

**Community Infrastructure Levy Regulations 2011 (amended)
Preliminary Draft Charging Schedule Consultation
3 October 2011 – 14 November 2011**

How to respond to this consultation

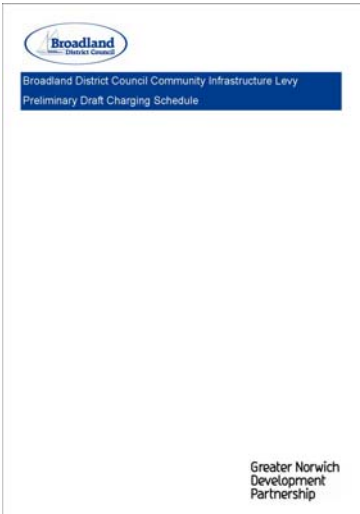
The Community Infrastructure Levy (CIL) is a new levy that local authorities in England and Wales can charge on new developments in their area. The money will be used to support development by funding infrastructure that the council, local community and neighbourhoods want – for example, new or safer road schemes, public transport and walking and cycling schemes, park improvements or a community hall.

The system is very simple. It applies to most new buildings and charges are fixed based on the size, type and location of the new development.

The three councils of Broadland, Norwich and South Norfolk have chosen to work together as the Greater Norwich Development Partnership (GNDP) and adopt a co-ordinated approach to the implementation of CIL. In order to comply with the regulations, three separate Preliminary Draft Charging Schedules have been published for comment. These are almost identical and they share the same evidence base. The only difference in the schedules relates to the geographical charging zones, Norwich is entirely in Zone A and Broadland and South Norfolk include areas in both Zone A and Zone B.

This is the first stage in consultation for setting a CIL for the three districts.

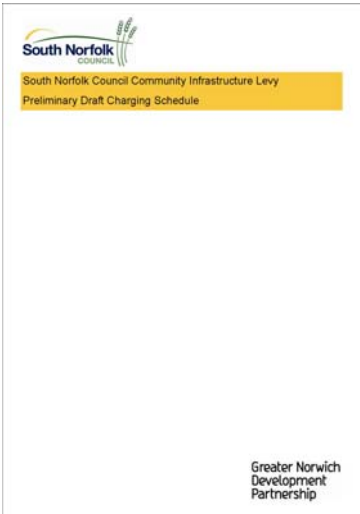
The Broadland District Council Preliminary Draft Charging Schedule looks like this:



The Norwich City Council Preliminary Draft Charging Schedule looks like this:



The South Norfolk Council Preliminary Draft Charging Schedule looks like this:



Getting involved

The consultation documents are:

- Preliminary Draft Charging Schedule for Broadland
- Preliminary Draft Charging Schedule for Norwich
- Preliminary Draft Charging Schedule for South Norfolk

As part of this consultation a number of documents providing supporting evidence have been published:

- The explanatory document 'Community Infrastructure Levy: Background and Context'
- Viability Advice on a CIL/ Tariff for Broadland, Norwich and South Norfolk (GVA, December 2010)
- Charging Zones Schedule Report (GVA, July 2011)
- Topic Paper: Green Infrastructure and Recreational Open Space (GNDP, June 2011)

There is also earlier background information supporting this consultation:

- Joint Core Strategy for Broadland Norwich and South Norfolk adopted March 2011
- Infrastructure Needs and Funding Study (EDAW/ AECOM 2009)
- Local Investment Plan and Programme for Broadland, Norwich and South Norfolk v4 June 2011

All these documents are available on the GNDP website, at www.gndp.org.uk.

The consultation documents and evidence can be viewed at each of the district council offices.

The consultation documents will also be available at libraries, at the Broads Authority offices and at the Norfolk County Council offices at County Hall. Where facilities are available evidence can be accessed via the GNDP website, www.gndp.org.uk.

The Department of Communities and Local Government has produced a helpful guide to the Community Infrastructure Levy that can be found on their website:

<http://www.communities.gov.uk/publications/planningandbuilding/cilsummary>

You can respond to this consultation by email or by post:

The Preliminary Draft Charging Schedules and the supporting evidence are open for six weeks of consultation from **3 October 2011** to **14 November 2011**. Consultation responses must be received by **5pm** on **Monday 14 November 2011** in order to be considered.

A response form is available on the GNDP website at www.gndp.org.uk. If possible, please use this form to assist us in analysing your response and in publishing them correctly.

For more information contact the GNDP:

tel: 01603 430144
email: cil@gndp.org.uk

When responding to the consultation you can comment on one, two or all three schedules. You can:

- Use one form to comment on the Preliminary Draft Charging Schedule for one district using one response form, or to give the same comment on the Preliminary Draft Charging Schedules for two or all districts or,
- Use more than one form to give different comments for each district's Preliminary Draft Charging Schedule that you are commenting on

Please note that comments cannot be treated as confidential. All responses to this consultation will be made available as public documents. Unfortunately we are only able to acknowledge emailed responses, but all comments will be carefully considered.

Forms and comments can be:

emailed to: cil@gndp.org.uk
posted to: GNDP, PO Box 3466, Norwich, NR7 7NX
hand delivered: to your local district council office:

- Broadland District Council, Thorpe Lodge, 1 Yarmouth Road, Norwich NR7 0DU
- Norwich City Council, City Hall, St Peter's Street, Norwich, NR2 1NH
- South Norfolk Council, South Norfolk House, Swan Lane, Long Stratton, NR15 2XE

Evidence

Please use this section to give us any comments you have on the evidence:

- The explanatory document 'Community Infrastructure Levy: Background and Context'
- Viability Advice on a CIL/ Tariff for Broadland, Norwich and South Norfolk (GVA, December 2010)
- Charging Zones Schedule Report (GVA, August 2011)
- Topic Paper: Green Infrastructure and Recreational Open Space (GNDP, June 2011)

Question 1: Having considered the evidence do you agree the appropriate balance between the desirability of funding from CIL and impacts on the economic viability have been met?

Yes

No



Please add any comments below

Breckland Council does not consider that an appropriate balance has been struck between the desirability of funding from CIL and viability. The Council notes a number of inconsistencies within the evidence base that give rise to concerns about how the rates and charging zones have been developed. For example, Wymondham has sales values that are very similar to Attleborough. Recent evidence to support the 2011 Breckland SHLAA review indicates lower sales values and higher development costs which the Council considers would not support the CIL rates as set out in the GNDPs Zone A charging zone (£135 - £160 per sqm). The Wymondham and Attleborough property and land markets operate similarly and examining the evidence in the GVA report, the expected sales values appear overly optimistic. Information to support Breckland Council's SHLAA values has been checked using the 'Hometrack' system which provides accurate information on current market conditions in particular geographical areas.

Therefore, it would appear that Wymondham has been included in charging zone A for reasons other than viability which is inconsistent with the Regulations and guidance notes. As such, the high CIL rate being applied to Wymondham could inadvertently have cross boundary impacts on development in Attleborough, but also on the delivery of South Norfolk's Spatial Strategy.

It appears that the GVA report appears to be artificially including areas that are identified as 'growth zones' rather than being clear as to what level of CIL development in a particular location can actually afford. Therefore, the delineation of the charging zones does not appear to have been set solely on viability considerations.

The above is further evidenced in Table 3 of the GVA report which shows that Wymondham, Costessey and Easton appear to have markedly lower residential

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values (around 10% in many cases), yet are still included in zone a. It is all the more surprising that many highly desirable rural areas are then included in the lower value CIL charging zone, particularly as residential sales values in these areas are significantly in excess of the amounts set out for locations such as Wymondham (Hingham and Deopham Wards being specific examples with consistent sales values per m2 of over £2,000).

A further concern is that the GVA report indicates that CIL rates should be based on their 'normal' market scenarios, and uses the argument that as CIL will take time to implement this will effectively allow the market to recover to facilitate such levels of CIL. This approach is not justified, particularly as there is no evidence as to when the UK property market will return to 'normal' market conditions. To suggest otherwise is pure speculation and is contrary to CIL guidance that the charge should not prevent the majority of development coming forward. The approach presented assumes too high a risk that market conditions will recover and there appears to be limited evidence in the GVA Grimley research that sensitivity testing has informed the GNDPs preferred approach.

Breckland Council considers that it would be more appropriate for the GNDP to set the rate of CIL based on current recession conditions and then review the rates when there are actual signs of an upturn in the market.

The Council considers that resolving the concerns set out in this consultation response now may reduce the risk of third-party challenge at respective authorities' CIL examinations. It should be reminded that the Localism Bill is promoting a duty to co-operate (although not a duty to agree) which has made significant parliamentary progress since the charging schedule consultation was launched.

My answer applies to (please tick one or more of the boxes):

Broadland Norwich South Norfolk All

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Geographical zones

Please use this section to give us any comments about the boundaries of the geographical charging zones shown in appendix 1 of the Preliminary Draft Charging Schedule

Non-residential development zone boundary

Question 2: It is intended that, for non-residential development, one charging area will apply to the administrative areas of Broadland District Council, Norwich City Council and South Norfolk Council. Do you agree with this approach?

Yes No

Breckland Council supports the approach of identifying one charging area for non-residential development.

My answer applies to: (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

Residential development zone boundaries

Question 3: The viability evidence supports two charging zones for residential development, Zone A and Zone B. The Norwich City Council area falls entirely in Zone A. Broadland District Council and South Norfolk Council areas are within Zone A and Zone B. Do you agree with the boundaries for the charging zones?

Yes No

Whilst the principle of multiple zones is supported, the current boundaries as set out in the draft schedule are not. These seem to have been developed on an aspirational basis and not on an assessment of viability. Further detail to support this view is set out in the response to Question 1 above.

My answer applies to: (please mark one or more of the boxes):

Broadland South Norfolk All

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Charging Schedule

Please use this section to comment on the rates of charge as shown in the table on page 2 of the Preliminary Draft Charging Schedule

Residential development – Zone A

Question 4a: It is intended that the rate of charge for residential development in Zone A will be within a range of £135 to £160 per m2.

What do you think the rate should be?

Question 4b: What is your justification for this rate?

Breckland Council's response is concerned with the rate and delineation of Zone B as an adjoining authority and as such will limit comments on Zone A.

My answer applies to (please tick one or more of the boxes):

Broadland Norwich South Norfolk All

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Residential development – Zone B:

Question 5a: It is intended that the rate of charge for residential development in the Zone B will be £75 per m². Do you agree with this approach?

Yes No

Please add any comments below

Breckland Council does not consider that the current figures for Zone B represents the most appropriate rate in light of available evidence.

Question 5b: If you answered no to the above question:

What should the charge be?

£100m²

What is your justification for this rate?

Evidence from Breckland Council's recent SHLAA update (2011) and initial CIL evidence base report suggests that sales values in rural areas and lower order market towns are of a sufficient level to accommodate a higher rate of CIL than is currently proposed by the GNDP. Using relatively conservative build costs (£815m²) and sales values (£1,700m²) Breckland calculates that a CIL rate of £100m² could be charged whilst leaving a residual land value at a point at which a landowner would reasonably sell for.

Breckland has evidence from its 'HomeTrack' system to indicate that locations in proximity to the district boundary are also achieving sales values in excess of the levels indicated above (such as Reepham, Hingham and Foulsham). This is further evidence that the GNDP's viability report underestimates development values and consequently arrives at a lower rate for CIL in these areas than would be expected.

Therefore, schemes in areas such as Market Towns and Local Service Centre villages should not be assumed to be less viable without clear evidence, which has currently not been provided. It is recommended that further refinement of the evidence base takes place prior to the next iteration of the CIL report.

Whilst it is recognised that setting a CIL rate is a balance between the desirability of securing funding and development viability, it is apparent that a more rigorous approach to assessing the delineation of boundaries between charging zones and values is now necessary in order to avoid unintentional cross-boundary effects.

My answer applies to (please tick one or more of the boxes):

Broadland Norwich South Norfolk All

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Residential development – zones A and B

Question 6a: It is intended that the rate of charge for domestic garages (excluding shared-user garages) in Zones A and B will be within a range of £25 to £35 per m2.

What do you think the rate should be?

£0

Question 6b: What is your justification for this rate?

It is not clear from the submitted evidence why a separate rate for domestic garages is strictly necessary? Although it is recognised that garages form part of the definition of buildings ‘that people normally go into’ as guidance requires, the necessary floorspace should be ‘smoothed’ into the assessment of residential value as these will be costed as part of a residential build scheme (particularly where the dwelling type includes an integral garage).

It is entirely likely that many new build schemes will therefore include integral/ adjoining garages which will then be converted to other domestic rooms with no need for Planning Permission (where these are not forward of the principal elevation of the dwelling). Therefore, to avoid such a scenario, GNDP authorities would need to serve Article 4 Directions to remove Permitted Development Rights to stop this potential loophole occurring. Therefore, the approach adopted by the GNDP seems unnecessarily complex.

Furthermore, there does not appear to be any supporting viability evidence to underpin the proposed rate for domestic garages within the GVA assessment. Therefore, if this is the case a separate rate has not been justified by appropriate evidence.

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All



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Large convenience goods based supermarkets and supermarkets

Question 7a: It is intended that the rate of charge for large convenience goods based supermarkets and superstores of 2,000m² gross or more will be £135 per m². Do you agree with this approach?

Yes No

Please add any comments below

Question 7b: If you answered no to the above question:

What should the charge be?

What is your justification for this rate?

My answer applies to (please tick one or more of the boxes):

Broadland Norwich South Norfolk All

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Other retail and assembly and leisure developments

Question 8a: It is intended that the rate of charge for all other retail and assembly and leisure developments will be £25 per m2 (including shared user garages). Do you agree with this approach?

Yes No

Please add any comments below

Question 8b: If you answered no to the above question:

What should the charge be?

What is your justification for this rate?

My answer applies to (please tick one or more of the boxes):

Broadland Norwich South Norfolk All

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Community uses

Question 9a: It is intended that the rates of charge for all other Community Uses will be £0 per m2. Do you agree with this approach?

Yes

No

Please add any comments below

Question 9b: If you answered no to the above question:

What should the charge be?

What is your justification for this rate?

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

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Other types of development

Question 10a: It is intended that the rates of charge for all other types of development (including shared-user garages) covered by the CIL regulations will be £5 per m2. Do you agree with this approach?

Yes

No

Please add any comments below

Question 10b: If you answered no to the above question:

What should the charge be?

What is your justification for this rate?

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

There are other issues we would like your views on, though these are not part of the Preliminary Draft Charging Schedules.

Discretionary relief

The approach to discretionary relief can be found on page 3 of the Preliminary Draft Charging Schedule and in section 12 of the 'Community Infrastructure Levy: Background and Context'.

Question 11 Do you agree with the approach to Discretionary Relief?

Yes No

Please add any comments below

Breckland Council supports the approach to Discretionary Relief.

My answer applies to (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

Staging of payments

The approach to the staging of payments can be found in page 3 of the Preliminary Draft Charging Schedule and in section 11 and appendix 4 of the document 'Community Infrastructure Levy: Background and Context'.

Question 12: Do you have any comments about the draft policy

Yes No

Please add any comments below

My answer applies to: (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

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Payment in kind

Within the GNDP area, where land is required within a development to provide built infrastructure to support that development (such as a school) it will be expected that land transfer will be at no cost to the local authorities and will not be accepted as a CIL payment in kind. Where the facility is needed to serve more than one development, any land transfer over and above that needed for the specific development would be regarded as payment in kind of CIL. The approach to payment in kind can be found on page 3 of the Preliminary draft charging schedule and in section 12 of the document 'Community Infrastructure Levy: Background and Context'.

Question 13: Do you agree with the approach to payment in kind?

Yes No

Please add any comments below

The approach to payments in kind appears reasonable.

My answer applies to: (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

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Neighbourhoods and CIL

The Government proposes that neighbourhoods where development takes place will receive a 'meaningful proportion' of CIL revenue to spend on infrastructure projects locally. The local community will be able to decide how this money should be spent as long as it is used for infrastructure.

The government is currently consulting on this proposal which can be found its website at www.dclg.gov.uk.

The consultation suggests that in Broadland and South Norfolk districts the Parish and Town Councils will take on this responsibility. In Norwich, where there are no Parish or Town councils, an approach appropriate to the area will need to be developed.

Question 14a: Subject to any updated Regulations it is proposed that 5% of the net CIL receipts be passed to local communities (e.g. the Parish Council or Town Council in the two rural districts) who express an interest in receiving it. Do you agree with this approach?

Yes No

Please add any comments below

Breckland Council considers that the approach indicated is consistent with both the spirit and detail of the CIL Regulations. In the rural areas, funds could be distributed to groupings of Parishes in a partnership. This could have particular benefits where there is potential for receipts to be spent on facilities that are used in a functional manner by settlements in adjoining Parishes. Breckland Council currently operates such an approach for commuted sums for off-site open space under the current S106 regime.

My answer applies to: (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

Question 14b: Do you have any views about how the CIL which will be made available for the local community in Norwich, where there are no Parish or Town Councils, should be administered?

Please add any comments below

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Other comments

Question 15: Do you have any other comments on the Preliminary Draft Charging Schedule(s) or the Community Infrastructure Levy?

Yes No

Please add any comments below

My answer applies to: (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

For paper copies of this form please email cil@gndp.org.uk or telephone 01603 430144

Please return the form to:

Email: cil@gndp.org.uk

Post: Greater Norwich Development Partnership
PO Box 3466
Norwich
NR7 0NX

OFFICE USE ONLY:

Date received:

Representation no:

Forms can also be delivered by hand to:

to your local district council office or to the County Council:

- Broadland District Council, Thorpe Lodge, 1 Yarmouth Road, Norwich NR7 0DU
- Norwich City Council, City Hall, St Peter's Street, Norwich, NR2 1NH
- South Norfolk Council, South Norfolk House, Swan Lane, Long Stratton, NR15 2XE

ALL FORMS MUST BE RECEIVED BY 5PM ON MONDAY 14 NOVEMBER 2011

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For more information or if you require this document in another format or language, please contact the GNDP:

email: cil@gndp.org.uk
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