



Our Ref: LPL651 17-06-2014

Planning Policy
East Dorset District Council
Furzehill
Wimbourne
Dorset
BH21 4HN

17th June 2014

Dear Sir/Madam,

RE: COMMUNITY INFRASTRUCTURE LEVY CONSULTATION

Council's Invitation: Christchurch and East Dorset District Councils have invited comments on the Community Infrastructure Levy – Draft Charging Schedule. The consultation document sets out the timetable for introducing the CiL and the general principles of the levy. It is noted that the deadline for submission of representations is the 18th June 2014. Please find a copy of the completed Response Form at Appendix 1 to this submission.

Instructions: Leith Planning Ltd are instructed by Stenham Property Limited who own 14 Wareham Road, Corfe Mullen; the site is delineated on the plan included at Appendix 2. Our clients are reviewing the options for a comprehensive redevelopment of the site for a variety of potential uses including a Class C2- Residential Institution. We are therefore instructed to obtain and review the Christchurch and East Dorset CIL Draft Charging Schedule Consultation document and to comment as necessary.

Proposed Development: As detailed above our clients are reviewing development options for the site including a proposed re-development for accommodation for older persons with associated recreation facilities.

It is noted that the Council recognise the issues of an ageing population within the adopted Core Strategy which states as follows:

“2.20 The population in Christchurch is about 48,000 and East Dorset is 87,800 (ONS 2012). The current proportion over retirement age aged 65+ (ONS 2012) is above the County and national average in Christchurch at 31% and in East Dorset at 29%, compared with 26% in Dorset as a whole and just 17% nationally. Despite death rates exceeding birth rates in the area, the population continues to increase as a result of in-migration from other parts of the Country rather than from abroad. In 2004 – 2008 more residents moved abroad from Christchurch and East Dorset than moved from other countries into the area. (ONS Long term international migration tables 1991 – 2008). The age profile of people moving to the area from elsewhere within the UK is younger than that of the current population, so it should not be assumed that people only move to the area to retire. However this trend is not significant enough to change the age structure of the current population to one which is less heavily weighted towards the older age groups.”

Draft Charging Schedule Consultation Report: Having reviewed the consultation report in detail due regard is drawn to the following extracts:

Types of Development Liable for CIL

2.4 The following development types are in principle liable for CIL:

1. Development which creates net additional floor space where the gross internal floor area exceeds 100sqm
2. Development of less than 100 sq.m of new build floorspace that results in the creation of one or more dwellings
3. The conversion of a building that is no longer in lawful use. An 'in use' building as defined in the CIL Amendment Regulations 2014 means a building which:
 1. Is a 'relevant building' (a building which is situated on the relevant land on the day planning permission first permits the chargeable development);
 2. Contains a part that has been in lawful use for a continuous period of at least six months within the period of three years ending on the day planning permission first permits the chargeable development
4. Liability to pay CIL for qualifying development applies whether planning permission is required or if development is allowed through permitted development orders (General Permitted Development Order, Local Development Orders, neighbourhood Development Orders, Enterprise Zones) (Regulations 5 and 9 of the Community Infrastructure Levy Regulations 2010 as amended in 2011, 2012, 2013 and 2014).

Mandatory Relief from CIL

2.9 The CIL Regulations confirm that the following types of development are exempt from CIL:

1. Development by registered charities for the delivery of their charitable purposes.
2. Those parts of a development which are to be used as social housing and qualifying communal development.
3. The conversion of any building previously used as a dwelling to two or more dwellings providing there is no increase in floor area.
4. Buildings into which people do not normally go, buildings which people only enter intermittently for the purposes of inspection or maintenance and structures which are not buildings such as pylons.
5. Changes of use which do not involve an increase in floorspace.
6. The development is a residential annex or a residential extension.

7. The development comprises self-build housing or self-build communal development

2.10 In the case of new development which involves the extension or demolition of a building in lawful use, the level of CIL payable will be calculated on the net increase in floor area.

2.14 Discretionary relief is also available, in specific circumstances, for development which can demonstrate exceptional circumstances (as defined in CIL Regulation 55).

2.15 Exceptional circumstances relief can only be given where the following eligibility criteria are fulfilled:

1. The charging authority (In this case the charging authorities are Christchurch Borough Council and East Dorset District Council) has made exceptional circumstances available in its area;
2. The claimant owns a material interest in the land;
3. A Section 106 Planning Obligation has been entered into in respect of the planning permission which permits the chargeable development; and
4. The charging authority considers that:
Requiring payment of the charge would have an unacceptable impact on the economic viability of the chargeable development; and Granting relief would not constitute a notifiable state aid.

2.16 Christchurch and East Dorset Councils do not propose to make discretionary relief available for exceptional circumstances which is consistent with the conclusions of the viability assessment undertaken by Peter Brett Associates which has informed the CIL schedule. The Councils believe the charges set are viable and they will monitor the charge to ensure it remains viable. Should circumstances change, the Councils will seek to review and revise the levy.

Payment of CIL

2.20 Payment for CIL is due upon commencement of the development. It must be paid in full within 60 days although for larger schemes CIL can be levied in phases. To address the approach to phased payments the Councils are publishing a draft Instalments Policy. The Councils are seeking views on a draft Instalment Policy which is set out in Appendix B.

Viability Conclusions

4.12 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% affordable housing many development scenarios retain a significant 'buffer'. The analysis shows that, in theory, a CIL charge of £100 per sq m 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. 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.

4.13 Other forms of development that in principle could pay a CIL charge are set a £0 rate as they are currently unviable with CIL.

East Dorset Proposed CIL Rate	
Development Type	Charge per sq m
Residential	£100
Hotels	£0
Care Homes	£40
Offices	£0
Light Industrial / Warehousing	£0
Convenience Retail	£110
Comparison Retail	£0
Public service and Community Facilities	£0
Standard Charge (all other uses not covered)	£0

Comment: Our comments in relation to the above extracts will be dealt with below in the response to the questions listed in the consultation report.

Questions: It is noted that the consultation report includes a number of questions which we propose to respond to as follows:

Question 1 - Do you wish to be heard in support of your representations at the Public Examination of the Draft Charging Schedule?

No

Question 2 - Do you agree or disagree with the proposed rates contained in the Draft Charging Schedule?

We disagree with the proposed imposition of a £40 per square metre rate for care home developments, particularly when we understand that a proportion of these developments will also need to cater for affordable housing needs. Provision of care homes or developments to meet the specific care needs of an ageing population or other specialist healthcare requirements are designed to address community and social needs and the viability and merit of such developments should not be undermined by the provision of additional financial burdens. In much the same way as the Council are supporting employment generating development and those serving the tourist industry, by removing these forms of development from the need to contribute to the CiL, we consider that the same approach should be applied to community based and health care related developments which are designed to meet specific community and social needs. In short, it is our contention that healthcare developments should not be subject of the CiL.

Question 3 - Do you think that the proposed CIL rates strike an appropriate balance between the desirability of funding infrastructure through CIL and the potential effects of imposing a CIL on the Borough and District?

No, as the Draft Charging Schedule does not appear to pay due regard to the viability and wider community benefits to be achieved from developments meeting and addressing specific community needs such as care homes, nursing homes and other developments designed to meet the needs of an ageing population. If the Council impose CIL rates on these developments at the rate currently proposed, it could well deter care providers and investors from the local area, resulting in an

exacerbation of the existing difficulties associated with meeting the needs of an ageing population. More consideration needs to be paid within the CiL for developments which meet identified local needs and provide social or community benefits which outweigh the desirability of funding local infrastructure.

Question 4 - Do you believe the evidence on viability is correct? If not, please set out alternative evidence to support your view?

No, as insufficient consideration has been paid to the importance of meeting the needs of an ageing population and the associated viability of these forms of developments. The evidence base, like the draft charging schedule, would appear to be taking a 'one size fits all' approach with insufficient consideration given to site specific and developments specific matters. The CiL simply needs to be more flexible in its application in order to secure the required infrastructure funding, but not in a way which may undermine the delivery of much needed community and social facilities.

Question 5 - Do you agree or disagree with the Councils' approach to discretionary relief?

It is considered that the Council have failed to correctly judge the importance of exceptional relief for developments which can be demonstrated to be unviable when the CiL is added to the overall development cost. Whilst the viability assessment may demonstrate that developments can absorb the CiL and remain profitable, this is clearly a one size fits all response which is simply not reflective of the various forms of development which will come forward. There will be times when developments will be the subject of extraordinary development costs such as care homes and nursing home developments which will be meeting specific client needs and will have additional costs to bear in order to meet registration requirements etc. We would therefore ask that the Council reconsider their approach to exceptional relief and allow an 'open-book' accounting approach to development viability. The Council will retain control over the decision as to whether developments are unviable and therefore can maintain control over when the CiL will be paid.

Question 6 - Do you have any comments on the draft Regulation 123 list which sets out the infrastructure to be funded by CiL and where the Councils will continue to seek S106/S278 contributions?

It is of concern given the accepted importance of the issue of an ageing population within the local area that none of the CiL funding will be going towards services or infrastructure for older persons. The Council acknowledge that meeting with the needs of an ageing population is one of their greatest challenges, and yet they are not proposing to fund any additional services or facilities for this group through the CiL; albeit developments which assist in meeting the care needs of this section of the community will be expected to pay towards it. We request that the Council reconsider this omission from the Regulation List and secure the delivery of some community facilities and services for the over 65's through the CiL.

Question 7 - Do you agree or disagree with the draft CIL instalments policy?

No, in circumstances where it is considered that the ability to pay in instalments should be made available for all developments and not just on contributions of £250,000 and over. In an economic climate which remains challenging, particularly for access to development finance, the ability for all developments to pay the full CIL contribution in instalments, where justified, will assist applicants in meeting the councils required contributions and secure financial viability and development funding. This could be a reasonable compromise which secures payment of the CIL but also secures the delivery of much need growth, investment and development in the local area.

Question 8 - Do you agree or disagree with the draft 'payment in kind' policy?

The principle of payment in kind would appear sound and sensible as long as the Council are duly flexible in its approach and delivery.

Question 9 - Any other comments

No

Please ensure we are retained on the Council's consultation database and advised when further progress is made on the CIL document and other emerging policy documents.

Yours faithfully

Rebecca Booth
BSc (Hons) MSc (Dist)
Associate Planning Director

Enc

Cc Stenham Properties Ltd

APPENDIX 1

Christchurch and East Dorset Community Infrastructure Levy Draft Charging Schedules for Christchurch and East Dorset RESPONSE FORM

Your Details		Agent's Details <i>(please only complete if you are using an agent)</i>
Title		Mr
Full Name		Chris Plenderleith
Job Title		Managing Director
Organisation		Leith Planning Ltd
Address		14 South Clifton Street, Lytham, Lancashire
Postcode		FY8 5HN
Email		chris@leithplanning.co.uk
Telephone		01253 795548

Question 1: Do you wish to be heard in support of your representations at the Public Examination of the Draft Charging Schedule?

Please note that the Inspector will decide if a public hearing session is required as part of the examination process. You may choose to request to appear at a public hearing to clarify your comments, but you must communicate this to the Council before the close of the consultation. If you do not wish to be heard at the examination, your written representations will carry the same weight as those made by respondents who appear and are heard in support of their representations.

No, I do not wish to participate at the oral examination:

Yes, I wish to participate at the oral examination:

Question 2: Do you agree or disagree with the proposed rates contained in the Draft Charging Schedule?

Agree:

Disagree:

Further comments on Question 2:

Please see attached

Question 3: Do you think that the proposed CIL rates strike an appropriate balance between the desirability of funding infrastructure through CIL and the potential effects of imposing a CIL on the Borough and District?

Please see attached

Question 4: Do you believe the evidence on viability is correct? If not, please set out alternative evidence to support your view?

Please see attached

Question 5: Do you agree or disagree with the Councils' approach to discretionary relief?

Agree:

Disagree:

Further comments on Question 5:

Please see attached

Question 6: Do you have any comments on the draft Regulation 123 list which sets out the infrastructure to be funded by CIL and where the Councils will continue to seek S106/S278 contributions?

Please see attached

Question 7: Do you agree or disagree with the draft CIL instalments policy?

Agree:

Disagree:

Further comments on Question 7:

Please see attached

Question 8: Do you agree or disagree with the draft 'payment in kind' policy?

Agree:

Disagree:

Further comments on Question 8:

Please see attached

Question 9: Any other comments

Please see attached

Please indicate if you wish to be notified of any of the following:

- That the Draft Charging Schedules have been submitted to the examiner in accordance with Section 212 of the Planning Act 2008
- The publication of the recommendations of the examiner and the reasons for those recommendations
- The approval of the Charging Schedules by the charging authorities

Please sign

Signature:



Date:

17/06/14

Please send completed forms by **Wednesday 18th June 2014** to:
East Dorset District Council, Council Offices, Furzehill, BH21 4HN

Or, alternatively email them to planningpolicy@christchurchandeastdorset.gov.uk

Please note: Comments cannot be treated as confidential and therefore by responding, you are agreeing to your information being disclosed to third parties.

All comments made must be supported by your full name and address. Comments will be published on the Council's website along with your full name.

Data Protection (Please tick the relevant boxes)

I/we understand that Christchurch Borough Council / East Dorset District Council will use the information that I/we have provided for the purpose of the Community Infrastructure Levy. I/we consent to Christchurch Borough Council / East Dorset District Council disclosing my/our information to third parties for this purpose.

I understand that I/we have the right to ask for a copy of the information held about me/us and which is subject of Data Protection Act 1998 (for which Christchurch Borough Council / East Dorset District Council may make a charge) and to correct any inaccuracies in my/our information.

Data Protection Act 1998: Any information provided will be treated in strict confidence and will be held on and processed by computer.

APPENDIX 2

14 Wareham Road, Corfe Mullen, Poole, Dorset.

RH21 3LE



© Crown Copyright 1999. Based on Ordnance Survey digitised data Harvey Scale: 1:1250. Plotted Scale: 1:1250.
(Scales other than that of Harvey Scale should not be used for accurate measurement). Business occupancy data ©1999 Thomson/Keycode Ltd.

October 1999

