Instalments policy <p>Appendix C of the Draft Charging Schedule Context and Rationale Document sets out the CIL Instalment Policy, which revises the original Instalment Policy published at Preliminary Draft stage, which is acknowledged, for example, CIL liability for development over £80,000 has been extended with the three payments now required to be made within 540 days of commencement. This is recognised as a step in the right direction by the Local Authority. PH/LH would be prepared to discuss this further with the District Council to ensure the right Instalment Policy is set. Developers only have access to certain levels of funding throughout the construction process and this is often dependant on sale volumes and market conditions. The benefit of the Section 106 system was the ability to negotiate phasing of payments and if necessary renegotiate via a deed of variation. It is important that CIL maintains some degree of flexibility.</p> <p>The timing of CIL payments is therefore of critical importance, particularly as the definition of chargeable development (Regulation 9) makes clear that in instances of full planning approval the chargeable development is that entirely consented. Whilst Regulation 9(4) effectively permits a staged payment approach to outline consents (where phasing is proposed), it is normally the practice to only pursue outline (or hybrid) applications for the largest and most complex sites. The majority of planning proposals will still be submitted in full.</p> <p>It will be larger schemes which generate the greatest CIL payments and as such phasing of payments should be tailored to recognise funding constraints and cash flow of such schemes. It would be recommended, particularly for major proposals, they should be accompanied by supporting phasing plans with planning applications showing build rate/ anticipated dwelling occupations and approximate timescales. This would provide the District Council with a level of certainty when CIL payments can be expected without tying developers to artificial and rigid timescales.</p> <p>Payments in Kind Regulation 73(1) permits the payment of land in lieu of CIL. This is an interesting tool which could be proactively interpreted where the land in question is provided for infrastructure. Our clients would encourage the District Council to outline a proactive</p>

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		<p>is noted that Amendment Regulations 69B (2011 Regs) permit discretion on the Authority to charge a number of instalment payments at varied times. This will be important to allow for development cash flow considerations</p>	<p>south and east of the District (see Core Strategy - 2009). As outlined in Section 3 of this representation a large proportion of growth is directed to the east of the District where viability seems more constrained. It is therefore highly possible that the average rate of CIL applied at £8,340 per unit renders schemes in lower value areas unviable. In these instances further testing of viability against both lower CIL and affordable housing levels should be undertaken to ascertain a different CIL rate. This will more than likely point to a need for differential rates across the district. The risk of the present approach is that an unacceptably high proportion of development in the west and east sub-areas will be rendered unviable, which is not the purpose of CIL.</p> <p>Section 106 Assumptions In Section 7 of the DTZ report it is stated that Section 106 contributions have not been included within the appraisal, other than affordable housing. Therefore, no account has been taken of site specific Section 106 payments to directly mitigate the impact of development. A 'standard approach' to Section 106 would ignore certain site abnormalities. We would urge New Forest District Council to assess site specific S.106 payments alongside CIL.</p> <p>Market Improvement The sensitivity to market improvement should be discounted for assessment of viability, as viability during the next five years should be assessed on the basis of current values and costs. New Forest District Council has effectively accepted that development in the lower value areas in the district will not be forthcoming until the market improves towards the latter end of the development plan period. Our clients question this assumption. If the CIL rate is set at a uniform rate we believe it is essential to account for the viability of lower value areas in the current economic climate. In this regard setting a uniform rate of £60 per sq m would have less of an impact on the east and west sub-regions and not deter development. The alternative is to look to set a differential rate.</p> <p>Phasing of Payments Our clients highlighted strong concerns with the proposed instalments policy in Section 3 of this representation. It is not clear from the DTZ Study whether phasing of payments has been assumed by build rates or by time (as proposed by NFDC's draft policy).</p> <p>Overall Our clients consider that the District Council needs to provide a robust assessment of the individual areas within the district and if appropriate, propose differing levels of CIL for the areas outlined in the study. This will ensure that viability will not be negatively impacted or development constrained from coming forward. It could be that a rate of £60 per square metre is viable, either across the whole District or at the very least set as a differential rate in areas to the east of the District. Our clients therefore request that the evidence is revised, as summarised by the list below:</p> <ul style="list-style-type: none"> • Viability 'buffer' • landowner premium • Revision of uniform rate • Future estimate of land values • Site specific Section 106 cost 		<p>mechanism and approach to permit developers to offer land either as payment 2L to take into account the value of land which is retained for the use of infrastructure. It will be important to do this in order to avoid situations of 'double counting', for example, where developers have increased site abnormal costs owing to site based infrastructure needs, only to have to also effectively (as a proportion of costs) pay greater CIL charges.</p> <p>Relief The Community Infrastructure Levy Relief - Information Document (CLG, May 2011) outlines the Government's position on "exceptional circumstances" which could warrant exception from CIL (paragraph 66 onward). The first matter to note from the Regulations is that the offer of relief is discretionary on the charging authority (Regulation 55(3) (a)). PH/LH consider it is imperative that the District Council makes available relief from the date of the adoption of CIL, and that it clearly outlines its approach to doing so, in conformity with the Regulations. Guidance on the level of detail required for the viability assessment to qualify for relief should also be provided.</p> <p>CIL Regulation 122 - Double Counting With regard to the relationship with Section 106, the CIL Charging Schedule should be clear that 'double counting' of Section 106 contributions and CIL is not permitted by law. The key tests of CIL Regulation 122 should be outlined within the supporting documentation. In practical terms, owing to the need to publish a Regulation 123 List, it is likely that only site specific or immediately adjacent measures will continue to be funded by Section 106 (i.e. site access or immediately adjacent open space). The Government's position on the role of Planning Obligations is clearly outlined in the Overview document at paragraphs 59 and 60, notably the statutory basis that they must be directly related to mitigating the impact of development, and that CIL payments and planning obligations do not overlap. It is noted that the District Council intends to largely replace the current Section 106 'pooled contributions' mechanism towards open space and transport with CIL. In the operation of CIL it is essential that minimal S.106 is sought to avoid 'double counting' of Section 106 contributions and CIL. Paragraph 6.13 of the Draft Charging Schedule Context and Rationale Document refers to the viability modelling assuming zero residual planning obligations. In reality, it is likely that developments will still proceed with some S.106 contributions (i.e. off site junctions/ S.278 obligations). Our clients therefore have concerns with the approach in the Viability Appraisal of assuming no S.106 as discussed in Section 4.</p>
DCS16	Burt Boulton Holdings			<p>Eling Wharf is proposed to be allocated for redevelopment with in the Pre-Submission Sites and Development Management DPD. The redevelopment of the site has the potential to deliver significant economic and environmental improvements, but would require substantial infrastructure at significant cost (including a new access, flood prevention measures and remediation works) as part of the development. It is vital that the application of the Community Infrastructure Levy (CIL) does not result in development becoming unviable, particularly in regeneration schemes, such as Eling Wharf, which have the potential to deliver significant benefits to the locality. We acknowledge that the evidence prepared demonstrates that the application of CIL on the development of schemes attracting charges does not affect the viability under normal circumstances.</p>	<p>It is vital that the CIL Charging Schedule provides the flexibility allowed under Regulation 55 of the CIL Regulations to enable NFDC the authority to apply discretionary relief in circumstances where applying CIL would render a development unviable. We support the inclusion of this provision within the Draft Charging Schedule Context and Rationale Document (April 2012) which should be read alongside the Draft Charging Schedule April 2012 and have the following comments:</p> <ol style="list-style-type: none"> 1. It should be made clear with in the Draft Charging Schedule Context and Rationale Document the discretionary relief should be applied on a comprehensive and site-wide basis and not on individual elements of a larger scheme that are included in order to ensure viability of the scheme as a whole. 2. The wording of chapter 7 of the Charging Schedule

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Context and Rationale Document should acknowledge that on some sites there are significant infrastructure improvements that will be required to enable the development of the site and deliver the associated regeneration and environmental improvements. Whilst such works would form part of the development proposal, they are also required to deliver the development and therefore contribute towards the costs of complying with the 5106. The viability assessment required to demonstrate that there are exceptional circumstances to obtain relief from the CIL payments should take account of all such costs.

3. Chapter 7 of the Charging Schedule Context and Rationale Document should recognise that in addition to allocated sites that are critical to the delivery of the strategy for the area, there are sites that have the potential to deliver significant benefits which it would also be appropriate for discretionary relief to be applied to.