

APPENDIX 1

Community Infrastructure Levy (CIL) – Preliminary Draft Charging Schedule

Summary of Responses

December 2012

Wiltshire Council

13 December 2012

1. Introduction

- 1.1 Wiltshire Council consulted on a Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule between 1 October and 12 November 2012, with responses from town and parish councils accepted up to 5 December 2012 to enable them to respond fully to the consultation.
- 1.2 This document provides an overview of the consultation methodology and a summary of the key issues received in response to the consultation.
- 1.3 The Preliminary Draft Charging Schedule sets out the proposed rates of CIL to be charged on different types of development across Wiltshire, as shown in *Table 1.1*. The Council also invited comments on the viability and infrastructure evidence base and an instalments policy for payment of CIL.

Development type	CIL Charge £/sq m
Residential	£70
Retail (<i>except retail warehouse, supermarkets and similar development</i>)	£0
Retail warehouse, supermarkets and similar development	£175
Student housing and hotels	£70
All other uses	£0

Table 1.1 – CIL Rates (in £ per sqm)

2. Consultation methodology

- 2.1 The Council consulted on the preliminary draft charging schedule in the following ways:
- A series of councillor briefings in early September (*attended by a total of 24 Members*)
 - Developers Forum at Trowbridge Civic Centre Thursday 18 October (*total number of external attendees = 24*)
 - Town and parish council newsletter
 - Elected Wire

- Wiltshire Magazine
- Several local newspapers throughout Wiltshire
- Notification of consultation through Community Area Board Chair announcements
- Direct email/ letter notifications to all town and parish councils, neighbouring authorities, a wide range of national/ local developers, landowners and property agents, infrastructure providers, local businesses and Chambers of Commerce, charities and voluntary organisations and local interest groups
- Hard copies of all consultation documents available from the main Council offices and libraries
- Electronic copies of all consultation documents available from the Council's website and online consultation portal
- Comments accepted by post, email and online, through the Council's consultation portal

2.2 The following consultation material was provided:

- Preliminary Draft Charging Schedule
- Easy Guide to CIL
- Response form
- CIL Background Paper
- Viability Study
- Infrastructure Delivery Plan and Funding Gap Analysis
- Consultation letter

3. Overview of consultation

3.1 This section sets out an overview of the comments received in response to the consultation on the Wiltshire CIL preliminary draft charging schedule and provides a brief summary of some of the key issues raised.

Developers Forum

3.2 The Council invited a total of 121 local and national developers, property agents and landowners to the CIL Developers Forum, which was held on Thursday 18 October 2012 in Trowbridge Civic Centre. The total number of external attendees was 24.

3.3 The forum was chaired by Economy and Regeneration Service Director, Alistair Cunningham. Consultants BNP Paribas gave a presentation on the viability evidence base and facilitated a discussion about the proposed rates of CIL.

3.4 The key suggestions that came out of the forum were as follows:

- Review how the strategic sites have informed the viability study and assess the need for further work in this area

- Consider different sizes of retail unit (large and small) in setting a CIL rate, i.e. look at retail units, retail warehouses, supermarkets and similar development
- Look at presenting the proposed CIL rates in the context of use classes
- Take into account the importance of MOD serviceman accommodation in terms of viability testing

3.5 The full minutes from the forum are available online at www.wiltshire.gov.uk/communityinfrastructurelevy.

Nature of respondents

3.6 The Council received representations from 88 different individuals or organisations. *Figure 3.1* below shows the breakdown of respondents by type. This shows that the largest groups of respondents were town and parish councils and landowners/ developers etc. A smaller number of representations were received from the general public, advisory bodies and infrastructure providers, and local and national interest groups.

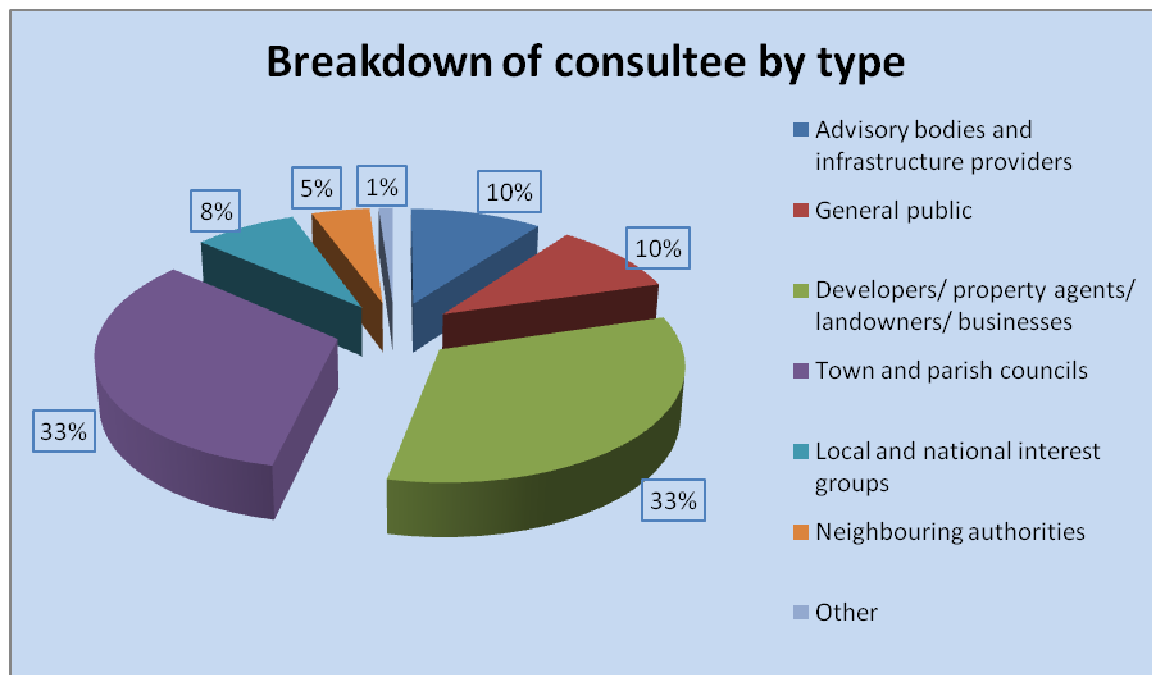


Figure 3.1 – Breakdown of consultees by type

Key issues

3.7 Some of the key issues raised in the representations are summarised by type of consultee below. The list is not exclusive. All comments are available to view on the Council's online consultation portal.

a) Town and parish councils

3.8 The key issues raised by town and parish councils are as follows:

- Loss of benefits from R2 funding for south Wiltshire town and parish councils
- Proportion of CIL to be allocated to the local community and that it should go to town and parish councils, not community area boards
- Differential CIL rates for individual developments
- CIL should be applied to more types of development, e.g. commercial
- More clarity on the how CIL applies to different Use Classes
- Supportive comments for CIL focused on potential community benefits and the preparation of the evidence base by independent consultants
- Objections to CIL focused on perceived adverse impact on development, in particular on small developers

b) Developers, property agents, landowners and businesses

3.9 The key issues raised by developers, property agents, landowners and businesses are as follows:

Residential

- Consider exempting care homes (C2) and extra care housing (C3) from CIL
- Consider exempting MOD servicemen accommodation from CIL
- Consider exempting housing for agricultural, forestry and related workers from CIL
- Support for differential rates between high and low value areas and between urban and rural areas

Retail

- Clarify definitions of “retail warehouse”, “supermarket” and “similar development”
- Differential rates only allowed for different uses or locations, not by size of development

Other uses

- Mixed support for charging CIL on hotels and student housing
- Some support for zero-rated CIL on other uses but, also, concern that they will not be contributing their fair share towards necessary infrastructure

Instalments policy

- Strong support for an instalments policy

Viability study

- Concern about assumptions in viability study on, for example, abnormal costs, build costs and developer profit
- Concern that study does not assess large, strategic sites or sites of one dwelling
- Concern that study recommends single, flat rate of CIL when evidence shows wide variation in land and sales values across the county
- Concern that the study recommends a level of CIL that makes the 40% affordable housing target (in the Core Strategy) unachievable in some locations
- Concern that the extra cost of achieving Code for Sustainable Homes (CSH) Level 5 is not included in the assessments, despite it being a Core Strategy requirement to achieve CSH Level 6 by 2016
- Concern about density/ site coverage assumptions being too high for larger, strategic urban extensions (50 dwellings per hectare (dph) when 35 considered more realistic)
- Concern about blanket use of affordable rent as a substitute for social rent leading to a higher rate of CIL being considered viable
- Concern that the average sales values are over-inflated by the use of asking prices, rather than sales values, and the lack of representative sales values data from all settlements

Infrastructure planning

- Concern that Infrastructure Funding Gap (IFG) analysis contains infrastructure projects that are unlikely to be funded through CIL and, thus, distorts the IFG, e.g. the electrification of the Great Western Main Line and various Wilts & Berks Canal projects
- Concern that the IFG analysis fails to fully take into account other sources of infrastructure funding, such as Section 106, the New Homes Bonus and Sport England.

Spending CIL

- A draft Regulation 123 list should be published alongside the consultation on a Draft Charging Schedule, setting out what CIL and Section 106 will be spent on
- Concern that CIL receipts might not be used to deliver infrastructure necessary to unlock large, strategic sites that have made the financial contribution

Other issues

- Concern that the preparation of the charging schedule is not compliant with the NPPF
- Suggestion that the charging schedule should only be progressed after formal adoption of the Core Strategy when there will be more certainty over future housing and infrastructure delivery
- Support for a review of CIL in relation to affordable housing policies in the Core Strategy, given the evidence in the viability study
- Support for an exceptional circumstances policy

- Concern about transparency and justification about the up to 5% of CIL to be spent on administration costs
- Support for further viability work in assessing strategic sites in the Core Strategy
- Consideration of differential CIL rates for strategic sites/ regeneration zones

c) Advisory bodies and infrastructure providers

3.10 The key issues raised by advisory bodies and infrastructure providers are as follows:

- Concern CIL will not provide sufficient mitigation for further development in AONBs
- Green infrastructure should be given greater priority when spending CIL
- Spend CIL on surface water flooding prevention schemes
- Consider impact of development on rail infrastructure

d) General public

3.11 The key issues raised by the general public are as follows:

- Adverse impact on single, self-build houses
- Increase house prices, especially for first-time buyers
- Incentive for developers to build smaller and substandard houses
- Support for differential rates of CIL

e) Local and national interest groups

3.12 The key issues raised by local and national interest groups are as follows:

- Concern that CIL will not contribute sufficient funds towards mitigating traffic impacts
- Presentation of the Infrastructure Delivery Plan makes it difficult to get an overall picture of transport requirements across the County
- Lack of costs or funding sources for transport projects in south Wiltshire
- Inappropriate infrastructure projects used to establish the IFG, e.g. electrification of the Great Western Main Line and various Wilts & Berks Canal projects
- More detail on infrastructure costs and delivery
- Higher priority for green infrastructure and biodiversity projects

f) Neighbouring authorities

3.13 The key issues raised by neighbouring authorities are as follows:

- More clarity over definition of “retail warehouses”, “supermarkets” and “similar development”

- Charging £0 per sqm CIL on town centre retail is at the cost of potential income and not supported by the viability evidence
- Higher CIL rates should be possible in some areas, according to the viability study
- Concern about whether CIL funds will be paid to neighbouring authorities who provide school places for Wiltshire children
- More clarity on whether financial contributions to mitigate against impacts on the legally protected New Forest sites have been reflected in the preparation of the charging schedule

4. Next steps

- 4.1 The next step in the preparation of the CIL Charging Schedule is for the Council to prepare and consult upon a Draft Charging Schedule, taking into consideration the responses received during the Preliminary Draft Charging Schedule consultation.