# West Dorset and Weymouth and Portland Councils Community Infrastructure Levy:

Consultation on the Preliminary Draft Charging Schedule 15 June-27 July 2012: Feedback Report

1.	Introduction	2
1.1.	The purpose of this report	2
1.2.		
1.3.	How we consulted on the Preliminary Draft Charging Schedule	. 2
2.	Who responded	. 2
2.1.	Who made comments	2
3.	Analysis of comments made	3
3.1	Comments outside the scope of this consultation	3
3.2	Essential rural workers' dwellings	
3.3	Treatment of holiday dwellings	. 4
3.4	Differential rates	4
3.5	Payment of CIL by instalments	5
3.6	Zero rating retail development	5
3.7	Underlying viability assumptions	. 5
3.8	Treatment of retirement housing	6

#### 1. INTRODUCTION

## 1.1 The purpose of this report

In accordance with CIL Regulation 15, West Dorset District Council and Weymouth and Portland Councils prepared a joint Preliminary Draft Charging Schedule setting out proposed rates to be levied on new development and this was subject to consultation from 15 June-27 July 2012. This report sets out the main issues raised and what changes are proposed in response.

#### 1.2 Previous consultation

We contacted all agents and developers registered on both councils agents' panels and invited them to a viability workshop in Feb 2012. This helped to inform values used in viability work undertaken in conjunction with consultants BNP Paribas. In addition, we undertook member briefings for both councils, gave presentations to local area partnerships, attended 16 Local Plan consultation events to invite discussion on CIL issues, met various service providers when compiling the evidence base for infrastructure requirements and provided regular updates on the councils' web-sites.

## 1.3 How we consulted on the preliminary draft charging schedule

Responses were invited from parties on the councils' database including town and parish councils, local area partnerships, agents' panels, utility companies, adjoining authorities, statutory consultees and individuals and companies that had previously expressed an interest in CIL.

In addition, awareness was raised by advertising the consultation in the local press and at libraries and council offices throughout both districts and on the dorsetforyou web-site.

#### 2.0 WHO RESPONDED

#### 2.1 Who made comments

29 comments were received either via e-mail or post. Respondents fall into 3 broad categories: landowners/developers and their agents; public sector; and voluntary organisations.

#### All respondents are listed below:

- -Anthony Moger
- -Beaminster Society
- -Beaminster Town Council
- -Boon Brown
- -Bridport Town Council
- -Burton Bradstock Parish Council
- -C G Fry & Son
- -Charles Anderson
- -Country Land & Business Association
- -D Gardner
- -Deeley Freed Group
- -Dorchester Area Access For All
- -Dorset County Council
- -Dorset fire & Rescue Service
- -Dorset Police
- -Hallam Land Management Ltd
- -Highways Agency
- -McCarthy & Stone Retirement Lifestyles Ltd
- -Maiden Newton Parish Council
- -Nathaniel Lichfield & Partners
- -Natural England
- -Owermoigne Parish Council
- -Persimmon Homes South Coast
- -Sainsburys Supermarkets Ltd
- -South Coast Equestrian
- -South West HARP Planning Consortium
- -Stinsford Parish Council
- -West Dorset Holiday Parks Association
- -Woodland Trust

#### 3.0 ANALYSIS OF COMMENTS MADE

#### 3.1 Comments outside the scope of this consultation

Some respondents questioned the principles of CIL. Others were concerned with spending priorities for CIL receipts and the costs of administration. However, the purpose of this consultation, as set out in the CIL regulations, is to seek comments on the proposed CIL charges and the viability work that underpins these. Therefore, only those comments that fulfil these criteria are considered here. The following points raised are listed in order of number of respondents for each point.

## 3.2 Essential rural workers dwellings

These are defined as housing for full-time rural workers in agriculture, horticulture or other rural businesses that require essential 24 hour supervision. 3 parish councils proposed a zero CIL rate on this dwelling type and 2 others suggested a further reduced rate.

## Officer response

Consideration should be given to zero rating this form of housing on viability grounds so that a CIL charge does not apply. Consent for this form of development is tied to a larger rural enterprise and this restricts their value and hence ability to absorb CIL.

#### 3.3 Treatment of holiday dwellings

3 comments proposed charging these at the same rate as market housing, 1 at a further reduced rate and another at a zero rate. 2 comments were received requiring clarification of what is meant by this development type and whether this would include caravans.

#### Officer response

CIL is payable on the creation of a new building and caravans do not meet this definition. 'Holiday dwellings' in this context refers to permanent buildings restricted to holiday use. Consideration should be given to charging these at the same rate as market housing.

#### 3.4 Differential rates

Several respondents questioned the proposed uniform rate of CIL for residential development when the viability evidence indicated that a differential rate could be applied. In particular, viability was questioned on key site allocations at Chickerell and Crossways in the Draft Local Plan.

#### Officer response

A uniform CIL rate has the advantage of simplicity both in application and public understanding. However, a review of the viability evidence suggests that a rate of £80/sq.m. should be applied in Chickerell and Crossways and a rate of £100/sq.m. throughout the remainder of West Dorset. These rates are now reflected in the Draft Charging Schedule.

## 3.5 Payment of CIL by instalments

4 comments were received advocating payment of CIL by instalments, with particular emphasis on phased developments.

## Officer response

CIL regulations currently restrict payment by instalments by time not occupation. It is recommended that payment on the larger CIL amounts should be by instalments as permitted in the regulations and this is a policy that requires further consideration.

## 3.6 Zero rating retail development

3 developers questioned the justification, on viability grounds, for charging £100 per sq.m. on retail developments in excess of 280 sq.m. and zero rating stores under this threshold.

## Officer response

A similar proposal was recently withdrawn following criticism by the examiner at the recent Borough of Poole CIL Examination. It is therefore recommended that retail development be zero rated for CIL but this proposal could be reviewed in the light of any further evidence that might support the original proposed charge. If this were to happen, further consultation on this aspect of the charging schedule would need to be undertaken

# 3.7 Underlying viability assumptions

Some respondents questioned the underlying assumptions used in the viability modelling.

#### Officer response

The assumptions were discussed at the viability workshop held in February and attended by developers, agents and landowners. The consultants undertaking the viability work on behalf of the councils are representing many other authorities introducing CIL including several that have passed their Examination in Public so the assumptions have been found to be

sound by independent examiners. Notwithstanding this, meetings with respondents are to be offered to address individual concerns.

## 3.8 Treatment of retirement housing

One developer submitted comments advocating that retirement housing should be treated differently from other types of residential development due to additional costs and slower sales rates associated with their product.

## Officer response

It is acknowledged that retirement housing incurs additional costs when compared to conventional housing. However, such costs tend to be offset by the ability of these schemes to achieve higher densities and premium prices for the finished product reflecting the additional facilities that residents enjoy. Where retirement schemes offer extra care facilities and are classified as C2 uses as a result, then no CIL would be charged under the proposed Draft Charging Schedule.