The East Hampshire District Local Plan: Draft Planning Contributions and CIL Supplementary Planning Document (SPD)

Regulation 12 Town and Country Planning (Local Development) (England) Regulations 2012

Persons consulted when preparing the supplementary planning document

The Planning Contributions and Community Infrastructure Levy SPD was subject to public consultation for a period of 6 weeks between 22 December 2015 and 1 February 2016. Copies of the draft document and supporting information (namely a Strategic Environmental Assessment Determination and the Statement of Matters and Availability (see Appendix 1) were made available to view at the following locations during opening hours:

- East Hampshire District Council Offices
- Alton Information Office
- Bordon Information Office
- Bramshott and Liphook Parish Office
- Horndean Parish Office
- Alton Library
- Bordon Library
- Grayshott Library
- Horndean Library
- Liphook Library
- Petersfield Library

The SPD and supporting information was also made available to view online at http://www.easthants.gov.uk/supplementary-planning-documents-and-guidance (see Appendix 2 and Appendix 3).

Representations were invited via post or via email.

Consultation letters and emails
The Council notified all registered members on the East Hampshire District Local Plan consultation database. The database covers a wide range of stakeholders including local residents, businesses, and statutory bodies. In total, there are approximately 1,050 contacts on the database. The majority of members were contacted via email (see Appendix 4) and those without an email address were contacted via post (see Appendix 5).

Documents available on the Council’s website
Copies of the Consultation Draft SPD, the Statement of SPD Matters and Availability, the Summary of Committed Sum Methodology, and the Strategic Environmental Assessment Determination were made available to view/download on the Council’s website at:
http://www.easthants.gov.uk/supplementary-planning-documents
Press Release
A press release was published by East Hampshire District Council on the 22 December 2015 (see Appendix 6) following approval from Cabinet to undertake public consultation. The press release was circulated to local newspapers.

Summary of the main issues raised by those persons
A total of 19 individuals and organisations responded to the draft SPD. The comments made are set out in full in the schedule attached as Appendix 7.

How those issues have been addressed in the supplementary planning document
The Officer comments relating to these concerns and how they have been addressed in the final version of the SPD can be found in Appendix 7.
Appendix 1: Statement of SPD Matters and Availability

The East Hampshire District Local Plan: Draft Planning Contributions and CIL Supplementary Planning Document (SPD)

Statement of SPD Matters and Availability

Regulation 12 Town and Country Planning (Local Development) (England) Regulations 2012

Title: Consultation Draft Planning Contributions and Community infrastructure Levy SPD

Area Covered: The parts of East Hampshire District that lie outside of the South Downs National Park Authority Area

Subject Matter: The document provides detailed information on how the Council will continue to collect Section 106 contributions for specific types of infrastructure and how they will work alongside the CIL Charging Schedule. The SPD provides detailed information on the CIL process.


Copies of the draft documents and the supporting information are available to view at the following locations:

Online at: [http://www.easthants.gov.uk/supplementary-planning-documents](http://www.easthants.gov.uk/supplementary-planning-documents) At all times

East Hampshire District Council
Penns Place, Petersfield
GU31 4EX Monday - Friday
09:00 – 17:00

Alton Information Office, 7 Cross and Pillory Lane GU34 1HL
Monday – Friday
09:00 – 16:30 (closed 13:00-13:30)
Saturdays 09:30-12:00

Bordon Information Office,
Forest Community Centre
GU35 0BS Monday – Friday
09:00 – 16:45 (closed 13:00-13:30)

Bramshott and Liphook Parish Office, The Haskell Centre, Midhurst Road GU30 7TN
Monday – Friday
10:00 – 16:00 (closed 13:00-14:00)

Horndean Parish Office, Tyfield House, Blendworth Lane PO8 0AA
Monday to Friday
09:00 – 16:30
Local Libraries at Alton, Bordon, Grayshott, Horndean, Liphook and Petersfield

Representations to be sent to:
Planning Policy, East Hampshire District Council, Penns Place, Petersfield, Hampshire, GU31 4EX

Or by email to: localplan@easthants.gov.uk

Adoption Notification: if you wish to be notified of the adoption of this SPD, please request this as part of your submissions.
Planning policy guidance documents help the public, agents, applicants and council officers prepare and evaluate development proposals.

There are different types of planning guidance documents that can be used by the Council, including:

**Supplementary Planning Documents** (SPDs) form part of the Local Development Framework. They provide further details, guidance and principles on the policies in the Development Plan Documents (Joint Core Strategy, DPD and Saved Local Plan Policies). It is important to note that SPDs do not form part of the Development Plan itself, however, they are material considerations when processing planning applications and development proposals in the District and have to be considered when making a planning decision.

The Council is currently consulting on the Consultation Draft Planning Contributions and Community Infrastructure Levy Supplementary Planning Document. Further information can be found on our supplementary planning documents webpage.

**Development Briefs** inform developers and other interested parties of the constraints and opportunities presented by a site and the type of development expected to inform local planning policies.

There are currently no development briefs in place within East Hampshire District (outside of the National Park), although the Council, Alton Town Council and Melson Coors are working together to prepare a development brief to guide the future development of the former brewery site in Alton.

**Guidance Documents** help show what we are looking for in support of new developments. These are not policy documents but should be referred to as guidance when planning for development.

The Council has prepared a Guidance document on the loss of Industrial or Business Uses provides clarification on the marketing and economic viability evidence required.
Appendix 3: Supplementary Planning Document Webpage

Planning Contributions and Community Infrastructure Levy (CIL) supplementary planning document

The Council has prepared a draft supplementary planning document, to set out its approach to delivering infrastructure associated with new development in the parish of East Hampshire District that is located outside of the South Downs National Park. This guidance will support the implementation of the East Hampshire CIL Charging Schedule in April 2016.

The Planning Contributions and Community Infrastructure Levy (CIL) supplementary planning document (SPD) will enable the future delivery of infrastructure in East Hampshire District alongside new development.

Please note that once adopted, the SPD will supersede the East Hampshire District Council Guide to Developer’s Contributions May 2014 (amended September 2014). However, the Guide to Developer’s Contributions will still be used to determine applications that fall within the South Downs National Park Authority.

Consultation on the Planning Contributions and Community Infrastructure Levy (CIL) supplementary planning document

The Council is now consulting on a draft of the Planning Contributions and Community Infrastructure Levy (CIL) SPD. This document explains how Section 106 contributions and the CIL Charging Schedule will work alongside one another. You can find it under ‘Related Documents’ on this webpage.

We would welcome you comments on the SPD by email (link sends e-mail) or through written comments which should be sent to the following address:

Planning Policy,
East Hampshire District Council,
Parma Place,
Farnham,
Hampshire,
GU91 4BX

We need to receive your comments by 5pm Monday 1 February 2016. Further information on the availability of consultation documents is set out under ‘Related Documents’
Screening assessment

We have carried out an assessment, known as a screening process, to decide if we need a Strategic Environmental Assessment (SEA) for the Consultation Draft Planning Contributions and Community Infrastructure Levy SPD. Our Screening Assessment identifies that an SEA would not be necessary.

Consultation Draft Planning Contributions SPD- SEA - HRA Screening (pdf 452 kb)

Commutted Sum Methodology

The Council’s viability consultants Adams Integra have produced a Summary of Commuted Sum Methodology, to set out how the commuted sum rates for affordable housing have been calculated in the Consultation Draft SPD.

The Commuted Sum Methodology can be found under ‘Related Documents’.
Appendix 4: Email to Consultees

From: EHDC - Local Plan [mailto:localplan@easthants.gov.uk]
Sent: 21 December 2015 14:07
Subject: Consultation Draft ‘Planning Contributions and Community Infrastructure Levy’ Supplementary Planning Document

Dear Sir/Madam,

Consultation Draft ‘Planning Contributions and Community Infrastructure Levy’ Supplementary Planning Document

East Hampshire District Council is intending to introduce a Community Infrastructure Levy (CIL) Charging Schedule for those parts of the district outside of the South Downs National Park Authority Area in April 2016.

As part of the work towards implementing the CIL Charging Schedule, the Council has produced a Draft Planning Contributions and Community Infrastructure Levy Supplementary Planning Document (SPD). The SPD sets out the approach that East Hampshire District Council will take in securing planning obligations and CIL for those parts of the district outside of the South Downs National Park Authority Area following the introduction of the CIL Charging Schedule.

We would therefore welcome your comments on the Consultation Draft Planning Obligations SPD. The six week consultation period will commence on Monday 21 December 2015 and close at 5pm Monday 1 February 2016.

Full details of the consultation and the supporting documents, can be found on our website: http://www.easthants.gov.uk/supplementary-planning-documents

In addition, local libraries and information centres within East Hampshire District will be supplied with copies of the following documents for consultation:

- EHDC Consultation Draft Planning Contributions and Community Infrastructure Levy Supplementary Planning Document
- EHDC SPD Strategic Environment Assessment (SEA) and Habitats Regulations Assessment (HRA) Screening
- EHDC Statement of SPD Matters and Availability
- Adams Integra Summary of Commuted Sum Methodology
Representations should be sent in writing to: Planning Policy, East Hampshire District Council, Penns Place, Petersfield, Hampshire, GU31 4EX Or by email to: localplan@easthants.gov.uk

If you have any queries concerning the contents of this letter, or would like any more information about this consultation, please contact the Planning Policy team on 01730 234280, or by email localplan@easthants.gov.uk.

Yours faithfully,

Victoria Potts

Planning Policy Team Manager

Victoria.potts@easthants.gov.uk
Appendix 5: Letter to Consultees

Dear Sir/Madam,

Consultation Draft ‘Planning Contributions and Community Infrastructure Levy’ Supplementary Planning Document

East Hampshire District Council is intending to introduce a Community Infrastructure Levy (CIL) Charging Schedule for those parts of the district outside of the South Downs National Park Authority Area on the 1 April 2016.

As part of the work towards implementing the CIL Charging Schedule, the Council has produced a Draft Planning Contributions and Community Infrastructure Levy Supplementary Planning Document (SPD). The SPD sets out the approach that East Hampshire District Council will take in securing planning obligations and CIL for those parts of the district outside of the South Downs National Park Authority Area following the introduction of the CIL Charging Schedule.

We would therefore welcome your comments on the Consultation Draft Planning Obligations SPD. The six week consultation period will commence on Monday 21 December 2015 and close at 5pm Monday 1 February 2016.

Full details of the consultation and the supporting documents, can be found on our website: http://www.easthants.gov.uk/supplementary-planning-documents

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Representations should be sent in writing to: Planning Policy, East Hampshire District Council, Perms Place, Petersfield, Hampshire, GU31 4EX

Or by email to: localplan@easthants.gov.uk
If you have any queries concerning the contents of this letter, or would like any more information about this consultation, please contact the Planning Policy team on 01730 234280, or by email localplan@easthants.gov.uk.

Yours faithfully,

Victoria Potts

Planning Policy Team Manager
Victoria.potts@easthants.gov.uk
Consultation Draft Planning Contributions and Community Infrastructure Levy Supplementary Planning Document

Tuesday 22nd December 2015

East Hampshire District Council’s Cabinet has approved a six-week consultation on a planning document that sets out the approach to delivering infrastructure associated with new development in East Hampshire District (that is located outside of the South Downs National Park).

The supplementary planning document (SPD) explains how Section 106 contributions and the Community Infrastructure Levy (CIL) Charging Schedule will work alongside one another once the CIL Charging Schedule is implemented in April 2016.

It is important to note that the SPD will only apply to those parts of East Hampshire District that are located outside of the South Downs National Park.

The six week consultation is now online at our Supplementary Planning Documents webpage and respondents have until the 1 February 2016 to comment.
## Appendix 7: Planning Contributions and Community Infrastructure Levy Supplementary Planning Document – Consultation Responses and Officer Comments

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Response</th>
<th>Officer Response</th>
</tr>
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</table>
| Yvonne Parker Smith  
District Councillor for  
Lindford | CIL is incorrect for Lindford. It shares its boundary with Headley which is £180 per sq metre. Several roads in Lindford are partly in Lindford and partly in Headley with same house price.  
House prices in Lindford higher than Bordon and Whitehill, check Rightmove, it says the same thing.  
Unfair Lindford at £65 per sq metre, should be in with Northern Parishes.  
Inspector did not receive correct advice. | The CIL charging schedule was informed by a detailed evidence base that was also examined alongside the document by a CIL Examiner. The CIL Examiner’s Report notes that the Council has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk.  
It is a part of the Examiner’s role to check that the methodology and evidence base is correct. In this case the Examiner checked both the methodology and the evidence and found them to be appropriate and accurate.  
It is important to note that the SPD has been produced to provide detailed guidance on how Section 106 and CIL will operate alongside each other and to provide information on how CIL will be collected. The CIL Charging rates are anticipated to be adopted by full Council on the 25th February 2016.  
In light of the above, no changes will be made to the CL charging schedule rates detailed in the SPD.  
However, it is likely that the Council will review its CIL charging schedule within the next three years and public consultation will be undertaken as part of this process. |
| Anglea Jackson | I wish to object to the following clause on p. 13 of the above Consultation Draft for reasons set out below, together with a suggested amendment.  

'4.6 It is important to note that following the submission of the developer’s viability assessment, there may be a need for the findings of the study to be discussed by Councillors at a ‘closed session’. The use of closed sessions is to ensure that commercially sensitive information submitted by the applicant is not released into the public domain.'  

Whilst appreciating the need for discretion regarding 'commercially sensitive information', the above clause is contrary to the principles of open government and transparency. It is not justifiable to exclude all public participation in this manner. Who decides if 'a closed session' is warranted? Much company financial information is already in the public domain and the cases where a closed session could be justified would be few and far between. If, for clearly defined motives, such a 'closed session' were to be deemed necessary, provision should be made for a representative of public interests or concerns to be present, for example, a solicitor or other professional. This representative would be bound to non-disclosure of sensitive financial details, but would, nevertheless, be able to act on behalf of other interested parties by commenting on any relevant issues arising during the session, and would be able to report back to them afterwards in general terms.  

I look forward to receiving your acknowledgment of my email and your response to my suggested amendment. | Due to the commercially sensitive nature of development viability assessments this information in not released into the public domain. This will include site specific financial information that developers would not wish to be released into the public domain, such as how much they paid for the land.  

In the event that viability information supporting a planning application is debated at the Council’s Planning Committee, the law enables the Committee to go into closed session. We do not anticipate that such a closed session will be requested as members are briefed regularly by officers on viability matters and the findings of independent third party review.  

It is important to note that Councillors represent the views of the public and would be able to feedback to the public (in general terms) on these issues. |
| James Voller | I write as an individual, although I am a parish councillor on Alton Town Council. I work in an architectural capacity and have | In December 2014, DCLG announced that national planning policy was to be changed to |
an observation to make about the viability of forthcoming CIL when combined with S106 contributions towards affordable housing on small developments. You will be aware of the recent high court ruling in which Reading and West Berkshire District Councils challenged the Governments changes to affordable S106 provision earlier in the year, which gave exemption to developments of 10 dwellings or less. Since the high court challenge August last year, district councils across the country now require any development with any new housing to contribute towards affordable housing via S106. The EHDC figures for this provision on greenfield is:

- £63,000 for a 2 bed dwelling
- £74,000 for a 3 bed dwelling
- £100,400 for a 4 bed dwelling
- £132,800 for a 5 bed dwelling

When these excessive figures are combined with the increases that CIL will introduce for the ‘other’ infrastructure charges, most small development will automatically become unviable. Small developers and builders will be very hard hit by these two simultaneous changes to infrastructure fees and this sector of the industry will be badly affected unless the S106 situation is reviewed and made more realistic as matter of urgency.

For example, a four bed dwelling being asked for £100,400 in S106 payment towards affordable, and would be required to provide a further £49,500 under CIL. The build would be in region of £380-450k + purchase of the land, and then there are design fees, consultant fees, planning fees, land agents fees, solicitors fees etc. None of this would stack up for any small builder / developer and small developments will cease to come through and be delivered, leaving the field open to large developers, which is not necessarily a good thing.

exempt developments of 10 homes or fewer from the requirement to contribute towards affordable housing. This decision was successfully challenged in the High Court in July 2015 which quashed the policy and as a result the National Planning Practice Guidance was amended. In September 2015 it was confirmed that DCLG have been granted permission to appeal against the judge’s decision. The appeal is due to be held in March 2016.

The outcome of the judge’s decision could impact upon whether schemes of 10 homes or fewer are required to provide affordable housing provision, either on site or through commuted sums.

To reflect that fact that a decision is likely to be issued prior to the formal adoption of the SPD by Council in April 2016, two versions of the affordable housing section in Chapter 4 have been prepared and will be considered by Councillors so that the SPD can be adopted to reflect the outcome of the DCLG appeal.

The SPD contains updated affordable housing commuted sum rates which are detailed on page 15. You will note that there is no longer a distinction between greenfield and brownfield and that set rates apply to specific settlements. In Alton (Group 3) the rate is £355 per square metre gross internal area (GIA). Therefore, for a 120sqm 4 bed dwelling the affordable housing commuted sum contribution would be £42,600.
Likewise, I cannot imagine any situation where item 4.24, CP14 Affordable Housing in Rural areas would be attractive to any developer. This can only be a method to scare developers away from sites outside the settlement policy boundary.

I hope something will be done to assist the small builder / developer soon before CIL is introduced.

In terms of CIL, the charging schedule on page 34 of the SPD states that Alton CIL zone the CIL rate is £150 per sqm. Therefore, a 120sqm 4 bedroom dwelling would be required to pay £18,000 in CIL.

The CIL charging schedule was informed by a detailed evidence base that was also examined alongside the document by a CIL Examiner. The CIL Examiner’s Report notes that the Council has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk.

In addition, viability testing of the affordable housing committed sum rates has been undertaken which confirms that they are viable alongside CIL. This evidence was provided to support the SPD consultation.

<table>
<thead>
<tr>
<th>Author</th>
<th>Comment</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Henry Adams</td>
<td>Is it sensible to commence a consultation four days before Christmas meaning that it’s only a four week consultation for people who shut down over Christmas.</td>
<td>Comments noted, however to reflect the fact that people are likely to be on leave over the holiday period, the Council consulted on the SPD for a period of six weeks, two weeks more than the minimum set out in legislation.</td>
</tr>
<tr>
<td>Horndean Parish Council</td>
<td>Following planning committee, the document was noted, Horndean Parish Council wish to comment that is a very good and clear document.</td>
<td>Comments noted.</td>
</tr>
<tr>
<td>Graham Wallis, Accountable Officer</td>
<td>We welcome the specific inclusion of ‘Health Facilities’ in the Social Infrastructure on page 10 of the consultation document.</td>
<td>Comments noted and we welcome the opportunity to work with the CCG to deliver health and care</td>
</tr>
</tbody>
</table>
| behalf of North Hampshire NHS Clinical Commissioning Group (CCG) | We would ask the council to be mindful of the additional pressures that new residential development (and the resulting increase in population) could place on local health and care services, in particular primary care services provided at local GP practices.

We would welcome any additional funding for improving local health facilities that might be generated through the Community Infrastructure Levy and we would be happy to work in partnership with the council to ensure that any such funding was used to best effect. | facilities to support new residential development in the district. |
| Charlotte Mayall Planning Coordinator Southern Water | Southern Water is funded through the water industry's price review process to provide strategic infrastructure required to serve new development, for example extensions to wastewater treatment works and development of new water resources. We therefore do not seek developer contributions towards this infrastructure.

However, Ofwat, the water industry's economic regulator, takes the view that local enhancements required to the water distribution and sewerage system as a result of new development should be paid for by the development. This approach ensures that the infrastructure is paid for by those who directly benefit from it, and protects existing customers who would otherwise have to pay through increased general charges.

Accordingly, developer contributions may be required towards local water and wastewater infrastructure in line with the water industry's regulatory framework. These contributions would be additional to the Community Infrastructure Levy and S106 Planning Obligations. | Comments noted and an additional paragraph (paragraph 2.23) has been added to state: In addition to CIL and S106, it should be recognised that developer contributions made direct to the relevant utility company might be required towards essential site specific infrastructure, for example local sewerage and water distribution infrastructure. |

We look to the planning authority to support this approach |
through site specific planning policies and subsequently in planning conditions attached to planning permissions. Southern Water would enter into direct agreements with developers.

It would be helpful if these additional developer contributions were recognised in East Hampshire’s Planning Contributions and Community Infrastructure Levy SPD.

Without support from the planning authority there is a risk that the required infrastructure will not be delivered in parallel with the development as the company has limited powers to prevent connections even when capacity is insufficient. If development is permitted to connect without delivery of necessary infrastructure, the risk of foul water flooding is likely to increase to unacceptable levels.

We therefore propose the following additional paragraph at the end of Section 2 - Context:

2.23 In addition to CIL and S106, it should be recognised that developer contributions made direct to the relevant utility company might be required towards essential site specific infrastructure, for example local sewerage and water distribution infrastructure.

| Ellie Henderson  | Under point 2.10 the document says: The Council must list the infrastructure that it intends to fund through CIL on its website and this list is called ‘Regulation 123 list’. I cannot find a draft Regulation 123 list. However, when it is drafted, we would wish to see tree planting and woodland creation on the list. **Rationale:** The UK is one of the least wooded areas of Europe, with just 11.8% woodland cover compared to around 44% for Europe as a whole. |
| Government Affairs Officer | | It is unfortunate that you could not locate the Council’s Regulation 123 List on the website. However, it is important to note that the East Hampshire District Regulation 123 list identifies Woodland creation as an infrastructure type or project to be funded at least in part by the Community Infrastructure Levy (CIL). The Council anticipate updating the Regulation 123 list on an annual basis as part of its strategic planning process. |
The Woodland Trust believes that woodland creation is especially important because of the unique ability of woodland to deliver across a wide range of benefits – see our publication *Woodland Creation – why it matters* (http://www.woodlandtrust.org.uk/en/about-us/publications/Pages/ours.aspx). These include for both landscape and biodiversity (helping habitats become more robust to adapt to climate change, buffering and extending fragmented ancient woodland), for quality of life and climate change (amenity & recreation, public health, flood amelioration, urban cooling) and for the local economy (timber and woodfuel markets).

Woodland creation also forms a significant element in the conclusions of the Government's *Independent Panel on Forestry*, which states (page 30):

“We want to see a significant increase in forest and woodland cover in England, generating a range of public benefits. Our vision is of a landscape more richly endowed with trees, small woods, copses, hedges, larger woods and forests.”

"Ensure woodland creation, tree planting and maintenance is part of the green space plan for new commercial and housing development.”

David Wilson, Associate Director Planning, Savills-Thames Water

Thames Water provide essential sewerage/wastewater (and water) infrastructure in order to support growth and deliver environmental improvements. That infrastructure provision can incorporate the provision of buildings such as a new sewage pumping station or a new sewage treatment building for example. This form of infrastructure has no impact on other monitoring of CIL collection and spending. We will therefore consult the Woodland Trust on future updates of the Regulation 123 list.

Support noted for the zero CIL charge for 'any other development'.
forms of infrastructure such as schools, open space and libraries. Thames Water therefore considers that sewerage/wastewater (and water) infrastructure buildings should be exempt for payment of the CIL. “Any other development” has a nil charge which TW supports.

The council may wish to consider using CIL contributions for enhancements to sewerage network beyond that covered by the ‘Water Industry Act’.

It is essential that developers demonstrate that adequate capacity exists both on and off the site to serve the development that it would not lead to problems for existing users…this may make it necessary for developers to carry out appropriate studies to ascertain whether the proposed development will lead to overloading of existing water & sewerage infrastructure.

Thames Water therefore consider that the following section should also be added to the SPD:

<table>
<thead>
<tr>
<th>Wastewater &amp; Sewerage Infrastructure</th>
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<tbody>
<tr>
<td>Developers will be required to demonstrate that there is adequate waste water capacity and surface water drainage both on and off the site to serve the development and that it would not lead to problems for existing or new users. In some circumstances it may be necessary for developers to fund studies to ascertain whether the proposed development will lead to overloading of existing water and/or waste water infrastructure. Drainage on the site must maintain separation of foul and surface flows.</td>
</tr>
<tr>
<td>Where there is an infrastructure capacity constraint the Council will require the developer to set out what appropriate improvements are required and how they will be delivered.</td>
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</table>

Comments noted and the following text has been inserted into Chapter 4 of the SPD as paragraphs 4.93-4.95:

<table>
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<tbody>
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</tr>
<tr>
<td>Where there is an infrastructure capacity constraint the Council will require the developer to set out what appropriate improvements are required and how they will be delivered.</td>
</tr>
<tr>
<td>WPC notes there the CIL Draft Charging Schedule sets out the levy rates in the district (outside SDNPA) for residential use in the northern parishes at £180sqm…</td>
</tr>
<tr>
<td>WPC would like to see that CIL is chargeable on any industrial and warehousing within the parish, as any such development would be likely to be contrary to the Worldham Parish’s Village Design Statement. (WPVDS)</td>
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<tr>
<td>The WPVDS which has been adopted by EHDC as a material planning consideration, (please see app 1 point 1 and 2).</td>
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<tr>
<td>WPC objects to the proposed allocation of the Neighbourhood Portion of the levy.</td>
</tr>
<tr>
<td>WPC would endorse the proposal that Local Authorities are required to allocate 15% of levy receipts to spend on priorities that should be agreed with the local community in areas where development is taking place.</td>
</tr>
<tr>
<td>Paragraph 5.16 the table states that for those Parish Councils without a neighbourhood plan the levy would be 15% capped at £100 per dwelling paid to the parish. Clarification has been</td>
</tr>
<tr>
<td>constraint the Council will require the developer to set out what appropriate improvements are required and how they will be delivered.</td>
</tr>
<tr>
<td>Further information for Developers on sewerage infrastructure can be found on Thames Water’s website at: <a href="http://www.thameswater.co.uk/home/11425.htm">http://www.thameswater.co.uk/home/11425.htm</a></td>
</tr>
<tr>
<td>The CIL charging schedule was informed by a detailed evidence base that was also examined alongside the document by a CIL Examiner. The CIL Examiner’s report notes that the Council has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk.</td>
</tr>
<tr>
<td>The evidence that informed the CIL charging schedule indicated that CIL should not be charged from offices or industrial accommodation in the district.</td>
</tr>
<tr>
<td>We agree that Table underneath paragraph 5.16 that is sourced from the NPPG is misleading on its own and that further supporting text is required to clarify the purpose of the cap.</td>
</tr>
<tr>
<td>Therefore paragraph 5.16 has been amended to state that</td>
</tr>
</tbody>
</table>
sought with EHDC who have confirmed that this statement means that the CIL amount payable to a parish, without a
neighbourhood plan, is just £100 irrespective of the size of the
dwelling.

This is manifestly unfair to small parishes who neither have the
time, expertise, finance nor resources to develop a
neighbourhood plan. Worldham parish, who electoral role as at
December 2015 contains 294 names, have over the last few
years spent a considerable amount of volunteer time and effort
in producing a parish plan, and a Village design statement. For
a small rural parish it was felt and agreed by EHDC and SDNPA
that there was no need not was it appropriate to produce a
neighbourhood plan. – Are we now being potentially penalised
because the parish is too small to warrant producing a
neighbourhood plan?

WPC would suggest that the cap of £100 should either be
removed or replaced by a higher amount.

Local authorities are required to allocate 15% of
levy receipts from development within the Town or
Parish area up to a maximum of £100 per existing
council tax dwelling per annum to spend on
priorities that should be agreed with the local
community in areas where development is taking
place. However, for those communities with an
adopted Neighbourhood Plan in place, local
authorities are required to allocate 25% of levy
receipts in the area. The table below provides
further information about the relationship between
the levy and Neighbourhood Plans.

In addition, the Table underneath paragraph 5.16
that was sourced from the NPPG has been
modified to provide greater clarity.

An example to demonstrate how the cap will
operate is as follows. A Parish within the Northern
Parishes with 100 existing council tax dwellings
would be to receive a maximum CIL income of
£10,000 per annum (100 dwellings multiplied by
£100).

To put this figure into context a 3 bed house of
105 sqm in the Northern Parishes would be liable
for £18,900 of CIL (£180 x 105sqm). 15% of the
levy receipt would be payable to the Parish
Council, in this case £2,835.

Therefore, if within the first monitoring year of CIL
operating, three 105 sqm dwellings were granted
consent in the Parish, the Parish would receive
£8,505 in CIL receipts.
<table>
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<tr>
<th>Commentator</th>
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<tr>
<td>Derek Barr, Chairman, Lindford Parish Council</td>
<td>Why is the CIL figure for Lindford been set so much lower than our close neighbours at Headley. We understand that the proposed figure for Lindford is £65 per sq mtr compared to £180 for Headley. Please can you explain how you justify such a large gap between their amount &amp; ours. I gather a representative from EHDC will be visiting Lindford to meet with our District Councillor Yvonne Parker Smith, to view local properties &amp; their respective values. I trust that once you have carried out this visit you will be able to readdress the figure and uplift it closer to Headley’s.</td>
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<tr>
<td>Zoe Johnson, Spatial planning and</td>
<td>We will therefore be concerned with proposals that have the potential to impact the safe and efficient operation of the</td>
</tr>
<tr>
<td>Roy Pullen, Medstead Parish Council</td>
<td>As a council we have nothing constructive to say on the document.</td>
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<td></td>
<td>In contrast, if within the first monitoring year of CIL operating, four 105 sqm dwellings were granted consent in the Parish, the Parish Council would receive £10,000 and not 15% of the total levy receipt due to the operation of the cap.</td>
</tr>
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<td>The CIL charging schedule was informed by a detailed evidence base that was also examined alongside the document by a CIL Examiner. The CIL Examiner’s Report notes that the Council has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk.</td>
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<td>It is important to note that the SPD has been produced to provide detailed guidance on how Section 106 and CIL will operate alongside each other and to provide information on how CIL will be collected. The CIL Charging rates are anticipated to be adopted by full Council on the 25th February 2016.</td>
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<td>However, it is likely that the Council will review its CIL charging schedule within the next three years and public consultation will be undertaken as part of this process.</td>
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<td>Comments Noted</td>
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<td>Comments noted. The meaning of ‘strategic’ in Table 1 is for any transport improvement that</td>
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| Martin Small, Principal Adviser, Historic England | Historic England advises that CIL charging authorities identify the ways in which CIL, planning obligations and other funding streams can be used to implement the policies within the Local Plan aimed at and achieving the conservation and enhancement of the historic environment, heritage assets and their setting. The Community Infrastructure Levy covers a wide definition of infrastructure in terms of what can be funded by the levy and is needed for supporting the development of an area. This can include:

- **Open space:** as well as parks and green spaces, this might also include wider public realm improvements, possibly linked to a Heritage Lottery Fund scheme, conservation area appraisals and management plans, and green infrastructure;
- **'In kind' payments, including land transfers:** this could include the transfer of an ‘at risk’ building;
- **Repairs and improvements to and the maintenance of heritage assets where they are an infrastructure item as defined by the Planning Act 2008, such as cultural or recreational facilities.**

The Localism Act 2011 also allows CIL to be used for maintenance and ongoing costs, which may be relevant for a range of heritage assets, for example, transport infrastructure. |
| development control assistant manager, Highways England | strategic road network. For EHDC this relates to the A3. You will be aware that the PPG states that infrastructure proposals on the SRN are not considered suitable for funding through receipts from CIL due to their scale and nature. However we note that table 1: guide to funding mechanisms for different infrastructure types in EHDC (outside the SDNPA) of the SPD has identified that “Strategic Transport Improvement” should be funded via CIL receipts. Therefore we request that this amended within any future versions of the SPD. | would be delivered off site. To provide greater certainty a footnote has been added to table 1 which states that:

*Infrastructure proposals on the Strategic Road Network (SRN) that is the responsibility of Highways England are not considered suitable for funding through receipts from CIL due to their scale and nature.* |

The CIL charging schedule was informed by a detailed evidence base that was also examined alongside the document by a CIL Examiner. The CIL Examiner’s Report notes that the Council has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk.

It is important to note that the SPD has been produced to provide detailed guidance on how Section 106 and CIL will operate alongside each other and to provide information on how CIL will be collected. The CIL Charging rates are anticipated to be adopted by full Council on the 25th February 2016.

In light of the above, no changes will be made to the CIL charging schedule rates detailed in the SPD.
such as historic bridges or green and social infrastructure such as parks and gardens.

Historic buildings may offer opportunities for business or employment use – infrastructure to support economic development. Investment in heritage assets (e.g. listed buildings at risk) and the wider historic character of a place (e.g. conservation areas at risk) may also serve to stimulate and support the tourism offer and attractiveness of a place to retain and attract economic development, which may be particularly important in supporting the viability of town centres. Conversely, vacant or underused heritage assets not only fail to make a full contribution to the economy of the area but they also give rise to negative perceptions about an area and discourage inward investment.

We therefore suggest that the District Council considers whether any heritage-related projects within the District would be appropriate for CIL funding. The Local Plan’s evidence base may demonstrate the specific opportunities for CIL to help deliver growth and in so doing meet the Plan’s objectives for the historic environment.

The Council should also be aware of the implications of any CIL rate on the viability and effective conservation of the historic environment and heritage assets in development proposals. For example, there could be circumstances where the viability of a scheme designed to respect the setting of a heritage asset in terms of its quantum of development could be threatened by the application of CIL. There could equally be issues for schemes which are designed to secure the long term viability of the historic environment (either through re-using a heritage asset or through enabling development).

Paragraph 126 of the National Planning Policy Framework

| The East Hampshire Regulation 123 list identifies Heritage Infrastructure as an Infrastructure Type or Project to be funded at least in part by the Community Infrastructure Levy (CIL). |
requires that local planning authorities set out, in their Local Plan, a positive strategy for the conservation and enjoyment of the historic environment, including heritage assets most at risk through neglect, decay or other threats. In relation to CIL, this means ensuring that the conservation of its heritage assets is taken into account when considering the level of the CIL to be imposed so as to safeguard and encourage appropriate and viable uses for the historic environment.

We consider it essential, therefore, that the rates proposed in areas where there are groups of heritage assets at risk are not such as would be likely to discourage schemes being put forward for their re-use or associated heritage-led regeneration. In such areas, there may be a case for lowering the rates charged.

In addition, we are encouraging local authorities to assert in their CIL Charging Schedules their right to offer CIL relief in exceptional circumstances e.g. where development which benefits heritage assets and their settings may become unviable it was subject to CIL. We also urge local authorities to then offer CIL relief where these circumstances apply.

We would recommend that if such exceptional circumstances are recognised, the conditions and procedures for CIL relief be set out within a separate statement following the Charging Schedule.

The statement could set out the criteria to define exceptional circumstances and provide a clear rationale for their use, including the justification in terms of the public benefit (for example, where CIL relief would enable the restoration of heritage assets identified on Historic England’s Heritage at Risk Register). For clarity the statement could also reiterate the necessary requirements and procedures which would be

The Council do not offer CIL relief in such circumstances. As noted above, the CIL charging schedule has been set at a level that will not put the overall development of the area at risk.

However, it is likely that the Council will review its CIL charging schedule within the next three years and through this review we will consider whether further CIL exemptions are necessary.
followed in such cases, including the need for appropriate notification and consultation.

It should also be remembered that development-specific planning obligations may still continue to offer further opportunities for funding improvements to and the mitigation of adverse impacts on the historic environment, such as archaeological investigations, access and interpretation, and the repair and reuse of buildings or other heritage assets.

Historic England strongly advises that the District Council’s conservation staff are involved throughout the preparation and implementation of the Supplementary Planning Document as they are often best placed to advise on local historic environment issues.

| Pauline Holmes, Sustainable Development Lead Advisor, Natural England | Natural England have reviewed the SPD, SEA and HRA screening statement. |
| | **Strategic Environmental Assessment (SEA) Screening Statement and Habitats Regulations Assessment (HRA) Screening Statement** |
| | NE concurs with the conclusions of the HRA screening statement, that the council considers that this SPD will not have a significant adverse effect on any Natura 2000 sites and that a full appropriate assessment is therefore not required. |
| | **Draft Planning Contributions and Community Infrastructure Levy Supplementary Planning Document comments** |
| | Internationally Designated Sites, NE agree with the requirements you have set out for housing proposals that are capable of affecting the Wealden Heaths Phase II SPA being dealt with on a case by case basis and that advice on this should be sought from NE at the earliest opportunity. If a developer requires substantive pre-application advice, then |

The Council’s conservation officers have been engaged in the development of the Supplementary Planning Document.

Confirmation that an appropriate assessment is not required noted.
For the Solent Natura 2000 Sites Natural England supports the requirements set out in this SPD for residential development within 5.6km of the Solent to contribute towards the implementation of the mitigation measures set out in the SPA Interim planning framework.

We are also pleased to see the recognition that “this does not preclude the possibility that some residential schemes, due to their size and/or location, may require individual assessment under the Habitats Regulations on advice from NE and additional site specific avoidance or mitigation measures.”

NE also welcomes the council’s commitment to engage with ourselves and others “to develop the appropriate means of reducing the impact of recreational pressure from new housing on these coastal Natura 2000 sites.”

Whilst we support the principles as set out we would recommend that you state that the Solent Recreational Mitigation Strategy is currently an interim strategy to which the index linked contribution of £174 has been set. This figure is likely to rise once the full strategy has been finalised which is currently in the process of being written by the Solent Recreational Mitigation Partnership.

**Green Infrastructure**

With regards to developer contributions towards green infrastructure (GI) NE notes that you have split these into both section 106 and CIL. For the GI that is “Strategic habitat creation and restoration”, or “Provision and improvements to strategic open space (including strategic and neighbourhood parks and

The Regulation 123 list clearly states that Green Infrastructure will be secured through CIL, unless it is site specific infrastructure that is required to make development acceptable in planning terms specifically as a result of a new development.
green spaces, strategic allotments)” these are listed as CIL payments. It is noted that GI within the April 2015 regulations 123, is listed as being provided through S106 and not with the list of projects that CIL payments will contribute to. We therefore advise that either the Reg 123 list will need updating or this section of the SPD will need to be revised to reflect the correct position. Also clarity on what the strategic GI contributions will go towards will need to be made.

The Regulation 123 list will be updated on an annual basis and future version will provide further detail on the schemes to be funded through CIL. However, in the interim, the Council’s Green Infrastructure Study and Strategy provide details on Strategic schemes that may delivered in the District.

<table>
<thead>
<tr>
<th>Bramshott and Liphook Parish Council</th>
<th>The document is thorough and clearly researched and presented. The CIL levy will provide a set financial contribution towards infrastructure costs arising from new developments.</th>
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<td></td>
<td>1) As a Parish Council we are extremely concerned at the reduced funding coming directly to parish councils which is both considerably less than the previous S106 funding would have been, and is compounded by the capping of £100 per dwelling for those parishes without a Neighbourhood Plan. It is considered that the capping level is far too low and will seriously impact on provision of community projects.</td>
</tr>
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| Support noted                     | 1) We agree that Table underneath paragraph 5.16 that is sourced from the NPPG is misleading on its own and that further supporting text is required to clarify the purpose of the cap. Therefore paragraph 5.16 has been amended to state that

Local authorities are required to allocate 15% of levy receipts from development within the Town or Parish area up to a maximum of £100 per existing council tax dwelling per annum to spend on priorities that should be agreed with the local community in areas where development is taking place. However, for those communities with an adopted Neighbourhood Plan in place, local authorities are required to allocate 25% of levy receipts in the area. The table below provides further information about the relationship between the levy and Neighbourhood Plans. |

In addition, the Table underneath paragraph 5.16
2) Parish and Town Councils will need to ensure they have identified and fully costed projects

3) As the CIL levy is based on square metre floor space there is greater potential for developers to build homes with smaller rooms and therefore reduced storage and build quality.

has been modified to provide greater clarity.

An example to demonstrate how the Cap will operate is as follows. A Parish within the Northern Parishes with 100 existing council tax dwellings would be to receive a maximum CIL income of £10,000 per annum (100 dwellings multiplied by £100).

To put this figure into context a 3 bed house of 105 sqm in the Northern Parishes would be liable for £18,900 of CIL (£180 x 105sqm). 15% of the levy receipt would be payable to the Parish Council, in this case £2,835.

Therefore, if within the first monitoring year of CIL operating, three 105 sqm dwellings were granted consent in the Parish, the Parish would receive £8,505 in CIL receipts.

In contrast, if within the first monitoring year of CIL operating, four 105 sqm dwellings were granted consent in the Parish, the Parish Council would receive £10,000 and not 15% of the total levy receipt due to the operation of the cap.

2) The District Council will work with Parish & Town Council’s to agree spending priorities.

3) Building regulations ensure that minimum standards of build quality are met for new developments. We do not anticipate that the CIL rates will result in the provision of smaller units.
4) As the proposed CIL is a fixed rate, close scrutiny will be required to ensure that it continues to increase with market inflation to meet future infrastructure needs.

4) The CIL charges will increase annually in line with All-in Tender price Index published by the Building Cost Information Service of the Royal Institute of Chartered Surveyors.

| John Fleming, Gladman Developments | Gladman Developments Ltd (Gladman) specialise in the promotion of strategic land for residential development and associated community infrastructure. From this experience, Gladman understands the need for the planning system to provide local communities with the homes and jobs that they need to ensure that everyone has access to a decent home.

Gladman have considerable experience in dealing with Planning Obligations and the Community Infrastructure Levy (CIL) across the country and these representations are based on our knowledge of the planning system and the lessons learned from our experience. Planning Obligations sought from East Hampshire District Council (EHDC) must comply with the Community Infrastructure Regulations 2010 which came into effect in April 2010. The onus is on the Council to provide justification on contributions sought, in compliance with CIL Regulation 122.

Regulation 122 applies to all decisions to grant planning permission on or after 6th April 2010 and means that all relevant obligations, must meet all of the following three tests set out in §204 of the Framework and §094 of the PPG which require development contributions to be:

- Necessary to make the development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development. |
With the introduction of Regulation 123, the cumulative pooling of funds for specific items or types of CIL infrastructure becomes limited to five obligations each, (with counting having been deemed artificially to have started in respect of planning obligations entered into from 6th April 2010). If the Council have already provided for more than five pooled obligations for a specific infrastructure project or type of infrastructure before the closing date, no further contributions can be sought. The Government have made clear that when implementing the restriction, it was doing so on the expectation that Councils would move towards the implementation of a CIL Charging Schedule and those that chose not would have to manage within the limitations placed upon S106.

The Council’s Contributions and CIL Supplementary Planning Document (SPD) has been prepared to set out EHDCs approach to securing planning obligations once the Council has introduced its CIL Charging Schedule on 1st April 2016.

The purpose of the SPD should only be used where it can help make successful applications or aid infrastructure delivery, and should not be used to add unnecessary financial burdens on development that may affect the viability of their delivery.

The Council should be clear that a pre-requisite for requiring a contribution will be an assessment that identifies a qualitative and quantitative deficiency within existing facilities to accommodate a development. Contributions can only be sought where this has been demonstrated. It is important to remember that planning obligations should be applied flexibly to prevent planned development from being stalled. Where obligations are being sought the Council should take account of changes in market conditions over time. The costs of any requirements likely to be applied to development should, when taking account
the normal costs of development, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.

Gladman note §4.34 which highlights the guidance provided by Hampshire County Council on the ‘minimum’ useable areas required for new primary school sites. As currently presented the SPD presents this as a minimum requirement expected to endure over the lifetime of the SPD. Instead the SPD should accord with Hampshire County Council ‘Developer Contributions towards Children’s Services Facilities’ which states that the principles to be applied in this document are subject to review in the context of changes to local and national policies and priorities. The Framework makes clear at §205 that were planning obligations are being sought or revised, local planning authorities should take account of changes in market conditions over time and, wherever possible, be sufficiently flexible to prevent planned development being stalled. The way in which the SPD is currently presented does not include sufficiently flexibility in this regard and only points to guidance at a single point in time which could be reviewed to reflect changing circumstances. Gladman recommend that this element of the SPD needs to be amended to ensure sufficient flexibility and better accord with County Council’s guidance.

The SPD refers to the fact that housing associations have employed community project workers to work on a number of larger sites in the district, to which the cost of employing community project workers are currently being met solely by housing associations. Gladman do not consider that the contribution of £250 per dwelling on all sites of 20 units or more to fund a community project worker is in accordance with the requirements of the Framework. Gladman reiterate that planning

The Guidance produced by Hampshire County Council has recently been published. However, we recognise that these figures may change over the lifetime of the SPD. Paragraph 4.42 of the document has therefore been revised to state:

The Guidance, which is subject to review in the context of changes to local and national priorities and priorities, provides guidance on the minimum usable areas required for new primary school sites which are summarised below.

In addition, an additional paragraph (4.43) has been inserted to state:

We suggest you visit the County Council’s Children’s services webpages or contact the County Council by email developer.contributions@hants.gov.uk to confirm the latest position in terms of on-site infrastructure requirements.

Housing associations have employed community project workers at a number of sites in the District over recent years. The Council has secured contributions from developers for such a worker since April 2014 and the Council considers that the requirement for such a contribution satisfies the CIL tests. Recent planning appeal decisions have confirmed that the requirement for such a
obligations can only be sought where they are necessary to address the unacceptable planning impacts of a development; they are not to be used to fund desirable infrastructure or unrelated items. The funding of community project workers should therefore not be at the expense of developers.

The contribution satisfies the CIL requirements as it is directly related to Housing Association work to ensure the integration of the affordable and market housing on site and based in development plan policy and guidance.

Additional information on the role of the community project worker has been inserted in a new paragraph (4.36):

The Project Workers assists in the establishment of a successful and cohesive local community by facilitating the social integration between housing types and tenures within a new development and by promoting this integration with the wider existing communities in the vicinity of the development. Examples of some of the work undertaken by project workers are detailed below:

- Produce and manage community plans
- Support the formation and development of informal and formal groups to ensure residents have opportunities to be involved in decision making that affects their homes and their community.
- Develop partnerships and projects that respond to community needs
- Bid for external funding to support opportunities that improve neighbourhoods.
- Enable effective communication with residents e.g. newsletters, social media
- Lead on implementing neighbourhood activities and encourage resident participation.
- Develop effective relationships with registered
Affordable housing contributions must take into account upcoming changes that will be introduced by the Housing Bill in relation to 'starter homes' provision and their implication for the delivery of other types of affordable housing.

Starter Homes remains an emerging area of policy that the Council is monitoring. In terms of on-site affordable provision, we recognise that there is likely to a change in the affordable housing provided by developers with starter homes replacing more traditional types of affordable housing (social rent and intermediate housing).

In terms of commuted sum contributions, these will be used to secure off-site affordable housing provision that will be delivered by Registered Social Providers. We expect that 'starter homes' will be developed and sold by private house builders and not delivered by the Registered Social Providers. Therefore, we anticipate that the commuted sums secured by the Council will be used to fund social rent, affordable rent and intermediate housing.

As the policy requirements for starter homes are emerging, the Council will review the affordable housing commuted sums rate once further detail is known on 'starter homes'.

Mr Nonhebel, Shalden Parish Council

I offer a few comments.
I pick out two weaknesses in the Adams Integra calculation.
1. There should be adjustment for inflation so developers are allowed no opportunity to benefit from delay.

Under Table 2 of the SPD which details the affordable housing commuted sums, a text box states that 'commuted sum rates will increase with
2. In the EHDC circumstance, given the geographic size of parishes it might have been preferable to use postcodes rather than individual parishes.

The core purpose of the document is to make it easy for developers to determine the contributions that are likely to be required from a proposed scheme. The Government has clearly indicated Housing Needs are assessed on a Parish or Town basis and both Parish and Town boundaries are easily accessible using the Council’s online mapping systems. Therefore this approach is considered to be an appropriate basis for securing commuted sums.

<table>
<thead>
<tr>
<th>Jason Leete, Peter Leete and Partners,</th>
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<tr>
<td>We are local estate agents and have been involved in the promotion of small residential development sites within the East Hants District for several decades. We regularly submit planning applications to your authority and have extensive experience of the negotiation of land agreements, promotion of land through the planning system and the sale of residential building land on the open market.</td>
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<td>Up until the last couple of years, East Hants adopted a modest s106 charging regime and a typical single plot would raise a contributions liability of £3,000-5,000. Highways contributions then began to escalate and overall contributions began to head towards the £10,000 mark per plot. In May 2014 the Council published its updated guide to Developer Contributions in which figures were reviewed and areas of contribution increased, resulting in substantive charges per plot. This document was not subject to any form of public consultation. We are pleased therefore to have the opportunity of commenting on the</td>
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| The Council adopted the Joint Core Strategy in June 2014. Policy CP13 of this document (affordable housing on residential development sites) states that ‘in order to meet affordable housing needs, all residential development, which results in 1 or more additional dwellings (net), should contribute towards the provision of affordable housing’. |
| The policy goes on to state that ‘affordable housing’ |

market inflation. They are linked to the All-in Tender Price Index published by the Building Cost Information Service of the Royal Institute of Chartered Surveyors.
Council’s latest proposals, following on from the identification of CIL rates.

CIL now largely replaces the ‘tariff’ style s106 charges but we understand that the mechanism will remain in place to deal with affordable housing obligations. Where development of up to 4 dwellings is proposed then a financial contribution towards off site affordable housing will be required in compliance with Core Strategy policy. In view of the quashing last August of central Government directions regarding the application of tariff style contributions by Councils on sites yielding 10 or less units, all forms of minor residential development are now liable for tariff style charges, where each Council decides to apply such charges and properly adopts a contributions policy.

The impact of the Council’s current 2014 guidance has only recently therefore been of effect on small residential development sites. The impact from our experience has been quite brutal with numerous land transactions collapsing. The proposed SPD if adopted in current form will only make matters worse.

housing will normally be provided on site. On smaller sites (4 dwellings or less (net)), where on-site provision is likely to be unsuitable, a financial contribution or off-site provision will be required.

The Core Strategy and the supporting evidence base were Examined by a Planning Inspector and found to be sound.

It is important to note that the guide to Developer Contributions was subject to public consultation in February 2014.

In December 2014, DCLG announced that national planning policy was to be changed to exempt developments of 10 homes or fewer from the requirement to contribute towards affordable housing. This decision was successfully challenged in the High Court in July 2015 which quashed the policy and as a result the National Planning Practice Guidance was amended. In September 2015 it was confirmed that DCLG have been granted permission to appeal against the judge’s decision. The appeal is due to be held in March 2016.

The outcome of the judge’s decision could impact upon whether schemes of 10 homes or fewer are required to provide affordable housing provision, either on site or through commuted sums.

To reflect that fact that a decision is likely to be issued prior to the formal adoption of the SPD by Council in April 2016, two versions of the
Whilst we appreciate the policy background and desire to secure contributions from CIL and s106 affordable contributions, their combined impact on minor levels of development will act as a barrier and prevent the release of land that would otherwise be brought forward for development. This is completely counter to the Council's needs. East Hampshire is a largely rural district and has always relied heavily on ‘infill’ development to make a substantial contribution to land supply needs. Indeed, we note that the Core Strategy provides for windfall housing provision of 1372 dwellings over the plan period, representing 13.6% of total housing provision of 10,060 dwellings. With the SPD adopted as drafted we would seriously question the ability of the Council to deliver the windfall numbers expected.

By way of an example, let us take the scenario of a windfall plot coming forward within the Headley Down Special Housing area using current valuation figures. The plot is 700 square metres in line with policy and we will assume there are no adverse site constraints that add to building costs. Permission can be obtained for a detached 4 bedroom property of 170 square metres plus garage. Assuming the plot is in a reasonable location we would expect resale of the developed property to be in the region of £700,000. Ignoring the impact of CIL and s106 affordable contributions we would expect the building plot to achieve about £225,000, where secured by a developer under an Option to purchase, subject to planning consent which is to affordable housing section in Chapter 4 have been prepared and will be considered by Councillors so that the SPD can be adopted to reflect the outcome of the DCLG appeal.

The Council monitor the performance of the Local Plan housing delivery and since the adoption of the Joint Core Strategy windfall developments are exceeding the trajectory that informed the Joint Core Strategy.

It is a part of the CIL Examiner’s role to check that the methodology and evidence base is correct. In this case the Examiner checked both the methodology and the evidence and found them to be appropriate and accurate.
be obtained at the developer’s expense.

Pre May 2014, EHDC may have applied a contributions charge of say £10,000 for a plot of this nature and one can see such a levy will have little bearing on the decision by the landowner to proceed with a subject to planning agreement with a developer. Applying the proposed charging regime though results in the following charges:

- **CIL**: 170 sq m multiplied by £180 = £30,600
- **S106 Affordable contribution**: 170 sq m multiplied by £355 = £60,350

**Total payments = £90,950.**

As a percentage, the contributions are equivalent to 40% of the gross site value. As the costs cannot be absorbed by the developer the net result is that the developers bid for the land is reduced by £90,950 and the landowner under the above scenario suffers a drop in receipt from £225,000 to about £134,000.

Ascertaining the actual net gain to the landowner is very likely to have further considerations. The plot will likely be a division of an existing property’s garden, the loss of which has to be taken into account by the landowner in weighing up the decision to sell. It would not be uncommon for the loss of a large garden to reduce the value of the retained dwelling by at least 5%. If we assume an existing detached dwelling on the site is worth a conservative £500,000, the ‘loss’ in value arising from severing off the garden plot is £25,000. The net gain to the landowner then under this scenario is £109,000. It can be seen that proposed total contributions is a substantial sum in proportion to the net gain.

The above example demonstrates that the cumulative impact of
CIL and s106 contributions could represent in the order of 40-50% of net land value. There are a myriad of other issues that may come into play such as other taxation liabilities of the landowner, site constraints (ground conditions, ecological issues, highway works etc) that can all conspire to reduce gross land value and in turn the net gain, increasing as a percentage the relationship to total contributions.

The Council’s consultants viability report is therefore flawed in its approach to small scale development. The level of contributions will be untenable in many instances.

The consultant’s approach is to consider the degree of incentive a landowner requires to release their land for profitable sale. The general rule of thumb seems to be that so long as council contributions leave a net gain of at least 20% over existing use value there is unlikely to be an impact on the desire to take the profit and sell. This is to ignore the real world impact of the charges which are in reality a development land tax. That is how the Council charges will be viewed and landowners will simply see a tax on their net gains of say 40-50% as in the above example as unacceptable. Not many sites are free of any other constraints and in many cases the ‘tax’ percentage of net gain will be much higher.

Would the ordinary man in the street simply accept such a ‘tax’ take or might such a person be inclined to hold back the land, explore other options or hope that policy may change when sense prevails? Try suggesting to this individual that they are still gaining at least a 20% uplift on existing use value and should remain satisfied with their net outcome. There will evidently be few takers who will still accept that such levels of contribution are ‘necessary to make the development acceptable in planning terms, directly related to the development, and fairly and reasonably related in scale and kind.’ Indeed, it is this
cornerstone of planning obligations legislation which has **not been addressed** by the Council in reviewing the consultant’s narrow assessment of viability advice as against the full tests of the regulations. Can it possibly be asserted that a single building plot should contribute over £90,000 in contributions to local infrastructure and affordable housing needs; such figure being reflective of society’s fair share of the planning gain and not interfering with market decisions?

We expect supporters of the proposals will be saying that where the charges give rise to a disincentive then viability discussions can be held with the planning authority to reduce the sums. Again, consideration of real world negotiations needs to be considered as distinct from desk based financial analysis.

The CIL element of contributions is cast in stone and cannot be reduced through viability. EHDC have decided not to take up this option as provided for in the CIL legislation. This leaves only the Affordable Housing contribution up for negotiation.

The Council’s policy requires applicants to supply their own expert valuation evidence and to also reimburse the Council for professional advisors they employ to negotiate the sum. As if there are not enough cost barriers to bringing forward small scale planning applications already, this introduces a further layer of complexity, cost and uncertainty into the process. However, in reality the Council’s proposal to allow viability testing of affordable contributions is of no assistance at the point when land Options are negotiated. The developer has to assume the affordable housing charges will apply at the full policy level and will have to make offers on this basis. The scope to negotiate such sums with the Council is irrelevant therefore at the point of negotiating terms for the land Option. In the context of small developments it is unrealistic to assume that the parties can agree complex provisions to share any savings.

The use of independent third party professional advisors is to ensure that the assumptions behind the applicants affordable viability evidence are credible. In circumstances where viability is found to be an issue, the council will negotiate on the affordable housing provision / commuted sum required.
negotiated with the Council following a planning application. If the landowner ultimately has to accept the risk that all the contributions may have to be paid following the outcome of a planning decision then he/she must necessarily enter a contract with a developer providing for a minimum land value reflecting the worst position. The disincentive to proceed with a sale because of the effective ‘tax’ on land value remains and is not removed by the uncertain and costly prospect of pursuing viability negotiations.

Given that that benchmark for assessing whether land will be released is assumed where it can be demonstrated that the landowner secures a 20% premium to existing use value, there will probably be limited instances where negotiations to reduce contributions are successful. Were the benchmark to be assessed against a fair and reasonable contribution in scale and kind having regard to effective land tax levels, this would arguably be a more equitable basis for discussions. Our preference though is for certainty and contributions which are set at levels that do not interfere with the market.

Regard must also be had to the resources available to parties involved in small scale developments. The transaction is typically negotiated between a small builder/developer and landowner over a cup of tea. There are not teams of professionals advising both parties, as is the practice where major development projects are concerned. If the developer has to advise the landowner that his offer now has to be reduced by £90,000 to accommodate council charges for a single plot one can see that many discussions will not get off first base!

Where land is allocated and changed from greenfield pasture to residential building land it can evidently accommodate high levels of contributions and on site affordable provision. Urban infill sites have higher existing use values to contend with and
ultimately the application of blanket rates per square metre irrespective of size of site and on the scale proposed will act as a significant disincentive to the release of many windfall plots. This will prove counterproductive to the Council's needs and aims to maintain a healthy supply of housing land in a constrained rural district. The result will be pressure in future SHMAA/SHLAA exercises to release yet more greenfield sites where windfall delivery fails maintain historic rates.

We would not object to minor forms of development making a fair and reasonable contribution to infrastructure/affordable housing needs but these need to revert to the levels previously adopted that do not interfere with landowner/developer negotiations and prevent the bringing forward of useful contributions to housing supply. Bearing in mind central Government views on the application of tariff charges on minor developments it might also be advisable for the Council to consider whether affordable housing contributions should be charged at all on sites that cannot accommodate on site provision. The policy is simply too obstructive in many instances.

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<th>This representation does not consider the implications for more complicated sites with existing structures that require demolition</th>
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| The Council only charge affordable housing contributions in circumstances where there is a net gain in residential dwellings. To make this clearer in the SPD the following text has been added to paragraph 4.15: |

| It is important to note that the in instances where a development will result in the loss of an existing dwelling (in lawful use) or the subdivision of an existing dwelling (in lawful use), as a discount needs to be applied to reflect the fact that Policy CP13 of the Joint Core Strategy States that 'all residential development, which results in 1 or more additional dwellings (net), should contribute towards the provision of affordable housing. Case Studies 1 and 2 below provides worked examples of how to calculate the commuted sums payable in such circumstances. |

| In addition, two new case studies have been inserted to provide greater clarity (paragraphs 4.18-4.25). |

| It is important to note that the calculation of CIL and Affordable Housing takes account of |
to facilitate redevelopment. There is an inconsistency in the Council’s proposed policy as compared to CIL where existing floorspace is netted off from replacement floorspace before applying the square meterage rate. We see no reason why a similar approach should not apply to Affordable Housing contributions.

Another inconsistency with CIL policy is that the Council provide no evidence in the SPD of where Affordable Housing contributions will be spent. CIL identifies actual costed infrastructure schemes. Where is the parallel with AH contributions? How can one be assured that sums contributed can be deployed? If land in the relevant Parish is not available for Councils to build affordable housing on then what is the point in burdening small sites with negotiations that may ultimately prove unsound and contributions returned?

In light of the above comments we suggest the Council’s proposals are unworkable. History has shown that high tax rates act as a disincentive and moreover, attempts to introduce development land taxes in the past have failed. There is a misnomer that the contributions are simply a deduction off the developer’s profit. It is the landowner that pays and any perceived unfairness in taxation of land assets will result in less land coming forward.

The proposals then should either be radically overhauled and reduced in scale or preferably removed from very minor levels of development, where we fail to see the justification for affordable housing contributions. The policy as drafted will substantially reduce the delivery of windfall plots. We would urge that regard for an agent’s view from the ‘coalface’ be taken into account when weighed up against consultants advice which, in our opinion, takes a narrow view of viability and incentives.

contingencies it also contains buffers so that the CIL charge is not at the limit of what is viable. The examination papers detail the buffer’s can be found at CIL10 (Viability Report to support a Preliminary Draft Charging Schedule for Community Infrastructure Levy).

Commuted sums are secured by Section 106 agreements and are not limited to be spent within the parish that the sum was collected. This is because the Council has a shortfall of affordable housing across our district and all affordable housing units within individual parishes contribute towards this shortfall. Further more, housing applicants are able to and do select multiple areas where they require an affordable home. Provision is made within the Section 106 agreement to hand back the money with interest after 10 years if it is not spent.
necessary to bring forward small scale development.