



Community Infrastructure Levy - Draft Charging Schedule

Representations Form

Please return your form or separate written comments by **5pm on the 12th March 2014** to:

CIL Consultation, Strategic Planning and Regeneration, Dacorum Borough Council, Civic Centre, Marlowes, HEMEL HEMPSTEAD, Hertfordshire, HP1 1HH or cil@dacorum.gov.uk

PART A – PERSONAL DETAILS

Title: Mr

Forename: Mark

Surname: Wilson

Organisation (if applicable): Vincent and Goring on Behalf of National Grid

Address:

Town:

County:

Postcode:

Email:

Please tick this box if you are happy to be contacted by email rather than by post

Question 1 – Did you provide the Council with representations upon its Preliminary Draft Charging Schedule?

Yes

No

Please note that your comments and personal details will be available for public inspection (apart from telephone and email addresses) and therefore cannot be treated as confidential. **Your name and address must be completed for your representation(s) to be considered. If you have any queries, please contact Strategic Planning & Regeneration on 01442 228660.**

PART B – YOUR REPRESENTATIONS

The purpose of the examination will be to establish that:

- The Charging Authority has complied with the requirements set out in Part 11 of the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended),
- The Charging Authority's Draft Charging Schedule is supported by background documents containing appropriate available evidence,
- The proposed rate or rates are informed by evidence and strike an appropriate balance between the need to fund infrastructure and the evidence on economic viability across the Charging Authority's area; and
- Evidence has been provided that shows that the proposed rate (or rates) would not threaten the delivery of the relevant Plan (Core Strategy) as a whole.

Representations must relate to these matters and the following questions are designed to enable comments to be made on these issues. Other matters may be outside the scope of the examination and will be subject to the Inspectors judgement as to their relevance. All representations will be considered by the Examiner as written representations.

The Council has established through its infrastructure planning work and the publication of its Infrastructure Delivery Plan (InDP) that there are a number of infrastructure projects that are required to support and sustain the level of growth identified in the Core Strategy. Although there are a number of sources of funding for these projects there would be an infrastructure funding gap amounting to some £65.46 million as set out in the Infrastructure Funding Gap Assessment Update – January 2014 (IFGA) In order to meet this funding gap the Council is proposing to charge a CIL.

The proposed rates are informed by a series of viability reports prepared by BNP Paribas Real Estate. The main report was published in December 2012 in advance of our consultation on the Preliminary Draft Charging Schedule (PDCS). The appraisals within this document were updated to reflect the comments received in response to the PDCS consultation and an updated report was published in July 2013. The Council revised its rates for retirement housing and retail development having considered the new viability evidence and having regard to the recommendations to Cabinet on the 23rd July 2013. A number of key sites and locations identified for housing and other land uses were also tested following the publication of the Department for Communities and Local Government CIL Guidance 2013 and the results of these appraisals are incorporated into a separate viability report dated October 2013. All of the viability reports prepared for the Council are available on the CIL section of the Council's website.

The Council is of the view that the delivery of key items of infrastructure, upon land at West Hemel Hempstead identified as LA3 within the Core Strategy and land known as Spencer's Park to the east of Hemel Hempstead, would be more effectively delivered were they to be subject to a Section 106 agreement under the Town and Country Planning Act 1990 (as amended). These S.106 agreements would closely reflect the infrastructure needs arising from these proposals and be proportionate to the scale of the proposed scheme. The Council recognises that it does not need to secure CIL to deliver similar infrastructure items off-site to those secured via this mechanism and as such it may be reasonable to reduce the CIL charges accordingly. In these cases a 'nil' CIL would be appropriate reflecting both the cost and nature of infrastructure to be provided through this mechanism. We have identified that key items of infrastructure on these sites will not utilise CIL monies through our Regulation 123 list.

Question 2 - Do you agree with the Council's conclusions and its evidence on residential charging zones including the introduction of 'nil' charging zones at land at West Hemel Hempstead and Spencer's Park?	Yes	No	Don't Know
Residential Charging Zones – General (excluding retirement homes)			
Land at West Hemel Hempstead			
Spencer's Park			
Retirement Homes			
Comments: No comment			

Question 3 – Do you consider that the Council's conclusions on the retail charges are informed by appropriate evidence and are reasonable?	Yes	
	No	
	Don't Know	
Comments: No comment		

Question 4 - Do you consider the content of the Council's Regulation 123 list to be appropriate?	Yes	
	No	
	Don't Know	
Comments: We do not consider that the Regulation 123 list is specific enough and should provide further detail of particular projects that are to be funded, where known.		

Although the Council considers the rates that have been set so that they are viable for the majority of proposals that are likely to come forward in the current climate and during the life time of the Core Strategy, the Council has set out a range of policies offering relief from CIL and a range of payment options in order to assist with scheme viability.

Question 5 – Do you agree that the introduction of the following policies will assist in the delivery of the housing objectives within the Core Strategy?	Yes	No	Don't Know
Discretionary Charitable Relief	✓		
Exceptional Circumstances Policy	✓		
Instalments Policy	✓		
Payments in Kind	✓		
Comments: <u>Discretionary Relief Policy</u> No objection. <u>Exceptional Circumstances Relief Policy</u> National Grid strongly supports the implementation of an exceptional circumstances relief policy. Such a policy will enable the Council to avoid rendering sites with specific and exceptional cost burdens unviable. This is of particular concern to National Grid whose sites are often subject to abnormal cost due to contamination works and de-commissioning and moving gas infrastructure. The 2014 Guidance makes clear that an exceptional circumstances policy can be considered where a Section 106 agreement is in place as well as a levy charging schedule. However, the amended Regulations no longer require that the value of complying with a section 106 agreement must exceed the CIL Charge for the development in order to qualify as an exception. This criterion should therefore be removed from the Exceptional Circumstances Relief Policy. This would allow the Council, in certain circumstances, greater flexibility. <u>Instalments Policy</u> National Grid supports the introduction of an Instalments Policy. This may assist viability and delivery of development, since development does not generate value until complete either in whole or in phases.			

The Council's viability evidence suggests that a lower charging zone (£70 per square metre) should be introduced for land to the north of Hemel Hempstead (Highfield, Grovehill and Woodhall Farm wards) to reflect the lower viability of schemes within this part of the town. The Council has chosen not to pursue a lower charge at this stage, given the economic and social deprivation within these wards and the need for infrastructure improvements within them and having regards to the limited scope for infilling within these wards and the expected contribution that these schemes would make to the overall housing supply. The Council's viability evidence also indicates that land at Icknield Way, Tring (LA5) should have a reduced level of CIL applied on the grounds of viability in the current climate (from £150 per square metre to £140 per square metre). The site is not scheduled for delivery until 2021 and the report indicates that the housing market will substantially improve making the scheme viable at the higher level within this timescale. No reduction to the rate has been applied on this basis.

Question 6 - Do you agree that the Councils approach to CIL will not undermine the delivery of the Core Strategy as a whole?	Yes	✓
	No	

	Don't Know	
Comments:		

Question 7 - Do you have any other comments on the Draft Charging Schedule or the associated documents?
Comments:
None

PART C – PROCEDURAL ISSUES

Those making representations on the CIL Draft Charging Schedule have the right to be heard by the Examiner. The Examiner will assess the compliance and appropriateness of the CIL Draft Charging Schedule and its supporting documents.

Please indicate if you wish to attend the Public Examination	
Yes, I wish to attend the examination	✓
No, I do not wish to attend the examination	

A number of other milestones towards the adoption of the CIL Charging Schedule are identified below:

Please indicate if you wish to be notified of any of the following matters:		
That the Draft Charging Schedule has been submitted to the examiner in accordance with Section 212 of the Planning Act 2008	Yes	✓
	No	
The publication of the recommendations of the examiner and the reasons for these recommendations	Yes	✓
	No	
The approval of the Charging Schedule by Dacorum Borough Council	Yes	✓
	No	