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8 June 2023

Infrastructure Levy Technical Consultation
Planning Directorate
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Dear Sirs

Infrastructure Levy Technical Consultation May / June 2023

Representation on behalf of the Windlesham Parish Council

Preamble:

The Windlesham Parish Council welcomes the opportunity to comment on the proposed changes to the Community Infrastructure Levy (CIL), which proposes an improved distribution of monies accrued by landowners and developers as the result of new development.

A redistribution of essential funds to meet infrastructure needs is long overdue. For far too long local communities have suffered the adverse issues of new developments that do not provide appropriately for supporting infrastructure and services. The proposed Infrastructure Levy is potentially a valuable tool in delivering better developments and enhanced communities, a resetting of the public's distrust in developers and a means by which much anti-development sentiment and opposition might be removed.

Consequently, the levy should be designed and promoted as an incentive for development, to encourage the provision of local infrastructure 'up-front' and allow implementation without delay; not only as a result of the lack of opposition, but also by confirming infrastructure costs early in the site acquisition process and to encourage reasonable expectations in terms of financial returns.

Within planning there is a common theme of insufficient infrastructure existing to support new development, and a public feeling of "*developer here today and gone tomorrow, with the local community left to accommodate the deficiencies in the system.*" The collection of a levy upfront and for all new development is vital if this imbalance is to be recovered, with development infrastructure being correctly funded, when and where it is required.

Infrastructure must be defined locally as need will vary with location. It cannot remain a "*one size fits all*" response to the basic considerations of access and drainage, but must extend to include all matters which make a development effective, sustainable and appropriate to its locality. This will involve a wide definition defined by the local planning authority with direct input from the local community, via the Parish Council or equivalent public participation.

Landowners and developers continue to be site-centric, ensuring that the basic needs of the development are provided, such as access and drainage, but shy-away intentionally, from considering or contributing the mitigation of wider impacts generated by their activities and the occupiers of the development they provide. Matters of concern raised by local communities are dismissed as not material to the case in hand, or left to others to address over time. How frequently are developers' comments about viability, delivering much needed housing, and a shortage of housing land given a disproportionate amount of weight over considerations that allow new development to integrate within existing communities and provide enhancements to existing and new residents?

Frequently much is offered by a landowner/developer when promoting a planning application; the promise of high-quality design, a sustainable development that reduces the need for private cars, new landscape, limited impact on local services or a boost through increased demand, and “*happy and smiling faces in the glossy and verdant promotional artists impressions.*” All too frequently the reality is a story of ‘value engineering’ with many if not all, of the promised site and local enhancements cut for reasons of viability (aka maintain profit margins) to satisfying the needs of shareholders or the retirement plans of landowners.

The law of supply and demand will drive development costs, but these should not be artificially inflated through the levy. The Parish has concerns that the cost of the levy will simply be passed on to future purchasers and not considered during initial negotiations between landowner and developer. The levy is a cost the developer should already be carrying, it is not an additional cost they must now recover. Setting out clear levels of levy for areas or settlements through an Infrastructure Delivery Strategy can provide greater certainty and clarity before land enters the development system and how this levy has been accommodated within the development promotion must be an integral part of any planning application.

Where local communities become dissatisfied with the levy system (as with CIL at present) is to see levy payments raised through a new development in a Parish disappear into a communal pot that is not spent, in whole or part, within the community affected directly. Of course, it is appropriate to pool limited funds and spend where it is believed a majority will be best served, but what is commonly seen is that chronic infrastructure deficiencies in a community made worse by a new development, simply do not receive funding. The new levy, and local infrastructure delivery strategy should include a ‘local first requirement.’ This would require the planning to identify within any Parish where new development is proposed and where there is an infrastructure deficiency likely to be made worse as a result of the development, that matter should be addressed before any monies are directed to district-wide initiatives.

The imposition of a robust levy can be used to enhance both the new development and the context within which it is to be located. If imposed early, weighted upon implementation rather than completion, it can also speed up the delivery of housing through developers needing to complete developments early to recover the cost of the levy and not, as at present, wait or slow down delivery until market conditions are more attractive, and paying any levy once the development is completed.

Frustratingly developer cuts to promised infrastructure improvements frequently arise after outline planning permission is issued, through a constant repetition of ‘minor amendments’ and when local communities, if notified, have very limited opportunity to challenge; if they do, planning authorities suggest there is little they can do because permission has been issued, it is simply too much bother and there is inadequate resources, or the amendments do not get picked up or enforcement action is undertaken half-heartedly. Consequently, a mandatory and enforceable requirement to provide funds upfront from the proceeds of development to spend within the community hosting the development, is therefore welcomed strongly.

Development is a business and it is reasonable to expect those undertaking it to derive a profit. However, it is important that such profit is accrued after the true and full cost of the development is met; and this includes provision of all necessary infrastructure, including both direct and indirect costs. Local communities are tired and annoyed at the ease with which ‘*viability*’ is promoted as reason why promised development benefits (or the aspects of a development which make it potentially acceptable) are removed and the scheme reverts to a generic, bland, housing response, and a “*Hobson’s Choice*” to potential home owners. In doing so the impact on the local host community through an increase in local population and its requirement for local services, road use, drainage, and character changes is adverse, and the community left to ‘pick up the pieces’.

At Windlesham, the Parish Council raises consistently concerns relating to the impact of proposed development on local services, infrastructure and character, both when development is proposed initially, and at times of variation and amendment. While concerns are taken up by elected members at planning committee and requirements imposed, including specific contributions, these are limited in extent and habitually reside in accounts used to fund infrastructure projects across a larger area, and not the direct impacts of the development itself.

While the chronic shortage of appropriate infrastructure provision across a District, Borough or County is acknowledged and limited funds should be used as sound value for money and spent for the benefit of the majority, the perpetuation of a system that does not respond to locally identified infrastructure deficiency as a direct result of a development proposal, is an unsustainable model. The system must be changed and this consultation is therefore most welcome. Currently there is a lack of clarity as to how CIL payments are spent, particularly at a local level, leading to a distrust and a perpetuation of opposition to more and more new development that is seen as one-sided, benefitting the developer.

While the potential to reset this balance is offered by the consultation, the Parish has major concerns the consultation will not be taken forward and not see ‘*the light of day.*’ The consultation fails to portray any true commitment or timescales for implementation, with the prospective timeline at paragraph 7.11 lacking ambition. Equally concerning is that the term “*Community*” has been removed from the Levy’s title, potentially distancing funding delivery from true need within the community. A dominant weighting within the paper’s text of ‘*affordable*

housing' provision, raises concerns that the purpose of the levy and opportunity for its expenditure will be constrained, with developers suggesting it is a contribution only towards district-wide affordable housing. Then again comes the potential for inequality arising from the likely receipts from differing development values across the country, or where the collection and delivery of a levy is split between differing bodies that are responsible.

The Parish supports the 'levelling-up agenda' but has major concerns the proposed levy review will achieve the agenda's aims. Levelling up is not only about the National "*north-south divide*" but also about the inequalities at a local level especially in the more affluent areas of the south. Inequalities in affluent areas can be as pronounced as in less affluent areas, particularly with the cost of new housing being out of the reach for many. The levy can be used to encourage developers, to provide housing that will be marketed at prices people can afford. This is not a consideration to provide more, traditionally understood, affordable housing, but an incentive to move away from new developments commanding larger houses attracting high house values.

The reasons for high prices is complex but a fundamental reason is the price of development land driven by ever increasing expectations and land shortages. That is a different debate and not for discussion here, but the levy should be used to encourage the development of housing at a price more can afford, through challenging the price demanded for development land. Development will attract higher house values in the south, yet build costs (excluding inflated land prices) need not be that dissimilar to other parts of the country. Hence it is not the cost of development per se that drives inequality in the southern housing market, but the land costs, and it is that inflated expectation, which should be tackled at a local level in the south. The levy reduced significantly where less expensive housing is proposed and increased, to balance, where sales values are expected to be high.

The consultation is described as a Technical Consultation, suggesting views are sought on the mechanics of administering a levy. While this is important (and will again flush out developers' well-worn arguments why a levy will slow down housing delivery – a fact which is entirely within their control) there is also risk that the matter could become too limited in its scope and impact, and a process, which to the public should be very simple and straightforward – the developer should meet the true costs of a development – will become unduly bureaucratic, imprecise, offer too much 'wiggle room' for developers to evade payment and for levies to be lost within centrally held funds to be distributed to causes well beyond the development impacts.

The Parish is concerned the paper lacks precision and definition, lacking clarity and being insufficiently robust in encouraging locally defined need and provision. There is no doubt in the minds of the Parish that a mandatory levy calculated on the expected returns from a development for which planning permission has been granted, and is paid early in the development process (weighted to implementation) is a step in the right direction, and to spend all or part of that levy funding on infrastructure matters related directly to the development, will allay many concerns and reduce opposition. It will offer a joined-up response to development pressure, a factor that has become increasingly ignored as developers benefit from the over-riding, single and self-centred concentration on housing numbers. The resulting development is frequently provided in poor, unsustainable locations, provided in response to developer preference (where options are secured irrespective of planning merit) not local need, and an apparent disregard of locally defined important material considerations.

All too frequent we see opposition to new development proposals and while many reasons are cited, most opposition arises from a fear of a greater reduction in the benefits afforded to current residents; whether that be as a result of increased traffic movements, more demand on already stretched local services, a loss of character and open land, or the introduction of unwanted change. Undeniably, new housing brings benefits of increased home ownership, but such benefit is experienced by the few who find a new home (and not necessarily in a preferred location with regards access to work and services), whereas the majority see only the downside of a further squeeze on a creaking infrastructure at best, or in many examples where it is absent. Without a 'joined-up' planning system, which locates new housing sustainably where it is needed and where appropriate infrastructure exists or can be provided, the problem perpetuates. The levy offers an opportunity to reset that balance but lacks technical detail to provide comfort it can be so used.

Past planning policies have created an imbalance that serves to support limited interests in many areas and a situation where new development is determined not by a joined-up methodology of sound planning but by chance and personal preference. It is a lottery of circumstance focussed on a landowner's desire for financial gain, a developer who has secured an option, and the failure of a lpa to provide sufficient development land. Justification of sustainability and need is spurious in many cases (as blunt as the next available undeveloped field must be sustainable) and promises of mitigation, integration and lack of pressure on an existing poor infrastructure evaporate as costs are reduced to improve the inflated expected returns for the developer and landowner.

As a Parish Council concern through this consultation is more about the purpose, form, use and distribution of the levy rather than precisely how it is calculated or may be collected. Many of the questions posed in the consultation document are not for the Council to answer, but we do offer comment where we can. Below we set out responses to individual paragraphs of the consultation document and to the specific questions raised.

Overall, we ask that through technical consideration of the mechanics of setting and collecting the levy, potential loopholes likely to be exploited by developers and landowners are identified and assessed, and that a robust system

is introduced that is easily understood by the public and developers, which is demonstrably applied locally, and contains transparency in the true cost of development and the funding needed to support a development in all of its needs, now and into the future. Infrastructure considerations must not be limited only to those matters which allow the development to be built and begin to function.

Overall, the Parish requires greater clarity through the consultation, particularly with regard to guidance, definitions and transparency. It is understood that definitions will be included in regulations, but at this stage where views of the mechanics and suitability of the levy system is being sought, an explanation of the scope of such matters, and broad definitions will assist in removing doubt and uncertainty.

Much is made in the consultation of the need to ensure developments remain viable. This is clearly important if development is to take place, but the levy process should encourage a transparency of viability calculations. Experience suggest that when presented with questions of viability, developers will explain that certain factors, deemed at planning application stage to be necessary or integral to the appropriateness of the scheme, were not anticipated. It is not a fault of the system that a developer has not undertaken a full and thorough assessment of site characteristics and likely development needs when negotiating an option or purchase of the site. However, the planning authority through a combination of the Infrastructure Delivery Strategy and its local plan – supplemented by neighbourhood plans as appropriate – should provide strong guidance on the likely infrastructure requirements for both allocated and unallocated development sites; for new development in general, where matters go beyond what is standard integral considerations from which developers start their viability assessments. The system introduced should not be unduly rigid but flexible to respond to local circumstances and have some cross-border continuity.

Examples of definitions required include; affordable housing, locally-set, point of sale, completion, implementation, integral and levy-funded. To maintain flexibility through changing circumstances it may be best to define what is not considered infrastructure than to seek to include all potential considerations.

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We respond in greater detail to the paragraphs and questions of the consultation document as follows:

Executive summary

Paragraph 1 Supported

Expectations of all interested parties must be set out clearly. The definition of development infrastructure must be very clearly defined in respect of the levy. Affordable housing, schools, health provision, green space and transport are easily understood, traditional infrastructure requirements, but the list is not exhaustive. LPAs must be given the opportunity to provide locally defined and justified lists of additional physical, environmental, social and economic considerations which will be affected by a new development proposal. Clarity should be offered as to the scope and extent of the sphere of influence that can be considered in the definition and application of a local infrastructure requirement.

Paragraph 2 Supported

The levy must be mandatory and enforceable, have minimum thresholds based on local circumstances, including taking into past deficiencies, and be locally determined. The intent of capturing more development revenue is a sound principle. A levy based on GDV is supported but we question how is the GDV to be set and what provision will there be for arbitration? How will it be monitored and modified and who has ultimate responsibility?

Paragraph 3 Supported

The levy should not be renegotiable if GDV is lower due to changed circumstances; the development will remain and have a local impact, irrespective of the returns to the speculator.

Completion is often difficult to define and it should not be that any levy payment is not made until the development is completed. The paper references the 'value of the property at completion' and this clearly relates to the point at which the property is offered for sale. This is transparent but raises the concern that levy payments will be staged and potentially over a long period making it difficult for infrastructure to be provided in a timely manner.

A possibility might be for a flat rate of levy to be secured upon implementation and an expected sale price, with an upward adjustment made as the property value is known at the point of sale or occupation.

Paragraph 4 Supported

An uplift in levy is important, not only if GDV is enhanced, such as through a shift in house prices, but also if the development is amended, for example, through increased densities, extension or changes of use.

Paragraph 5 Supported

Up-front (implementation) payments based on GDV is preferable to site by site negotiations through s106 agreements, although the latter must remain to pick up very site-specific or site-management/operational requirements.

Published as part of any planning decision, the levy will have greater transparency, but a mechanism must be developed to ensure the public has access to records of the funds being spent. Clarity is required for the definition of a 'local community' and who is responsible for ensuring monies are distributed appropriately. The local Parish Council would appear a logical choice both for identifying local infrastructure requirements and for working with local authorities to ensure provision.

Paragraph 6 Supported

The principle of an Infrastructure Delivery Strategy is welcomed and it should form part of the Development Plan, either as part of a local plan or a stand-alone but integrated document. The strategy will require regular monitoring and should be reviewed not less than bi-annually. Input from infrastructure providers (a wide spectrum not just highway, drainage or transportation authorities) and the local community is essential.

Paragraph 7 Supported

Provision of affordable housing as part of the levy is understood and necessary. However, funding or the provision of affordable housing frequently takes priority on many sites at the expense of other requirements and is not always appropriate. The definition of 'affordable housing' will differ by location and should be "real". Affordable housing is an unfortunate term in that it can mean very different things to different people. To developers and many members of the public inevitably it is the traditional view of rented accommodation that took the place of Council housing, now run by associations. The levy could clarify this situation by indicating preferential rates for the provision of housing that is priced to be available to a larger proportion of the local market and need not be confined to housing administered by a third party but controlled through limitations on resale prices.

In affluent parts of the country housing is priced out of the reach of many, who are forced to seek out accommodation far from their work and services, in non-sustainable locations that add to transportation costs, pollution and add to infrastructure deficit.

Affordable housing provision aided by the proposed levy must be demonstrable in terms of provision, suitability and locally required. Sites for provision must be in locations best suited to respond to that need – close to places of work and services and not forced on all sites, including those distant from the true housing need and need of those residents. Not all sites, locations will be suitably located to provide an appropriate affordable housing as traditionally understood and in defining infrastructure requirements through strategies, the type, form and quantity of 'housing at an affordable price' should be set out for distinct areas (this can include starter homes, shared equity homes etc. or none in some locations where a need is not proven and where the levy can be used for other enhancements or transferred to make up funding shortages in an area adjacent)

Provision of affordable housing should not be in place of other infrastructure improvements/provision. The 'right to require' is in principle supported.

Chapter 1

Scope of the levy Supported

The levy should apply to all forms of development. There are many forms of development exempt from CIL that nonetheless have marked impacts on local infrastructure. Exemptions must be very exceptional and Very Special Circumstances must be demonstrated where an exemption is claimed.

The consultation indicates Permitted Development rights will be included within the levy and this is supported, but also other development forms such as change of use, prior approval, certificates of lawfulness and retrospective permissions should be treated similarly. While the emphasis may be on residential provision, commercial, agriculture and other uses equally have an impact on infrastructure provision. Similarly, the suggestion sites where development values cannot be calculated should be subject to a levy is also supported.

Types of infrastructure Supported

The differentiation between integral and levy funded infrastructure is welcomed; too often developers have ignored any requirement that is not 'integral'. We question if s106 agreements and Delivery Agreements are one and the same; duplication should be avoided. Why a delivery agreement cannot apply equally to developments following the "core", "infrastructure in kind" or "s106 only" routeways is unclear. Surely a common approach of an agreement set out in sections covering the three routeways will be the most effective?

Chapter 2

Levy Rates Neutral

It is essential minimum thresholds are set for all developments and no development should be permitted without a contribution towards local infrastructure impacts. Charging schedules are supported in principle, but it is questioned whether local authorities, at a time of severe under-funding and staff shortages will have either the capacity or expertise to prepare and deliver the strategy. Greater detail on how this is to be implemented, funded and managed

is essential. Clearly an infrastructure requirement to be funded by the levy is the appropriate provision of planning and levy staff within a local authority.

Chapter 3

Charging and paying the levy Neutral

A levy based on GDV is supported. Due to difficulties of defining completion and point of sale being commonly after some forms of infrastructure should be delivered, and up-front payment supplemented at a later stage is desirable.

To avoid developments remaining in a non-completed state to avoid levy payment, the emphasis of the payment structure must be upon commencement or point of sale.

Chapter 4

Delivering Infrastructure Supported in principle

Forward funding of infrastructure is vital. While borrowing against levy proceeds is to be welcomed, a greater emphasis should be placed on up-front developer payments for all integral and some levy funded requirements.

Chapter 5

Affordable Housing Supported in principle

Subject to the comments above of the suitability and need for affordable housing on a site by site, locational need basis.

Chapter 6

Other Areas Supported in principle

Current CIL provisions and grounds for exemption must be subject to scrutiny in terms of past effectiveness and impact on infrastructure (e.g. self-build homes place equal burden on infrastructure as do market housing). Exemptions should be only in the most exceptional of circumstances.

The share of levy proceeds should be examined as part of the Infrastructure Delivery Strategy and will differ from area to area (within a local authority's jurisdiction) and over time. It should not be a flat rate, but reviewed in response to the evidence of local need on a regular basis.

Chapter 7

Introducing the levy Supported in principle

Support is offered to trialing the new levy but concern is raised about a phased 'test and learn' process over "several years. Not only does this introduce uncertainty but it offers an open-ended scenario and one which is unlikely to resolve the critical infrastructure imbalance that exists. It will not resolve the constant battle between developers and opponents that manifests itself in political planning decisions and policies (in many cases reinforcing the existing problems) and will contribute to a back log of deficiency with no likelihood of rebalance.

Part of the trail could include localised variations to CIL and s06 requirements which promote a similar approach to identified local need (determined by public representatives) and to levels of payments that vary across a local authority area, to help speed up delivery and locate development in the most appropriate areas and not where a developer/landowner has an interest. It would not be difficult for a s06 agreement to seek up front infrastructure payments based on a schedule of local costs and top up payments at point of sale, nor to extend that range of developments that would be subject to the payments secured through s106 agreements.

In principle the administration of a levy should not be complicated. A key objective of this change of approach is to make the whole process transparent and for the public to see that there are true benefits locally from the provision of new development. The difficulty will come in setting the levy and balancing conflicting aims of the community and developer. Once set it should be a process of paying the levy when due and there should not be a process whereby a levy can be disputed once a development commences. For most developments there will be a clear charge to pay, up front or in stages, after all a new development is evident within the community, as is its implementation. The complication comes if the system perpetuates the loopholes, which developers have exploited for many years, primarily the question of exemption, and more importantly viability (where the definition can differ widely between landowner, developer and community).

How will the levy work?

(iii) Spending the levy Clarity required

A purpose of the levy is to capture more of the revenue generated by development for infrastructure. However the third paragraph of this section questions "*Should the Levy generate more revenue than is collected under the present system, proceeds could be focussed on providing more of the infrastructure that communities need.*" One

assumes this statement relates to the difference between integral and levy-funded infrastructure considerations. This begs the question if the latter is very much a secondary consideration, when for many communities it is the existing lack of services and the potential further drain on those services as a result of the development proposed, that should be at the crux of this debate. The current system should account for most if not all integral infrastructure needs and it is the reviewed approach that offers the widening of the process to fund necessary infrastructure that is currently overlooked. To date such infrastructure needs may not meet a typical infrastructure definition, but it must be one of the purposes of the changed system, to widen the scope of infrastructure to generally enhance and address local problems within a community, into which the development is to fit.

How will the levy be implemented?

The adoption of a trial period to evaluate the new system is welcomed but it should not be open-ended. Clear deadlines for introduction should be promoted.

The suggestion a local authority might be able to adopt the new system in advance of the full implementation, based on local need and circumstance is supported, but it should be clarified how such steps will be supported if a developer fails to comply with the regime at that time. One assumes the authority will have the same powers of implementation and claim as those authorities participating within the official test programme.

Scope of the levy

The general views of the Parish are outlined above, but specific comments are made below in response to paragraph numbers.

Overall the consultation should confirm that a prime purpose of the levy is to provide funding for community infrastructure that will be provided by a body other than the developer in parallel with or following a development. There is a very real risk (see para.1.5) that some infrastructure which should be provided by the developer as part of the proposal, may be diverted to others to provide. It is also important that when a development is sold by a developer to a third party, no impediment is placed in the way of bodies providing agreed and levy-funded infrastructure in the future.

1.2 Acknowledging the overpayment for land and downward negotiation of contributions through use or misuse of viability statements is welcomed. We question if viability should be calculated in response to a clear template and calculation understandable by all parties, including the public, and this should form part of all planning applications at validation.

1.7 **Question 1** – Agree to the definition of development but suggest the threshold of 100m is too generous. A building or structure of that size can have a marked effect on a local community, particularly if used on a daily basis.

1.9 Agree to this provision providing it is clear that not all sites are suitable for affordable housing. The Infrastructure Delivery Strategy for individual areas should indicate where affordable housing provision will be inappropriate or where a different form of managed housing might be appropriate.

1.10 There should be an assumption that in all new development cases the levy made will go beyond integral infrastructure needs. It is equally important that the levy (integral and levy funded) applies to all infrastructure matters which are beyond that which should normally comprise part of the development costs.

1.15 With changing development requirements brought about by other developments, it is important that a distinction is drawn between that infrastructure which is needed to allow a development to function and or be 'liveable' if residential (that is necessary to obtain planning permission), and that which is desirable to enhance both the development and site surroundings, integration within the immediate community, and off-site costs of enhancements to services likely to be used by the development and its occupants. A list is offered by way of examples of possible 'integral infrastructure' within paragraph 1.5, but we submit that many of these elements are matters which should come forward as part of the development cost to be provided by the developer before the development first comes into use; bio-diversity net gain is a prime example. These should not be subject to levy payments if provided on site. Paragraph 1.16 should be redefined to clarify.

1.19 Agree planning conditions is the most appropriate form of securing contributions. Will the right to appeal exist if the developer/landowner disagrees with the level of contribution or will this right be removed on grounds that the levy is mandatory and fixed (challenged as necessary) at examination?

1.22 Much discontent with the planning system and new development is the legacy of poor past provision. The consultation indicates that the levy will address the cumulative effects of 'planned growth' suggesting there is no opportunity to address important infrastructure deficiencies arising from the cumulative effects of past developments. Clarity is required on what assumptions the LPA can make when drawing up its contribution strategy. For example, will the authority be limited to seeking contributions only for the added impact of the

development alone, or address past deficiencies? The correct use and definitions within regulations as required by paragraphs of 1.26 – 1.28 will be crucial.

1.24 This is an interesting comment as the Parish considers that in many case new (speculative) development is frequently located in areas considered less-than-optimal and well in advance of the infrastructure need to support it. We consider it unlikely that new infrastructure will be poorly located in relation to growth contained within a development plan, it should be integral with it, and within un-planned locations, infrastructure is likely to be located in the most practical situation that is available.

1.26-1.28 A nationally consistent approach to the definitions of integral and levy-funded contributions is supported. There should be an opportunity for additional locally-specific definitions to be added where these are justified and examined. 1.28c is supported.

Question 2 YES – developers should be responsible for providing all infrastructure necessary to allow the development to function.

Question 3 See comments above re paragraphs 1.22, 1.24 and 1.26-.28.

1.31 It is reasonable for contributions to be sought for the continued maintenance of infrastructure when necessitated by a new development. We see no reason why such funding cannot be secured through s106 agreements as at present (paragraph 1.36(3))

1.33 The potential for levy funding to be directed to services rather than traditional infrastructure is supported. This should be permitted in response to clear evidence of local need.

Question 4 YES

Question 5, 6 NO – the needs of a community will vary and levy funding should be used accordingly. While affordable housing provision and infrastructure provision will normally be a priority, deviations from that trend should be picked up at local level and applied according to individual merit. Local need could cover matters not identified in the consultation document.

The core levy routeway

Paragraphs 1.38 – 1.49 are supported in principle subject to comments made above within the preamble. Concern is raised that the introduction of thresholds could allow many development forms to escape levy payments but still contribute to infrastructure deficiencies.

Paragraph 1.48 It is considered that thresholds should be set locally following central government guidance on planned sites (those identified through the development plan).

The principles of the three routeways should be applied to all development sites that are brought forward as exception sites, or as infill, change of use, prior notification, permitted development, retrospective, or under certificates of lawfulness, with the levy determined by an assessment of direct impacts and a general locally defined levy, based on geography and typology.

Dealing with the variability of sites

Paragraphs 2.12-2.14, 2.30 -2.33 No one solution can fit all eventualities and while general principles should be applied, it must be part of the application determination process to check if an appropriate level of contribution is sought for each development promoted. This will consider the individual merit of a site and the development form. The rate should be set by the local authority schedule and tested through examination.

It is accepted that some brownfield sites in sustainable locations may have additional costs (e.g clean up requirements) that mean they are more expensive to deliver and are overlooked in favour of more easily developed, unconstrained greenfield sites. There may be a public, sustainable and environmental benefit from these sites coming forward at an early date. It is therefore reasonable that the 'clean-up costs' are set against the levy, but it must be recognised that the resulting development may have a knock-on effect on local infrastructure which will have to be paid for. In drawing up its schedule of levy rates, a local authority should apply a factor to greenfield development that may be used to off-set some of the additional development costs of brown field sites. IT will be incumbent on the developer of a brownfield site to present appropriate clean-up costs to set against the mandatory levy charge.

Paragraphs 2.15 – 2.29 The extension of the levy to include all forms of development is welcomed and supported. Many such developments have a direct impact on infrastructure and service provision and should be subject to the levy.

Questions 9 and 10 YES

There will be some forms of limited development where it does not change the form of existing development and place a greater burden on local infrastructure and a levy in those case will be inappropriate. These will be readily evident but the limits imposed by prior notification could be used to distinguish. Any permitted development resulting in an additional unit, whether residential or commercial should be subject to the levy. The criteria listed at paragraph 1.5 could apply.

Question 11 YES see above paragraphs 2.12 – 2.33

Examination of charging schedules

It is appropriate that charging schedules and the evidence bases on which they are based, are subject to independent examination. Such examination to take into account any centrally-set levels/ expectations from the Government.

The right of appeal against levy conditions attached to planning permissions should be removed where the levy is in accord with any schedule agreed following examination. Appeals should be permitted only in exceptional circumstances and when there is clear evidence available to demonstrate the levy should not be applied in full or part.

Questions 12 and 13 We strongly agree with the charging a levy based on final sale GDV, calculated from floorspace approved, and agree that there is a case for setting thresholds on different development uses and typologies. The use of thresholds should be an exception rather than a norm. No strong view on the ability to applied stepped levy rates – this should be a individual requirement and apply only to larger phased developments. Disagree that existing floorspace subject to change should be subject to a different rate of levy as the impact of a change of use can be the same as that of a new development.

2.45 – 2.46 It is an inevitability that for the greater part, developers/landowners will seek to minimise levy rates and challenge and local variation. This will be particularly true in respect of volume house builders responding the shareholder demands. While it is appropriate to offer the opportunity to challenge unreasonable and unjustified levy rates, we support the principle that the scope of an examination should be limited to provide confidence. Generally, the standardisation of methodology is to be welcomed, but with a proviso that authorities may step away from standard methodology to apply an additional levy charge that is deemed appropriate and justified for a particular area.

Chapter 3 Charging and Paying the levy

Completion is difficult to define in practice and the levy to be collected should reflect the value of housing (or other development) at the point of sale. It is important that a percentage of the levy is collected upon implementation where infrastructure is required to allow the development to function, to be 'topped up' at point of sale. The percentage to be payable determined by the infrastructure need at the time of application.

We agree the developer should accept a liability to commence the development following planning permission and should be subject to a delivery agreement, which sets out the scope, quantum and timescale for levy payments across the life of the development and include a agreement of the point of completion. The process should be given a timescale through the planning permission – payment of part of the levy early could speed up delivery – we do not accept that it will impact the likelihood sites will not come forward. We anticipate the opposite will happen and avoid the situation of sites lying dormant until the market conditions improve or to stop competing sites coming forward. Part of the reasoning for a shortage of land coming forward for development in some areas is a result of 'land banking'.

The Parish does not have view on the mechanics of the process for charging and collection set out in Chapter 3 providing that the above safeguards are incorporated.

Chapter 4 Delivering Infrastructure

The key objective of the levy is to bring forward much needed infrastructure in the right place and at the right time. To delay collection of the levy until a development is completed, or fail to identify necessary and appropriate infrastructure at the time of planning permission will undermine the whole process. The Infrastructure Delivery Strategy is vital to the success of the scheme and must be linked closely with the local plan and its policies, providing for planned (local plan allocations) and unplanned (those subject to general policy control) developments.

The identification of infrastructure needs and priorities can be identified through the background evidence collection for the local plan, brought together by the local authority, infrastructure providers and the local community. The definition of contributors in paragraph 4.24 is too limited and constrained to higher level input with a risk neighbourhood needs are ignored. INpit from local communities is essential to ensure that provision is made for very localised issues to be addressed, either through the local plan and its evidence gathering exercise, through

neighbourhood plans, or in comments responding to a specific development proposal (Parish Council input as a statutory consultee). Community engagement is vital and the provisions of paragraph 4.26 are supported strongly

Managing how the levy is spent – the Infrastructure Delivery Strategy

The spending of development levies is of particular interest to the Parish and local communities. Too frequently does the community see new development come with few if any demonstrable benefits for the community. As we say, while the need to pool levy payments to fund bigger, important infrastructure projects, local, direct spending on matters of importance to a community in the vicinity of the development will go some way to countering claims of lack of infrastructure and services. The approach should be to change local attitudes to welcome new development through positive enhancements which they bring.

Paragraph 4.22 While it states not to be exhaustive and provide a framework for a local authority spending plan for the levy, we are concerned that the level for neighbourhood share is too limited and to reflect nationally set standards. There is potential in this approach to limit any neighbourhood share and we believe it should be revised to reflect the national standard unless evidence demonstrates that localised impacts will be specific and significant and should be funded directly from a levy against the development.

Questions on the Infrastructure Delivery Strategy

Paragraphs 4.34 – 4.35 and Questions 24, 25, 26, 27 and 28

We have indicated our support for the infrastructure delivery strategy to be aligned closely with the local plan, but retain our concerns that in doing so the levy should not be designed only for development promoted through the plan, but to also include appropriate provisions for ad hoc, unplanned development and those forms of development not subject to CIL provisions. We strongly agree it is possible to identify infrastructure requirements through this forum.

There is a clear potential for spending plan to be transparent if it is made public as part of or in parallel with the local plan and its evidence gathering exercise.

Infrastructure needs within an authority area should be well known through past plan production and commentary on planning applications and local member knowledge representing local communities. A list of infrastructure initiatives and priorities can be produced with relative ease although the costing of each may prove more difficult. Involving the local community within the exercise to determine need and priority will be a very useful exercise and one in which the Parish Council, Neighbourhood Plan Team or equivalent representative body can play an active role. It need not be involved in the specific drafting, but should contribute to the framework, its scope and reviewing the document before adoption and examination.

Affordable housing

The Parish supports in principle the provision of affordable housing through the infrastructure Delivery Strategy. This support is however, qualified by comments made earlier that the provision must be “real”, that is to say, real houses must be provided where they are needed locally, not an option of provision of a general payment, which could be a ‘cheaper option for a developer’ (allowing land for affordable houses to be used for dwellings providing better returns or an enhanced value across a site because there is no affordable housing included. It may be appropriate for a general payment to be made in some locations where there is no direct need for affordable housing as a contribution towards the district need. Not all sites are suitable for affordable housing provision, and the need in some locations may not be for affordable housing as commonly understood, but for other types of housing not normally provided by a housebuilder.

Chapter 6 Other Areas

The Neighbourhood Share

It is right and proper that neighbourhoods should benefit from new development and receive a share of the infrastructure levy. Generally, this should be a percentage but can be supplemented if a significant infrastructure provision arises as a direct result of development proposed (paragraph 6.5).

The Administrative Portion

This is supported. The levy and methodology for its calculation and recovery will place an additional burden on local authorities, including work to align with local plans and policies. It is correct that the development industry contributes to this work, which arises as a result of their actions.

Approach to smaller sites

The Parish supports the principle of a threshold for affordable housing on smaller sites. It does not support a threshold for payment of a levy. For all developments resulting in the creation of a new unit of accommodation, or operational use that will utilise local infrastructure, a levy must be applied, should this use be brought into being through planning permission or deemed planning consent.

Conclusion

To conclude the Parish believes a review of the levy system to ensure developers and landowners pay a true cost of their development and provide enhancements for the local community through infrastructure enhancements is well overdue. The provisions of the consultation are broadly supported subject to detailed areas of modifications to ensure that neighbourhood infrastructure is not given a low priority. It is within the immediate community that the direct effects of a new development are felt, and it is commonly the case that enhancements are not provided or levies collected are spent elsewhere.

The Parish remains concerned that the development industry, and the Volume Housebuilders in particular, will lobby hard for a continuation or betterment of the status quo that provides them with significant control, and the ability to limit contributions through 'viability assessments' based on assumptions of limited transparency, and demonstrations that infrastructure needs are not directly associated with the development promoted and it is not their responsibility.

A mandatory levy requirement with limited opportunity for appeal is a major step in the right direction, but greater clarity and confidence is required to ensure that local communities are provide with an appropriate share.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Haydn Morris', with a stylized, cursive script.

Haydn Morris
For HMPC Ltd