

# **DRAFT COMMUNITY INFRASTRUCTURE LEVY (CIL) SCHEDULE**

## **DACORUM BOROUGH COUNCIL**

### **EXAMINATION HEARING – 26 SEPTEMBER 2014**

#### **AGENDA**

#### **1. INTRODUCTIONS**

Welcome, housekeeping matters and introductions.

#### **2. EVIDENCE BASE – Development Plan and Infrastructure**

- Dacorum Borough Core Strategy (adopted September 2013) and an overview of the Early Partial Review.
- Dacorum Infrastructure Delivery Plan Update (January 2014) and the suite of supporting (earlier) infrastructure studies, strategies and plans (2009 - 2013).
- The infrastructure funding gap assessments (2012 – 2014).
- CIL income projections.
- The Draft Regulation 123 List and June 2014 amendments to it.
- Residual role for S.106 Planning agreements.

#### **3. RESIDENTIAL CIL**

##### **Background viability evidence**

- The Stage 1 Economic Viability Assessment (December 2012).

## **The Updated Viability Study (July 2013)**

### Residential CIL Viability Modelling Assumptions

- The seven 'market areas'.
- The four benchmark land values (BLV1- 4).
- Sales values.
- The ten 'site types' - modelled residential development scenarios including housing mix and density assumptions.
- Build costs including Code for Sustainable Homes requirements.
- Externals and infrastructure costs.
- Affordable housing.
- Fees, contingencies and finance.
- S.278 and S.106 costs.
- Developer profit.

### The Residential CIL Viability Appraisals

- The Updated Viability Study (July 2013) appraisals for residential schemes.
- The Strategic Sites Testing (October 2013) appraisals.
- Extra Care and retirement housing viability.

### The Residential CIL Charges and Zones

- The process of defining the residential CIL rates.
- The Zone 1 ('Berkhamsted and surrounding area') £250 psm CIL charge for residential development.
- The Zone 2 ('Elsewhere') £150 psm CIL charge for residential development.
- The Zone 3 ('Hemel Hempstead and Markyate') £100 psm CIL charge for residential development.
- The Zone 4 ('Identified Sites') £0 psm CIL charge for residential development.
- The £125 psm CIL charge for 'retirement housing' in Zone 1 ('Berkhamsted and surrounding area').

### Overall

- The overall effect of the residential CIL charges on the viability of residential development across the borough.

#### **4. COMMERCIAL CIL**

##### **Background viability evidence**

- The Stage 1 Economic Viability Assessment (December 2012).

##### **The Updated Viability Study (July 2013)**

###### Commercial CIL Viability Modelling Assumptions (July 2013)

- Development types.
- Current Use Values (CUV 1-3) and landowner's premiums.
- Commercial rents and yields.
- Commercial build costs.
- Infrastructure and externals.
- Contingencies.
- S.278 and S.106 costs.
- Developer profit.

###### The Commercial CIL Viability Appraisals (July 2013)

- Offices.
- Industrial (small and large).
- 'All Other Retail' – Berkhamstead Town Centre.
- 'All Other Retail' – Hemel Hempstead Town Centre.
- 'All Other Retail' – 'rest of the borough'.
- Convenience supermarket, superstore and retail warehouse.
- Hotel.

###### Additional Viability Note in Relation to Retail (April 2014)

- Updated viability appraisals for retail developments.

###### The Commercial CIL Charges

- The £150 psm borough wide CIL rate for 'convenience based supermarkets and superstores and retail warehousing (net retailing space of over 280 square metres).
- The £0 psm CIL rate for all 'other' development.

###### Overall

- The overall effect of the commercial CIL charges on the viability of development across the borough.

**5. Other CIL Matters**

- Discretionary relief for exceptional circumstances.
- Draft Instalment Policy.
- Payment in Kind Policy.
- Any other matters that the Council and Representatives wish to raise.

**6. Round Up and Conclusions**

In this final session, I will give the participants an opportunity to sum up their views on the evidence. The focus of this session will be on an overarching examination question, which is whether the CIL proposals strike an 'appropriate balance' between funding necessary infrastructure and development viability.

**Mr. P.J. Staddon – Appointed Examiner – 18 August 2014**