

Dorset County Council



Unclassified

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Date: 29 December 2014
Ask for: Gill Smith
My ref:
Your Ref:

Dear George,

Christchurch and East Dorset Councils Community Infrastructure Levy Submission of Draft Charging Schedule with Statement of Modifications.

I refer to Christchurch and East Dorset Councils' consultation on the proposed modifications to the CIL Draft Charging Schedule.

Dorset County Council has considered the proposed modifications and wishes to comment on them. At this stage we wish to record a request to be heard at the examination. I attach a schedule that identifies the modifications that we have concerns about and sets out the reasons for our concern and our suggestions to help remedy the situation.

I trust this meets your requirements.

Yours sincerely,

Gill Smith

Gill Smith
Senior Planning Officer

Dorset County Council comments on Christchurch and East Dorset Councils Community Infrastructure Levy Statement of Modifications to the Draft Charging Schedules for Christchurch and East Dorset

Ref	Page/ Para	Modification	DCC Comments
SM7	4.12	<p><u>Following consultation on the Draft Charging Schedule PBA have further updated the viability report. The viability report addendum incorporates assessment of updated housing values and costs and should be read in conjunction with the East Dorset District Council and Christchurch Borough Council Community Infrastructure Levy Viability Testing Report (June 2013). The updated viability work incorporates assessment of Core Strategy affordable housing policy requirements at 40%. Additional viability work has also been undertaken for the Core Strategy strategic sites where SANG and 50% affordable housing is provided to assess their capacity for a CIL charge. PBA has also further assessed the viability of Extra Care Housing, Sheltered Housing and Housing for Vulnerable People.</u></p>	<p>Dorset County Council does not support modification SM7 in so far as the updated viability work fails to take into account the national change to the site size threshold below which affordable housing may be sought that has now come into effect. (Ref National Planning Policy Guidance on Planning Obligations Para 12).</p> <p>It is considered that the change in the NPPG could have significant implications for the viability of small sites in Christchurch and East Dorset and may enable such sites to make higher CIL contributions. In view of the large funding gap identified in the Draft Charging Schedule, the County Council considers that every opportunity to increase funding through CIL should be explored and that the implications of this change should therefore be tested to see if the charge rate for residential development could be increased within viability thresholds.</p> <p>Dorset County Council considers that, as currently proposed to be modified, the Charging Schedule is unsound. As the viability testing has failed to examine the opportunity to increase the charge rate that the reduction in threshold for affordable housing may afford, it is thus not effective.</p> <p>Proposed Further Change</p> <p>We understand the urgent need to adopt a Charging Schedule in order to be able to seek contributions from development after April 2015. We would suggest that in order to progress the scheme as quickly as possible, further targeted viability testing to assess the contribution of sites of 10 dwellings or less that will be exempt from affordable housing contributions could be undertaken immediately so that the evidence can be considered at the Examination hearings.</p>

SM8	4.13	<p>The study for both authority areas shows that care homes, residential and convenience retail development is sufficiently viable to pay CIL at the rates set out in the Draft Charging Schedules below. The PBA viability work concludes that with an assumed rate of 35 40% affordable housing many development scenarios retain a significant 'buffer'. The analysis shows that, in theory, a CIL charge of £100 70 per sqm is payable by all developments. However in some instances this safety margin is narrow. Scenario modelling as part of the CIL viability research confirmed that many developments would still be viable whilst providing significantly more than 30% or 35% affordable housing and meeting proposed CIL requirements.</p> <p>Viability work undertaken by PBA for the Core Strategy strategic sites concludes that with a CIL rate of £0 per sqm an affordable housing rate of up to 50% (Up to 35% Christchurch Urban Extension) can be delivered. The PBA viability work also concludes that Extra Care Housing and Housing for Vulnerable People should be added</p>	<p>Whilst recognising the need to ensure that developers are not charged twice for infrastructure, Dorset County Council notes the proposed change to exempt strategic sites from paying CIL and allow them to pay through Section 106 agreement only. Whilst in principle we recognise this mechanism should still enable obligations to be secured towards necessary infrastructure, we are concerned about how development will be monitored and the funds collected will be managed. With the limit on pooled contributions from Section 106 funding from 5 sites only, there may be opportunity for developers to avoid making contributions. If the infrastructure cannot be funded within the timescale of the S106 agreement, payments may have to be returned to developers.</p> <p>We are also opposed to the proposed reduction in the charge rate for residential (C3 use) from £100 to £70 per sq m.</p> <p>We are concerned that such a large proposed reduction in the amount of CIL collected will impact on the delivery of the essential infrastructure that is required to support development. This is a significant loss of funding which will inevitably result in less being made available to help deliver transport and other infrastructure provided by the County Council.</p> <p>Dorset County Council, as a key provider of critical infrastructure, has an interest in how the expenditure of CIL will be prioritised. For example, when development is proposed the public and local members are often concerned that traffic arising from that development will lead to worse congestion. If funds are not made available to improve junctions and widen travel choice then these fears will be realised and traffic congestion will indeed worsen. We seek your assurance that the County Council will be included in any working group or other mechanism established to draw up priorities.</p>
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		<p>to the Draft Charging Schedules at a rate of £40 per sqm. It is therefore considered that the affordable housing target set out in Policy KS3 of the Submission Core Strategy is deliverable during the plan period.</p>	<p>Proposed Further Change We understand the urgent need to adopt a Charging Schedule in order to be able to seek contributions from development after April 2015. We would suggest that in order to progress the scheme as quickly as possible, further viability testing to assess the contribution of sites of 10 dwellings or less that will be exempt from affordable housing contributions should be undertaken immediately so that it can be considered at the Examination hearings. We would also suggest that, subject to the results of the testing indicating that a higher contribution may be sought from residential development, the charge proposed in the Draft Schedule (£100 per sq m) should be retained since this has already been subject to consultation and this may therefore help expedite the adoption of the Charging Schedule.</p>
SM10	5.2	<p>Christchurch Proposed CIL Rate Residential £100 £70 Residential on the following New Neighbourhood sites (allocated in the Core Strategy) which provide their own Suitable Alternative Natural Green Space as mitigation for European sites: £0</p> <ul style="list-style-type: none"> • Roeshot Hill <p>Christchurch Urban Extension (CN1) – 950 dwellings</p> <ul style="list-style-type: none"> • Land South of Burton Village (CN2) – 45 dwellings 	<p>Dorset County Council objects to this proposed modification for the reasons set out in the response to SM 7 and SM8 above.</p>
SM11	5.2	<p>East Dorset Proposed CIL Rate Residential £100 £70 Residential on the following New Neighbourhood sites (allocated in</p>	<p>Dorset County Council objects to this proposed modification for the reasons set out in the response to SM 7 and SM8 above.</p>

		<p>the Core Strategy) which provide their own Suitable Alternative Natural Green Space as mitigation for European sites: £0</p> <ul style="list-style-type: none"> • Cuthbury Allotments & St Margarets Hill (WMC5) – 220 dwellings • Cranborne Road, North Wimborne (WMC7) – 600 dwellings • South of Leigh Road (WMC8) – 350 dwellings • Lockyers School and Land North of Corfe Mullen (CM1) – 250 dwellings • Holmwood House New Neighbourhood (FWP3) 150 dwellings (resolution to grant planning permission) • East of New Road, West Parley (FWP6)– 320 dwellings • West of New Road, West Parley (FWP7) – 150 dwellings • North Western Verwood New Neighbourhood (VTSW4)– 23 dwellings • North Eastern Verwood New Neighbourhood (VTSW5) – 65 dwellings (resolution to grant planning permission) • Stone Lane, Wimborne (WMC6) – 90 dwellings 	
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