

## **NEW FOREST DISTRICT COUNCIL**

### **CIL CHARGING SCHEDULE EXAMINATION**

#### **Examiner's Main Issues and Questions**

##### **1. Regulatory matters**

1.1 Can the Council confirm that the Schedule has been prepared in accordance with:-

- the statutory procedures
- the Council's Core Strategy and submitted Local Plan (Part 2)
- the consultation requirements set out in the Community Infrastructure Levy Regulations April 2010
- and is supported by a financial appraisal?

1.2 Are there any procedural shortcomings?

##### **2. Is there a substantial shortfall in the funding available for infrastructure required to support development in the area?**

2.1 Is the list of infrastructure projects in Appendix A of the Infrastructure Delivery Plan (IDP) (EVI02) a reasonable basis for identifying the cost of necessary infrastructure and the funding shortfall?

- Are all the projects in Appendix A consistent with aims of the Core Strategy and submitted Local Plan Part 2?
- Are all the projects in Appendix A necessary to accommodate new, planned development or, if not, is it reasonable for them to be included in identifying the funding shortfall to which CIL should contribute
- Should Appendix A include provision for additional primary school places in Ringwood? (Rep DCS009)

2.2 To what extent does the Council rely on the list of projects in Appendix B to identify a funding shortfall?

- To what extent are these projects necessary to meet existing deficiencies (including repair, maintenance and renewal of existing facilities) rather than to meet future needs?
- Are there any projects in Appendix B which are necessary to accommodate planned development? Council to respond to the representation made by Natural England.

##### **3. In setting the CIL rates, has the Council struck an appropriate balance between the funding shortfall and the potential effects on the economic viability of development across its area?**

3.1 Are the assumptions made in the *Viability Assessment Final Report* December 2011 (EVI03) reasonable, including:

- Developer profit at 20%;
- Residual S106 obligations at zero;
- Adequate incentive for landowners to bring forward land compared with existing use value/expectations?

## *Residential*

3.2 Is a single residential rate across the whole district justified, given the range of residential values across the district and the contribution to planned development within the eastern (Waterside) spatial area which generally has lower values than the other 2 spatial areas?

3.3 If a single rate is justified, is the proposed rate appropriate? Will it significantly affect the delivery of planned housing over the Core Strategy period? Where sample developments in some areas are shown in the *Viability Assessment* to be not currently viable, is the imposition of CIL a determining factor in viability?

3.4 Has the *Viability Assessment* adequately considered the particular viability considerations affecting sheltered housing, including:

- The extent of additional space required in such developments for communal areas, compared with conventional flatted development;
- The need for the whole development to be completed before the first unit can be occupied and the anticipated slower rate of sales (reps DCS001 and 007) compared with conventional housing sites?

3.5 Has adequate consideration been given to the impact on the viability of Extra Care housing schemes?

- Do such schemes normally fall within the C3 class (and thus be subject to the proposed residential rate) or would they be regarded as similar to Care Homes? *(It is not my intention to make any definitive ruling on this matter. The question is intended only to clarify the context for the discussion. Responses should therefore be appropriately succinct.)*
- If they are likely to be regarded as residential schemes, are the development costs/returns/risks associated with such developments materially different to those for sheltered housing and have they been adequately considered in the viability evidence?

3.6 If the residential CIL charge would adversely affect the viability of sheltered housing and/or Extra Care schemes generally in the district what are the consequences/appropriate response? Would it be possible for any such type of residential development to be excluded from the charge or be subject to a different rate?

*If the Council consider that such schemes would normally/often be subject to the residential CIL charge the Council is invited to consider the need for some additional evidence relating to the affect on the viability of such developments.*

*If any additional viability evidence is to be presented by any party in response to these questions, I request that there is discussion between the Council (and its advisers) and relevant representors to seek common ground for any such evidence where possible. Even if agreement cannot be reached, Statements of Common Ground should be prepared and accompany any additional submissions to identify the reasons for any disagreement over the respective approaches adopted.*

*Retail*

3.7 Is the proposed differential rate for retail schemes of different sizes justified by the evidence?

3.8 Is there sufficient evidence to establish that the threshold for the proposed charge should be set at 1000 sq m?

*Concerns raised in representations about the practical implementation of CIL (eg payment by instalments, relief, payments in kind) are not matters on which I could make any recommendation and are therefore not matters for specific Examination. Nevertheless, the Council may wish to take account of the representations made on these matters.*

**Simon Emerson**  
**Examiner**  
**23 August 2012**