

COMMUNITY INFRASTRUCTURE LEVY – DRAFT CHARGING SCHEDULE SUBMISSION DOCUMENT

1.0 INTRODUCTION

- 1.1 This report describes the background and consultation involved in the production of the New Forest District Council Community Infrastructure Levy (CIL) Charging Schedule, leading to the final version of the Charging Schedule and evidence to be submitted for examination. Members are asked to consider the Charging Schedule, and it is recommended that the necessary papers be approved for submission.

2.0 BACKGROUND

- 2.1 The CIL was first noted in the Planning Act 2008. This was followed in April 2010 with the Community Infrastructure Regulations and subsequent amendments in 2011.
- 2.2 The 'New Forest District Council Community Infrastructure Levy – Preliminary Draft Charging Schedule' (issued for consultation between 16 January and 27 February 2012) set out the Council's initial framework for justifying the introduction of a new CIL to be charged on most new development across the District. The CIL is a mechanism to allow local planning authorities in England and Wales to raise funds from developments to help pay for the infrastructure that is, or will be, needed as a result of new development. It applies to most new buildings and charges are based on the size and type of the new development.
- 2.3 Following the initial consultation a CIL 'Draft Charging Schedule' (issued for a period of representation between 20 April and 18 May 2012) was produced and is the version that is intended to be submitted for independent examination, followed by adoption in early 2013 at Full Council and commencement of the charging from 1 April 2013. A copy of the intended submission charging schedule can be seen at Appendix 1.

3.0 CONSULTATIONS

Stage 1: Preliminary Draft Charging Schedule

- 3.1 Following approval at the Cabinet meeting on 4 January 2012, the CIL 'Preliminary Draft Charging Schedule' was subject to a widespread public consultation for a 6 week period in January/February 2012. A total of 24 consultation responses were received. The main themes raising from the consultation were as follows:
- Concerns over how the charge will affect the viability of development, particularly in the East sub area (Totton and the Waterside);
 - Concern over Retail (A1, 2, 3 and 5) charging;
 - Concerns over viability assumptions made;
 - Support for relief to be made available and acceptance of payment in kind;
 - Clarification required on infrastructure priorities and residual use of S106;
 - Concerns over the instalment policy.

Stage 2: Draft Charging Schedule

- 3.2 A range of minor changes were incorporated into the CIL Draft Charging Schedule and supporting documentation in line with the comments received. The revised schedule was approved at the Cabinet meeting of 4 April 2012 for a final round of consultation in line with the Community Infrastructure Regulations 2010 (as amended). The rates proposed were:

	CIL Charge per sqm
Dwelling Houses (C3):	£80
Large A1 Retail (≥1000sqm)	£200
Small A1 Retail (< 1000sqm)	£0
Industry and offices (B1, B2 and B8):	£0
Hotels (C1):	£0
Residential Institutions (C2):	£0
Any Other uses	£0

Table 1: Proposed CIL Charging Rates

- 3.3 A total of 16 representations were received during this time. A report on the responses to the consultation can be seen at Appendix 2. The key themes raised within the representations were:

- 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.

4.0 CHARGING SCHEDULE - NEXT STEPS

- 4.1 The next key stages in the process, subject to approval, will be to submit the Draft Charging Schedule for examination along with:

- A statement setting out if representations were made in accordance with Regulation 17, the number of representations made and a summary of the main issues raised by the representations
- Copies of any representations made in accordance with Regulation 17
- Copies of the relevant evidence

- 4.2 The Council is also required to submit a declaration, approved at “a meeting of the authority, and by a majority of votes of members present”, that the charging authority has complied with the requirements of this Part and CIL regulations (including the requirements to have

regard to the matters listed in section 211(2) and (4)); that appropriate available evidence has been used to inform the Draft Charging Schedule, and that any other matters prescribed by CIL regulations have been dealt with. A copy of this declaration for approval can be found at Appendix 3.

- 4.3 The above documentation will all be available for inspection at Appletree Court, Lyndhurst. It will also be accessible via the Council's website.

5.0 FINANCIAL IMPACT

- 5.1 The receipts collected via CIL will help to fund a significant amount of infrastructure required to mitigate new development within the District. Further funding will be required up to 2026 to fully meet the currently identified priority projects which are wider than just NFDC projects. These will be dependent on further funding programmes becoming available during this time.

6.0 RISK ASSESSMENT CONSIDERATIONS

Risks

- 6.1 The scope to achieve funding through the Section 106 planning gain process will be very limited after April 2014 (or when CIL is introduced). Without the financial provision of a CIL Charging Schedule the Council will have increasing difficulties in meeting the infrastructure needs of the Council. Even with CIL, difficult decisions on priorities will need to be made.

Options

- 6.2 The alternative is that the Council does not pursue the introduction of a CIL Charging Schedule. The outcome of such an approach would result in the Council failing to capture a significant funding source for the delivery of infrastructure to support the district's future growth needs. In addition, the Council may find itself further compromised when addressing future infrastructure requirements beyond 2014, when the scope of the Section 106 process is reduced.

Future savings/efficiencies

- 6.3 The implementation of CIL introduces a new mechanism for the Council to capture income from development, which can be reinvested in needed local infrastructure. Also, it could speed up planning negotiations, leading to time savings and potentially reduced revenue costs. However, the introduction and application of CIL will have its own resource requirements.

7.0 CRIME AND DISORDER / EQUALITY AND DIVERSITY/ENVIRONMENTAL IMPLICATIONS

- 7.1 There are no significant Crime & Disorder or Equality & Diversity implications arising directly from this report. The reception of CIL funding should allow the Council to help maintain a better environment for its residents.

8.0 COMMENTS OF PLANNING AND TRANSPORTATION PORTFOLIO HOLDER

8.1 We have now completed the statutory consultation process and I am now pleased to recommend to Cabinet and Council that we go ahead and submit our proposal to the Inspectorate for review at a Public Hearing

9.0 RECOMMENDATIONS

9.1 It is recommended that Cabinet:

- a) Insofar as they are empowered to do so by law, the Cabinet, approves the Charging Schedule for submission, together with supporting documents, to the examiner;
- b) Authorises the Planning Policy Manager, in conjunction with the Planning and Transportation Portfolio Holder, to make minor amendments as necessary to prepare the 'New Forest District Council Community Infrastructure Levy – Draft Charging Schedule' and associated paperwork for submission for Examination.
- c) Approves the legal declaration required under the Planning Act 2008 and CIL Regulations 2010 (as amended).
- d) Recommends to the Council that Insofar as they are empowered to do so by law, the Council, approves the Charging Schedule for submission, together with supporting documents, to the examiner;, and also approves the legal declaration required under the Planning Act 2008 and the CIL Regulations 2010 (as amended)

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Appendices

Appendix 1 – Draft Charging Schedule
Appendix 2 – Report on consultation
Appendix 3 – S212 Declaration

Background Papers

Draft Charging Schedule Context and Rationale Document
Infrastructure Delivery Plan – April 2012
Community Infrastructure Levy Viability Assessment – December 2011



New Forest District Council Local Development Framework

Community Infrastructure Levy

Draft Charging Schedule

New Forest District outside the National Park

April 2012

Draft Charging Schedule

This Schedule has been issued, approved and published in accordance with Part 11 of the Planning Act 2008 and the Community Infrastructure Regulations 2010.

The Charging Authority	The Charging Authority is the New Forest District Council
Date of Approval	This Charging Schedule was approved by New Forest District Council on xxxxx
Date of Effect	This Charging Schedule will become effective on xxxxxx

Scope of CIL

New Forest District Council is a charging authority for the purposes of Part 11 of the Planning Act 2008 and may therefore charge the Community Infrastructure Levy in respect of development within the New Forest (outside the National Park).

CIL will be applicable on the net additional floorspace of all new development apart from those exempt under Part 2 and Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended by the Community Infrastructure Levy Regulations 2011). Those exempt from the charge are as follows:

- Buildings, or extensions to buildings, with less than 100 square metres gross internal floor space;
- Buildings into which people do not normally go, or go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery;
- Affordable housing;
- Buildings owned by charities used for a charitable purpose.

After producing viability evidence for the CIL, NFDC has identified a number of uses for which CIL will be chargeable.

The amount to be charged for each development will be calculated in accordance with Regulation 40 of the Community Infrastructure Levy Regulations 2010.

$$\frac{R \times A \times I_P}{I_C}$$

Where:

A = the deemed net area chargeable at rate R;

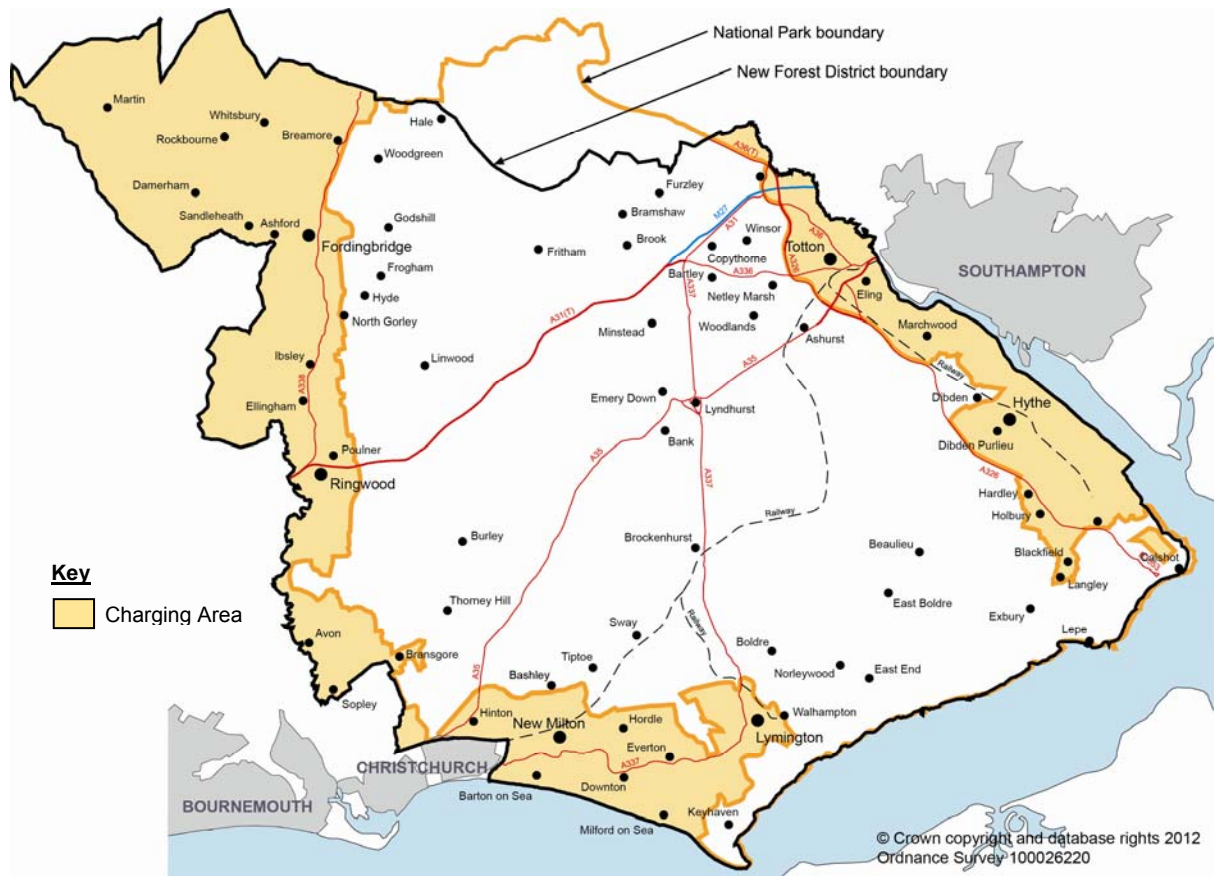
I_P = the index figure for the year in which planning permission was granted;

and

I_C = the index figure for the year in which the charging schedule containing rate R took effect

For the purposes of the formulae in paragraph 5 of Regulation 40, the relevant rate (R) is the Rate for each land use shown in the table below.

The Council will charge the Community Infrastructure Levy at the following rates (expressed as pounds per square metre):



Key
 Charging Area

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Ordnance Survey 100026220

	CIL Charge per sqm
Dwelling Houses (C3):	£80
Large A1, (≥1000sqm)	£200
Small A1, (< 1000sqm)	£0
Industry and offices (B1, B2 and B8):	£0
Hotels (C1):	£0
Residential Institutions (C2):	£0
Any Other uses	£0

Table 1 Council CIL charge

This Charging Schedule should be read alongside the Council's Community Infrastructure Levy Draft Charging Schedule Context and Rationale Document April 2012. This is available to view on the Council's website.

Please contact the Council's Policy and Plans Team on 023 8028 5345 for further information.



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				√

Regulation 19(1)(b): Statement: Report of Draft Charging Schedule Representations made in accordance with Regulation 17 of the Community Infrastructure Levy 2010 – May 2012

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 – Available for inspection directly from the Council’s planning department.

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

Community Infrastructure Levy

Declaration required under Planning Act 2008, Section 212, subsection 4 & 5

New Forest District Council hereby declares that:

- (a) as the charging authority it has complied with the requirements of Part 11 of the Planning Act 2008 and the Community Infrastructure Levy, (CIL), Regulations 2010 as amended by the CIL Regulations 2011 (including the requirements to have regard to the matters listed in section 211 (2) and (4) of the 2008 Act),
- (b) as the charging authority it has used appropriate available evidence to inform the draft charging schedule, and
- (c) that any other matters prescribed by CIL Regulations 2010 as amended have been dealt with.

Subsection (4) of the planning act requires that:

- (a) the charging authority has complied with the requirements of this Part and CIL regulations (including the requirements to have regard to the matters listed in section 211(2) and (4)),
- (b) the charging authority has used appropriate available evidence to inform the draft charging schedule, and
- (c) dealing with any other matter prescribed by CIL regulations.

Subsection (5) requires that this declaration was presented and approved:

- (a) at a meeting of the authority, and
- (b) by a majority of votes of members present.

This Declaration was presented and approved by a majority of the members present at a meeting of New Forest District Cabinet meeting on 6 June 2012 and Council meeting on 18 June 2012. A copy of the minutes of these meetings is available on the Council's website at www.newforest.gov.uk.

Signed:

Name:

Position:

Date:

Compliance with the legislative requirements for preparing and submitting a Draft Charging Schedule

The charging authority has complied with the requirements of this Part and CIL regulations (including the requirements to have regard to the matters listed in section 211(2) and (4)).

Regulation Number	The Community Infrastructure Levy Regulations, 2010 as amended by the CIL Regulations 2011
	Method of Compliance
12	The Draft Charging Schedule contains the information required by the Regulations, namely (a) the name of the charging authority; (b) the rates (in pounds per square metre) at which CIL is to be chargeable in the authority's area; (c) the location and boundaries of the zones for differential rates, on an Ordnance Survey base showing grid lines and references; and (d) an explanation of how the chargeable amount will be calculated.
13	New Forest District Council's differential Levy rates are compliant with Regulation 13, which enables charging authorities to set differential rates (including nil rates) by location and type of development.
14	In setting its differential Levy rates, New Forest District Council has complied with Regulation 14(1), which requires that it, "must aim to strike what appears to the charging authority to be an appropriate balance between (a) the desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding; and (b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area." The balance of these considerations is detailed in the "charging schedule", which has been available on the Council's website since January 2012.
15	<p>A Preliminary Draft Charging Schedule was approved on 4 January 2012 and published on 19 January 2012, together with the accompanying evidence base and notes. Consultation occurred in accordance with the Regulations over the period 19 January 2012 to 27 February 2012 with the prescribed consultation bodies, namely:</p> <ul style="list-style-type: none"> • All Parish and Town Councils in New Forest District • All adjoining local planning authorities <p>Comments were also invited from residents, businesses and voluntary bodies, including:</p> <ul style="list-style-type: none"> • All developers, agents, landowners and interested parties • Statutory LDF consultees, including the Homes and Communities Agency • Local interest groups • The public – a press release was issued and a copy of the Preliminary Draft was made available in all public libraries, in all Customer Service Points in the New Forest District, in all the Council's area headquarters and on the Council's website.

	<p>24 responses were received on the Preliminary Draft Charging Schedule (PDCS). These informed the preparation of the Draft Charging Schedule, and was reported to New Forest District Council's Cabinet on 4 April and Council on 16 April. Full details are contained in the "Report of Preliminary Draft Charging Schedule Consultation" available on the Council's website.</p>
16	<p>In accordance with the Regulations, the Draft Charging Schedule was published, together with a Representations Form, Accompanying Notes, and relevant evidence on the Council's website on 20 April 2012. The webpage stated where the documents could be inspected and how representations could be made.</p> <p>Copies (electronic or paper) were sent to each of the prescribed consultation bodies. In addition, all previous respondents on the Preliminary Draft Charging Schedule and around 280 consultees on the CIL Consultation database were notified of the publication of the Draft Charging Schedule and representations procedure.</p> <p>A local advertisement notice was placed in the Avon Advertiser on Wednesday 18 April 2012, and the Bournemouth Echo, Southern Echo and Lymington Times on 20 April 2012.</p> <p>16 representations on the Draft Charging Schedule were received. All those making representations will be informed of each subsequent stage in the examination and adoption process, including submission, publication of the examiner's report and approval of the charging schedule by the charging authority.</p>
17	<p>The period for representations on the Draft Charging Schedule was 20 April 2012 to 18 May 2012.</p>
19	<p>New Forest District Council will submit this Declaration and the following to the examiner in accordance with the Regulations:</p> <ul style="list-style-type: none"> (a) the Draft Charging Schedule; (b) a summary of the main issues raised by the representations; (c) copies of the representations; (d) any modifications; (e) Copies of the relevant evidence. <p>Copies of the above documents will be made available at New Forest District Council's area headquarters as required by the Regulations. All documents will be available on the Council's website and a statement of the fact that the documents are available for inspection and where they can be inspected will be published.</p> <p>Any modifications to the Draft Charging Schedule, will be published on the Council's website and notified to all prescribed consultation bodies, before submission of the Draft Charging Schedule to the examiner, as required by the Regulations.</p> <p>All those who have made representations on the Draft Charging Schedule will be notified of the submission of the Draft, together with any modifications, and will be kept fully informed of the progress of the examination.</p>

Section Number	Planning Act 2008
	Method of Compliance
Part 211	<p>In preparing the Draft Charging Schedule New Forest District Council has had regard to the actual and expected costs of infrastructure; the economic viability of development; other actual or expected sources of funding for infrastructure; the actual or expected administrative expenses in connection with CIL; and the Statutory Guidance. New Forest District Council has consulted a range of stakeholders in preparing the Draft Charging Schedule, with consultations taking place as follows:</p> <p>Preliminary Draft Charging Schedule – 19 January 2012 to 27 February 2012 Draft Charging Schedule – 20 April 2012 to 18 May 2012</p>
Part 212	<p>New Forest District Council has appointed the Planning Inspectorate to examine the Draft Charging Schedule, as an appropriate independent body that has suitable qualifications and experience for the task. All persons who have submitted representations about the Draft Charging Schedule will be given the opportunity to be heard by the examiner.</p> <p>The following appropriate, available evidence has informed the Draft Charging Schedule:</p> <ul style="list-style-type: none"> • Infrastructure Delivery Plan 2012 • Community Infrastructure Levy Viability Assessment: New Forest District Council and New Forest National Park Authority December 2011 • Core Strategy 2009