

**East Hampshire District Council Community Infrastructure Levy Preliminary Draft Charging  
Schedule Stage 1 Consultation Responses**

**Note of Consultation**

**Preliminary Draft Charging Schedule Stage 1 Consultation**

**Table 1 - Summary of Consultation Representations**

Ref.	Name of Respondent	Details of Representation	Council's Response	Amendments recommended
1	Annette Gould, Lindford Parish	Which band is Lindford in?	Lindford is in the outer Whitehill/Bordon zone where the CIL is £60 per square metre for residential property.	Amended CIL Map.
2	Ian Stevens, Savills	Proposed CIL charges and the adopted JCS. Note the points made about a buffer.	<p>With regard to the buffer, we would make two points. First, we have based viability upon an average land value per hectare, arising out of the scenarios at each value point. For example, if we look at appendix 4 of the March 2014 viability report, the table headed 40% affordable, code 4, 70/30 rented:shared ownership and £2,000 infrastructure, there are average land values per hectare at the bottom of each column. These land values are only included in the average where they are above zero. The average for value point 2 is shown as £1,079,015 per hectare. From the figures in the column, the maximum viability level could have been assumed at around £1,400,000 per hectare. In this instance there is, therefore, a buffer of around 30%.</p> <p>The average for value point 3 is shown as £1,609,586 per hectare, whereas the maximum viability level could have been taken at around £2,000,000 per hectare, giving a buffer of some 24%.</p> <p>The average for value point 4 is shown as £2,225,220 per hectare, whereas the maximum viability level could have been taken at around £2,700,000 per hectare, giving a buffer of some 21%.</p> <p>In addition, it should be borne in mind that the buffer is intended to accommodate any site specific abnormal costs, that would not be</p>	No Change proposed.

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			<p>taken into account in a report of this nature. For this reason, we base the base build costs on the upper quartile figures of the BCIS index, as opposed to the median values, which might reasonably be adopted. This implies that we are adding a further buffer of between 10% and 12% to the base build costs.</p>	
		<p>Assumed s106 costs need justification against those achieved.</p>	<p>This matter is under review and will inform the DCS consultation.</p>	<p>No Change proposed.</p>
		<p>Data to inform house prices is not sufficiently refined, due to the inclusion of SDNP figures and the use of both newbuild and second hand evidence. The use of values within the SDNP distorts the assessment. The use of quoted sales prices, less a 5% discount, is not considered an acceptable practice.</p>	<p>Contacted Savills for evidence.</p>	<p>No Change proposed.</p>
		<p>How were EUV figures obtained and to what extent do they reflect different market areas across EHDC?</p>	<p>EUV figures are obtained in a variety of ways. The agricultural figure is intended to reflect the sum that might be typically used in an option agreement, with a developer, to reflect the minimum sum that a landowner would accept. We believe that £450,000 per hectare is also in line with HCA guidelines on Greenfield threshold values, of 10 to 20 times the agricultural land value. The employment thresholds are the result of our own knowledge and experience of such values in the area and take account of different types of employment use, providing a range of values across the area. It is not always the case that a higher value residential location, for example, will also see high value employment uses. It is worth noting that the CIL viability report for SDNP Authority (January 2014) adopted the following thresholds:</p>	<p>No Change proposed.</p>

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			<p>Agriculture: £370,000 to £500,000 per ha.  Industrial: £850,000 to £1,500,000 per ha  Residential: £2,000,000 per ha.</p> <p>The thresholds adopted for the Adams Integra report were within these values, with the exception of the higher residential figure, which was £2,772,000. The adopted thresholds apply an increase of 5% over figures adopted for a report in 2013, to reflect improving market conditions.</p>	
		How have threshold land values taken account of future plan policy requirements?	The threshold values reflect current existing use values and are used as the land value required to release land for development. They take into account values, not future policy requirements.	No Change proposed.
		It is considered that rises in build costs will be greater than those assumed in the report. A review of more recent figures should be undertaken. Variations in build costs would be expected to reflect geographical and development specific variances.	<p>The rise in build costs, to which the respondent refers, is the difference in the BCIS figures for March 2013 and March 2014, which is stated as being 0.4% and, therefore, not significant. BCIS is a respected source for such information. The specific costs that are mentioned cannot be covered in a report of this nature, being a more generic snapshot of viability at a particular time. We do not believe that build costs will vary between locations as much as sales values.</p> <p>It is possible, however, that with the rise in the housing market, a more significant rise in build costs will be seen in the near future.</p> <p>We have, therefore, carried out some sensitivity analysis, combining both increased build costs and applying a net:gross ratio to 75 unit sites into a cumulative impact table. The outcome of this exercise is attached as</p>	No Change proposed.

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			<p>appendix.....The build costs are at code 4 and are taken from one of the consultation responses; they increase our original build costs by some 10% overall.</p> <p>The table is based on appendix 4 of the March 2014 report, specifically assuming 40% affordable housing. S106 costs are taken at £3,000 per unit, in line with latest thinking from the Council.</p> <p>We have considered the outcomes in two different ways. First, we have taken the average of the land values per hectare excluding, as in the previous report, those land values that are zero. This results in a marginal impact on viability for VP3 against the lower employment threshold.</p> <p>Second, we have considered the density evidence arising from the actual sites, shown in appendix....., which is generally in the 30-40dph range, rather than 60dph. We have, therefore, shown separately an average land value for each value point, that excludes the highest density. This then shows a viability position close to that shown in the March 2014 report.</p>	
		The allowance of 15% for externals is too low. Further allowances should be made for larger sites to reflect scheme abnormal costs.	A level of abnormal costs is allowed for in appraisals. See below for an example of abnormal allowances.	No Change proposed.
		A wider range of unit numbers should be tested, including larger consented sites.	The range of unit numbers was agreed with the Council from the outset, reflecting those sites that were most likely to form the housing supply, outside Whitehill and Bordon.	No Change proposed.
		The approach to net:gross ratios should be clarified. Whilst 100% site coverage is not	The response to the consultation states that the larger sites of 25 and 75 units should	No Change proposed.

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		<p>unreasonable for 5-10 unit schemes, a reduced site coverage would apply to 25 and 75 unit sites. Appraisal should take into account the extra servicing costs of larger sites.</p>	<p>differentiate between net and gross site areas. The significance of this is that the net area would be used for the number of units at a specific density, while the gross area would be used as the basis of the EUV calculation, since a landowner will part with the gross area of land for a particular development.</p> <p>We have looked at a number of actual sites to assess the net:gross ratios that might be experienced on the ground. Whilst it is clear that some larger sites will include an area of public open space, including a play area, any greater area of POS would appear to be dictated by the circumstances of individual sites, such that it cannot be assumed that all site areas will be reduced by, for example, buffer landscaping.</p> <p>For the purpose of this exercise, however, we have increased the area of the 75 unit sites by 10%, ie we have added 10% to the net area that was calculated from the proposed densities.</p> <p>The outcome of this is that the land values are assessed across a larger, gross site area and the land values per hectare are reduced.</p> <p>The impact on viability is, however, not significant, as can be seen in the table attached at appendix.... This table takes the land values per hectare from appendix 4 of the March 2014 report, affordable housing at 40%, code 4 and s106 at £5,000 per unit. We have then amended the land values for the 75 unit scenarios, based on the larger, gross land areas. We have then, as before, calculated the average land value per hectare for each value point and compared it to the viability thresholds for viability.</p>	

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			From this it will be seen that there is no significant impact upon viability as a result of adopting the larger gross area for 75 unit sites.	
		Profit should be 20% across the board, including affordable housing.	The 20% profit level reflects the risk that a developer will incur in selling market units. The same risk does not apply to affordable housing, apart from shared ownership, and a lower profit level is, therefore, appropriate.	No Change proposed.
		Explain the figures that have been allowed for site surveys and site preparation.	If we look at a specific appraisal, say 25 units at medium density, with 40% affordable housing and code 4 build costs, then the position is as follows: Consultants' costs:7% Insurances: 2.5% Planning application costs: £9,625 Renewables over base build: £3,500 per unit. Survey Costs: £12,500. Site abnormalities: £50,000.	No Change proposed.
		EHDC will have to be confident that the range of typologies tested is sufficient to judge whether the proposed CIL rate provides a sufficient buffer to the maximum theoretical viable level.	The range of sites chosen reflects the type of site being put forward through the SHLAA submissions, this initial work is being tested against actual sites as part of the background work for the DCS consultation.	No Change proposed.
		The introduction of an instalments policy is vital	Noted	No Change proposed.

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		for larger sites.		
		Clarification is sought on the status of the IDP and whether, with its date of July 2013, it forms the appropriate evidence base to inform a Regulation 123 list. A draft Regulation 123 list is required to inform the likely onward use of s106/278.	The IDP is under review and an amended version will be submitted for consultation with the DCS.	IDP Amended.
		IDP – Alton Sports centre. EHDC should review the funding mechanism for Alton Sports Centre and consider whether the enhancement works proposed would be best funded through CIL. It is considered that the contribution per dwelling is contrary to the CIL regulations and that this has implications for the IDP, PDCS and viability report.	Noted.	No Change proposed.
		EHDC should provide details of how, in practice, the operation of Payments in Kind may work, notably for infrastructure provision. This might be a useful mechanism to avoid the risk of double-counting s106/infrastructure provision with CIL.	A PIK policy is under consideration.	No Change proposed.
		EHDC should have a clearly defined review mechanism; monitoring should take place on a 6-monthly basis.	Noted	No Change proposed.
3	Carl Dyer, Thomas Eggar for Asda Stores	The DCS and the viability report do not consider the impact of the CIL (amendment) regulations 2014/385. We note that the Council have not produced a draft Regulation 123 list. Without this we are unable to make any meaningful comment on the level of residual funds needed via s106.	The Preliminary Draft Charging Schedule and viability report comply with the CIL Guidance February 2014 and CIL (Amendments) Regulations 2014.  The EHDC Infrastructure Development Plan provides the necessary justification for charging a CIL.	No Change proposed.
		Any CIL schedule that imposes a substantial CIL charge on superstores or supermarkets and a very low rate or nil rate on all other uses, could effectively undermine the retail function of local	A single rate for all retail categories is proposed. The rate is considered to be at a level that will not affect any new retail development from coming forward.	No Change proposed.

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		and town centres.		
		<p>The viability study contains retail development assumptions that are inadequate as they do not make sufficient allowance for the costs involved in obtaining planning permission.</p> <p>No allowance for s106 and s278 agreements in addition to CIL. See figures in the response.</p> <p>Viability allows 5% of build costs for external works and 5% of construction costs for contingencies. This is considered inadequate in relation to examples set out in the response.</p>	<p>In their appraisals Adams Integra have made an allowance of 10% of the construction costs for supermarkets to allow for additional costs usually associated with obtaining planning permission for this category of development such as s.106 or s.278 contributions. This equates to over £547,000 which is considered a sufficient allowance when combined with the professional fees and contingency.</p> <p>Furthermore a CIL charge may be contributing to the Regulation 123 list of infrastructure improvements that a retail development will benefit from and therefore will be subject to lower s106 or s278 obligations.</p>	No Change proposed.
		The Council should adopt a flat rate levy for comparable sectors of the economy/use classes or, if it not prepared to do so, provide an explanation as to why State Aid issues are not engaged by the setting of differential rates within use classes.	A single 'flat' rate for all retail categories is proposed because the viability assessments considers that the whole use class can support such a charge and other use classes ( other than residential and hotels) cannot. State Aid is not being offered to any development categories.	No Change proposed.
		The viability study does not acknowledge that the economics of conversion schemes are very different to those of newbuild schemes. It is difficult to see whether the imposition of CIL will put the majority of these schemes at risk without having considered its impact on their viability.	Conversions that do not create new development floor space and would not be liable for CIL.	No Change proposed.
		We note that the Council intends to publish a draft instalments policy for CIL. We would encourage the Council to introduce an instalments policy, as managing cashflow during development is often key to determining whether a scheme will be successfully delivered.	Noted	No Change proposed.

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		We would encourage the Council to adopt an Exceptional Circumstances Relief Policy. The Council will have the flexibility to allow unprofitable development schemes to come forward, by exempting them from the CIL charge, or reducing it in certain circumstances.	EHDC is currently not considering an ECR Policy.	No Change proposed.
		A much fairer solution would be to divide the Council's estimate of total infrastructure costs over the charging period by the total expected development floorspace and apply a flat rate levy across the Borough and across all forms of development.	This suggestion is not practical as there is no certainty as to whether some forms of development would be made unviable.	No Change proposed.
		Given that the provision of infrastructure is often key to unlocking unimplemented planning permissions, we would urge the Council to seriously consider adopting a policy to allow payment in kind.	EHDC is currently considering a PIK Policy.	No Change proposed.
4	Christopher Hemmings, WYG for HCA and Landowners East of Selborne Road	The schedule would benefit from a detailed articulation of the link between infrastructure requirements and the proposed level of CIL rate.  It is unclear why there is such a difference between the northern and southern CIL rate.	The revised IDP, the draft Reg 123 List and the DCS should draw the links referred to in this representation  The difference in CIL rates results from the different viability levels, with different sales values and CIL costs. The sales values are the product of the sales research and are set out in the value points table for different locations.	No Change proposed. Review of IDP and Reg 123 List will form part of the second consultation.
		It is unclear whether the Alton Sports Centre is to become a CIL item, as currently within the IDP it is shown to be delivered through s106 agreements only.		
		When the CIL rates for other Districts are compared to East Hampshire, it is clear that there are inconsistencies of approach. For example,	When comparing to different local authorities, it is necessary to understand not only the sales values, but also any differences in other	No Change proposed.

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		average prices in Winchester District are higher than East Hampshire, but Winchester's CIL rate is significantly lower at £80 or £120. In addition Petersfield, within the South Downs National Park, is £150 per sqm whereas Alton, which most likely has lower houseprices compared to Petersfield, is at a higher rate of £180 per sqm.	valuation inputs, such as densities, cost assumptions and s106 levels.  In connection with Alton, we have looked separately at the evidence and would agree that it should be in VP3, not VP4.	
		The report attempts to forecast the impact of code 5 in 2016. It should also take into account rises in build costs and benchmark land values.	Some further testing can be done to address this point.	No Change proposed.
		Need to check the affordable housing methodologies between the 2012 and 2014 reports. It should take a more realistic approach to affordability issues, based on household incomes per annum and Local Housing Allowance rents.	The Viability study has taken account of the affordable housing procurement methodology in place at the time the viability work is undertaken. Checks will be made with Housing Services in this regard.	No Change proposed.

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5	Christopher Hemmings for Linden Homes Southern	As in 4, plus: the Council should give consideration to the adoption of CIL rate relief in exceptional circumstances where the burden of the CIL rate, affordable housing, Code for Sustainable Homes, exemplary design standards and on-site s106 requirements do not deliver a competitive return to the willing landowner and developer.	See above.	No Change proposed.
6	David Neame, Neame Sutton for Southcott Homes Ltd.	<p>Concern that the Council does not appear to have identified exactly what infrastructure the CIL charges will provide for. Many infrastructure requirements are not costed and are therefore uncertain.</p> <p>It is unclear what infrastructure costs have been taken into account in reaching a charging schedule, particularly for residential development.</p> <p>It is unclear which infrastructure requirements may fall outside of the CIL charge and therefore become an additional financial burden on new development.</p>	Noted	Reviewed IDP and Reg123 List submitted as part of the Stage 2 consultation.
		The proposed CIL level in the southern parishes is at a reasonable level, but in the north, it is considerably higher. This higher level does not appear to be underpinned by robust evidence.	The difference in CIL levels will be as a result of different sales values, as set out in the value points table at appendix 2 of the March 14 report. At appendix 4, we then see the resultant land values per hectare for different development scenarios, including affordable housing levels. In particular, if we look at the viability impact of 40% affordable housing, with £2,000 per unit infrastructure, we see that there is good viability against all thresholds with CIL at £180 for value point 4, with the exception of the higher residential threshold.	No Change proposed.
		Payment by instalments should be included in the adopted charging schedule.	An instalments policy is under consideration	No Change proposed.

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		Southcott Homes considers that the charging schedule should include the ability for applicants to provide evidence to demonstrate exceptional circumstances for relief of CIL payment where the need arises.	No ECR policy is under consideration.	No Change proposed.
		Land and infrastructure in kind. The charging schedule should make allowances for the provision of land and infrastructure, instead of CIL, is the most appropriate approach.	A PIK policy is under consideration.	No Change proposed.
		Relief for low cost market housing. This option is essential for inclusion in the charging schedule, to ensure that, where low cost market housing is proposed to meet a clearly identified need, its delivery is not thwarted on grounds of viability as a result of the CIL charge.	Noted, no exceptions are currently under consideration	No Change proposed.
7	Matthew Spilsbury, Turley, for Martin Grant and Persimmon	<p>Which organisations were consulted in the preparation of the 2014 viability assessment, and specifically the land value benchmarks?</p> <p>What evidence was submitted and how is this representative of benchmark land values across the District?</p>	<p>The residential land value benchmarks were the product of our own work to calculate what a developer might have to pay for existing residential land, assuming developments based on actual applications. The original work was done in 2013 and the land values were increased by 5% to 2014, before the 20% premium was added.</p> <p>We took two residential rates to represent a range of existing values that might apply.</p> <p>With regard to the employment thresholds, these were based upon work done by the commercial surveyor in the consultant's team. He is based in Chichester and is, therefore, familiar with values in southern England.</p>	No Change proposed.

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		<p>What constitutes local in connection with EUV and how has this been defined and evidenced?</p> <p>What is the experience of the consultants in purchasing land within the District?</p> <p>What examples of transactional evidence can the consultants provide to justify both the benchmark land values and the 20% premium applied across the District?</p>	<p>As above.</p> <p>One member of the consultant's team spent over 25 years with housebuilders, purchasing land in such locations as Petersfield, but also in Winchester and Chineham, Basingstoke.</p> <p>In other studies of this nature, we have seen reference to appeal decisions, for example in Beckenham and Woodstock, that support premiums above EUV of 20% and 10% respectively. We believe, therefore, that 20% is a reasonable rate to adopt.</p>	No Change proposed.
		Build costs. Costs should make allowances for external works (roads, sewers, POS etc) , site abnormalities, s278 works, sustainable urban drainage, communal areas for flats.	Checks undertaken.	No Change proposed.
		Costs for codes 4 and 5 should be checked.	Checks undertaken.	No Change proposed.
		Review other valuation inputs, as in the representation.	<p>A response on certain inputs has been provided in 2 above. Regarding other inputs, mentioned by the respondent:</p> <p>Sales and marketing costs. We believe that 3% is sufficient, particularly as it is taken on the whole development value, including affordable housing. We could, however, do some sensitivity testing in lower value locations at a higher percentage, where lower values will generate less cost recovery.</p> <p>Regarding contingency, sensitivity testing can be carried out.</p>	No Change proposed.

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			Site acquisition costs include stamp duty at 4%, legal fees at 0.75% and finance.	
		Concerns regarding the inclusion of Alton within VP4. Alton should be reduced to the rate for VP3.  There is no mention of a buffer, drawing back from the margins of viability. The approach to defining a buffer should be clarified.	We have looked at the values for Alton again. Whilst there are some housetypes that could relate more to VP3 than to VP4, we have kept Alton in VP4.  See 2 above regarding the buffer.	No Change proposed.
		Payment by instalments. It is considered that an instalment policy set by reference to the amount of CIL would form the most straightforward approach. See the respondent's table.	A payment by instalment policy is under consideration.	No Change proposed.
		Exceptional circumstances. The PDCS does not confirm whether the Council will introduce discretionary relief from CIL liability in exceptional circumstances.	EHDC is currently not considering an ECR Policy.	No Change proposed.
		Land and infrastructure in kind. This would be a useful method of providing greater certainty over the timescale for the delivery of infrastructure.	The provision of infrastructure in kind will be encouraged where appropriate.	No Change proposed.
		Relief for low cost market housing. Would welcome the introduction of discretionary relief for low cost market houses that are to be sold at no more than 80% of market value.	Various levels of market housing are assessed as part of the viability testing.	No Change proposed.
		Interaction of CIL and s106. The representors have previously submitted representations to the consultation on the EHDC Guide to Developers' Contributions in January 2014 and subsequently to the Consultation on Developer Contribution Details for the Alton Sports Centre.  The Alton Sports Centre contribution is inappropriate and unlawful. The representors do not believe that EHDC can provide any robust evidence to substantiate that the proposed sports centre contribution meets any of the CIL	Noted	No Change proposed.

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		regulation 122 tests on planning obligations.		
		The Council has not presented its proposed policy for the scaling back of s106 agreements alongside the PDCS and neither has it set out the extent to which s106 targets have been met.	The IDP will be updated and will include this information	No Change proposed.
		Stakeholders should be provided with the opportunity to comment on how relevant s106 policies will be amended upon adoption of CIL prior to examination, together with evidence of recent s106 obligations.	This is not considered appropriate or necessary at this stage	No Change proposed.
		It is recommended that the proposal to introduce a contribution towards Alton Sports Centre should be revoked with immediate effect.	Noted	No Change proposed.
		Absence of Regulation 123 list. The representors insist that the Council prepares and publishes a full draft regulation 123 list for comment alongside consultation on the CIL draft charging schedule.	A draft Regulation 123 list forms part of the stage 2 consultation.	No Change proposed.
8	Sophie Lucas, Barton Willmore, for Hallam Land Management.	When viewed alongside neighbouring authorities, the CIL figure of £180 per sqm, proposed on land north of the SDNP, is excessively high.	The PDCS of the SDNP shows Petersfield at £150 per sqm, with the surrounding rural areas at £200 per sqm. On this basis, we do not believe that the proposed rates are excessive.	No Change proposed.
		Exceptional Circumstances Relief. It is strongly recommended that the forthcoming Draft Charging Schedule includes provisions for ECR and payments in kind.	EHDC is currently not considering an ECR Policy.	No Change proposed.
9	David Murray-Cox, Barton Willmore, for Helical (Liphook) Ltd.	The PDCS must be amended to accord with the Council's evidence base in relation to class C2 developments, confirming that they are not proposed to be subject to a requirement to pay CIL.	The evidence supporting the PDCS concluded that Class C2 was not able to support a CIL charge. Whilst it was intended to maintain simplicity in the schedule so that this use class would be covered by the £0 charge for 'Any other non-residential development'- it is acknowledged that some clarity is required for residential care homes and extra care facilities that are residential in nature.	Amend the Draft Charging Schedule to show clearer definitions for Residential uses other than C3 (a) as follow <b>All Class C2, C2(a), C3(b), C3(c) uses including Extra Care Housing</b>

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10	Laura Lax, Environment Agency	No comment, other than to be consulted on work associated with CIL and the regulation 123 list.	Noted.	No Change proposed.
11	Emily Howbrook, Hampshire County Council.	Concerned that the viability assessment does not consider extra care housing. This should be charged at an appropriate rate on grounds of viability.	See 9. above	No Change proposed.
		Land and infrastructure in kind. Whilst this is supported in principle, there may be very limited opportunities to do so, primarily due to the overall cost of delivering infrastructure, compared to the likely CIL liability. In kind payments are also limited to the provision of "relevant infrastructure" which further constrains their potential.	Noted	No Change proposed.
		The County Council is encouraging charging authorities to include specific schemes in their regulation 123 lists, to make it clear how s106 contributions will be used.	Noted	No Change proposed.
		IDP: contact the County Council regarding education requirements and water/drainage issues, particularly in relation to flood alleviation schemes in EHDC.	Noted- The County Council have been consulted as part of the IDP Review.	No Change proposed.
		The map illustrating CIL levels needs to clarify that it is residential levels. It should also clarify that it is SDNP who are proposing the rate for Liss and Petersfield.	Noted.	Amended Maps provided with DCS Document.
12	Nicholas Branch, EHDC Cllr Alton Westbrooke	The top CIL level should be the same as Petersfield, ie £200, to reflect the market attraction of non-SDNP areas and to cope with historic shortfall in infrastructure investment.	Will be considered.	No Change proposed.
		Where infrastructure investment is ideally needed before development commences, EHDC should be free to require the front end deposit of a proportion of the total CIL payable. Other CIL	A CIL Instalments Policy is under active consideration.	No Change proposed.

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		payments by instalment should relate to project cashflow, but with a minimum annual amount, based on total project value.		
		Any request for discretionary relief on the grounds of viability must be backed up by a formal assessment approved by the District Valuer.	Noted	No Change proposed.
		The justification and calculation of relief should be backed up by an independent report, eg from accountants, District Valuer etc.	Noted	No Change proposed.
		Relief should not exceed 20% of the current CIL rate.		No Change proposed.
13	Claire Hughes, EHDC and Havant	No ability to charge for business investment, such as private leisure clubs. Is this a conscious decision?	<p>Adams Integra has modelled the financial viability of a broad range of non-residential uses that are likely to be developed in the district over the plan period. There are many categories that are not expected to be developed in the East Hampshire District due to the limited catchment and economic conditions.</p> <p>Leisure Clubs such as private members sports clubs and gyms could be developed but are expected to be of a relatively small scale and when tested in other areas have been shown to have relatively marginal viability when outside of major regional centres.</p> <p>Other investment type property is expected to be captured by the other non-residential categories. However when the economy improves it will be appropriate to review the Charging Schedule and other categories could</p>	No Change proposed.

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			be added at that time.	
		Supports payment by instalments, but the Council should determine how it would be allocated. Some developments would require a sizeable proportion of CIL to be delivered at early stages to enable infrastructure to be provided.	Noted	No Change proposed.

		Relief for low cost market housing. Supported, but would need to be considered in light of the need for infrastructure investment.	Noted, no ECR policy is currently under consideration.	
14	Angela Glass	References to the "Eco-Town" should now be the "Green Town".	Agreed.	Amended.
15	Helen Bennett, Selborne Parish Council	Relief for low cost market housing. It is considered that relief from liability to pay a CIL charge on new market value houses that are sold at no more than 80% of their market value is not justifiable.	Noted, no ECR policy is currently under consideration.	No Change proposed.
16	Robin Twining	Under the proposed CIL charging schedule, would solar farms be liable to pay CIL? If so, how much?	Solar Farms are not considered as new development under the CIL Regulations 2010 6.(2) (a) a building into which people do not normally go. Therefore they will not qualify for a CIL charge.	No Change proposed.
		Hypothetically, how much would 14ha of land for a 8MW solar farm in Worldham Parish (outside the SDNP) pay in s106 monies and how much in CIL?	A CIL charge would not be levied.	No Change proposed.
17	Sarah Goudie, Four Marks Parish Council	Four Marks Parish Council, together with Medstead Parish Council, are currently in the early stages of preparing a Neighbourhood Plan. One of the incentives to prepare a plan was that we were informed that, if a parish has an adopted Neighbourhood Plan, then the amount of CIL per sqm would be considerably increased, but there is no mention of this in the PDCS. It is felt that reference should be made.	The presence of a neighbourhood plan will not have a material effect on the amount of CIL charges that may be affordable. Rather the Neighbourhood plan will enable the allocation of receipts directly to the neighbourhood parish for their own infrastructure projects.	No Change proposed.
18	Martin Small, English Heritage.	Would remind the Council to be aware of the implications of any CIL contribution on the viability and effective conservation of historic environment and heritage assets in development proposals.	Noted	No Change proposed.
		Welcome para 17 of the CIL document.	Noted	No Change proposed.
		Would recommend that the conditions and procedures for CIL relief be set out within a	Noted	No Change proposed.

		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.		
19	Ian Sowerby, Bell Cornwell for Lamron Estates	Question the assumed capital values and build costs for hotels and say that the CIL rate for hotels should be zero, not £70.	The market evidence and viability appraisals carried out by Adams Integra supports the proposed charge of £70 per m2 for Hotels.	No Change proposed.
20	John Tunney, EHDC	Asking for clarification work to take place as a matter of some urgency regarding Whitehill and Bordon's status for s106 contributions.  Previous understanding was that all of W and B within the ecotown policy boundary would be subject to s106.  From some of the CIL documentation, there would seem to be some uncertainty about this, or whether s106 only applies to the smaller mosaic area of strategic allocation sites within the town.  Very strong preference for the more geographically widespread ecotown policy boundary to apply.	This matter has been clarified in the Maps attached to the DCS document.	No Change proposed.
21	Carmelle Bell, Savills, for Thames Water	Consider that water and waste water infrastructure buildings should be exempt from CIL. This appears to be the case in the draft schedule where "any other non-residential development has a £0 charge.  The Council may, however, wish to consider using CIL contributions for enhancements to the sewerage network beyond that covered by the Water Industry Act and sewerage undertakers, for example by providing greater levels of protection for surface water flooding schemes.	The CIL Regulations do not permit a CIL charge for Buildings into which people do not normally go or only go into intermittently for inspecting or maintaining machinery.	No Change proposed.
22	Alison Appleby, Natural England	Note the absence of any mention of the Solent coastal SPAs in the IDP. Whilst CIL may not be the correct mechanism for for delivery of mitigation, we assume that contributions for this mitigation will continue to be secured via other	Noted and agreed	No Change proposed.

		mechanisms, such as s106 agreements.		
23	Megan Cameron, CLA	<p>Advises EHDC not to impose CIL on agricultural, forestry, employment and commercial development, as these are important areas for rural landowners and farmers to diversify into, in order to support their farming and forestry enterprise.</p> <p>CLA advises EHDC not to impose CIL on retail developments in rural areas, as farm shops would have to pay the charge, coming under the Food Retail use type.</p> <p>Would like clarification that the CIL charges for farm diversification, eg clay pigeon shooting grounds, are exempt from CIL as they fall under Leisure.</p> <p>The proposed contribution of £180 and £100 for residential in rural areas will act as a significant disincentive and will suppress development.</p> <p>CLA feels strongly that all developments being requested to contribute to infrastructure should have the opportunity to negotiate the level of payment, depending on what a community/area needs.</p>	<p>These categories will be covered by the £0 per m2 charge for 'Any other non-residential development'.</p> <p>Farm shops usually operate from converted buildings and where no new development takes place and therefore will not incur a CIL charge.</p> <p>Where new development takes place a CIL charge of £0 per m2 would apply for these categories.</p> <p>The viability assessment concludes that these CIL charge rates will not hinder new development.</p> <p>The CIL Charging Schedule, IDP and Reg 123 List are all open for consultation.</p>	No Change proposed.
		<p>CLA would like to know what will happen where landowners decide to build houses to keep within their long term ownership (build to rent), to diversify their income through a residential portfolio of properties. There are no capital receipts from which to fund a CIL charge. In this instance the Council should be more flexible in their approach for the payment of CIL, if the property would remain available for rental for at least 5 years.</p>	<p>The local infrastructure will be impacted and a contribution from the developer will be sought for development in excess of 100 m2.</p>	No Change proposed.
		<p>CLA has concerns that there is no allowance for housing needed for rural businesses, such as agricultural, forestry and other essential rural workers. Would like clarification that these dwellings will be treated the same as affordable</p>	<p>As above.</p>	No Change proposed.

		housing with a nil CIL rate. CIL should not apply to these dwellings, which will have been justified as a requirement for the business.		
24	Rose Freeman, Theatres Trust	Support the nil rate for “any other non-residential development”.	Noted.	No Change proposed.
25	Roger Shipton, GVA Grimley, for Defence Infrastructure Organisation.	The table at para 9 suggests that there is a £0 proposed residential CIL for Whitehill and Bordon eco-town. It is unclear what the eco-town reference is intended to mean.  To confuse matters further, the map at the end of the consultation document refers to “Whitehill Bordon Strategic Development Area (Eco town).”	Noted, this matter is made much clearer in the CIL Maps attached to the DCS.	No Change proposed.
		What geographical area is covered by the £60 charge excluding the eco-town?	See above.	No Change proposed.
		DIO would object to a £60 charge in the adopted Strategic Allocation area; it would make the allocation potentially undeliverable.	Noted.	No Change proposed.
		The term Green Town should be adopted across the CIL document.	Agreed.	No Change proposed.
		In para 12 is the zone 4 reference to the “eco-town growth area” intended to refer to the strategic allocation or to something else?	See above regarding CIL Maps.	No Change proposed.
		The PDCS does not clearly identify the extent of the 4 zones.	As above.	No Change proposed.
		The map at the end of the draft document identifies a figure of £60 for Whitehill Bordon which the key defines as “Main towns including Whitehill Bordon Strategic Development Area (Eco Town)”. This conflicts with the proposed zero charge referred to in para 9 table for the Whitehill and Bordon (Eco town) area and clarification is required.	As above.	No Change proposed.
		The indicative CIL levels on the map do not distinguish between proposed residential and non-residential charges.	As above.	No Change proposed.

		In relation to the proposed CIL charge for retail development, this should not apply to retail or hotel development in the adopted (2014) JCS W and B Strategic Allocation area boundaries (JCS map 4). In the event that a CIL charge is sought for non-residential development, the viability considerations will discourage, if not completely prevent, such developments being brought forward.	Noted, however the Viability Report has tested these uses and confirm that a charge can be made.	No Change proposed.
		The CIL map is at such a scale that it is impossible to work out the precise boundaries of the different charging zones. The 4 zones identified in para 12 do not correspond to the 3 areas identified in the key to the CIL map.	See above.	No Change proposed.
		EHDC's consultation letter refers to "The Viability Report" dated April 2014. There is a March 2014 report online. Is there an April version?	Noted.	No Change proposed.
		When will EHDC publish its Draft List (Regulation 123 list)? This is not available on line and a request to EHDC to provide the list remains unanswered.	With the DCS Consultation.	No Change proposed.
26	Lynn Thomason, Hotel Solutions.	<p>The viability report identifies that there has been relatively little new hotel development to track and that is, indeed, an indication of how the hotel market has suffered since the market downturn in 2008. It has been difficult to make development stack up with performance dropping back and rooms on the market in the form of existing hotels for sale at less than development value.</p> <p>Even in good market conditions, the economics of hotel development are very fragile and any extraordinary costs can easily tip viability over the edge.</p> <p>Would suggest that it is worth running the valuation and costings past some hotel sector specialists.</p>	<p>This has been noted.</p> <p>The viability appraisals carried out by Adams Integra have used appropriate and available market evidence.</p> <p>Specialist advice has been used.</p>	No Change proposed.
27	Steering Group of East	Question whether the economic viability of hotel	It has been concluded that hotel development can afford to support a modest CIL charge. No	No Change proposed.

	Hampshire Tourism and Marketing Partnership.	development has been fully taken into account. A zero rate for CIL would be more appropriate. A CIL charge would work against the provision of a new hotel for Whitehill and Bordon.	Change proposed. Whitehill and Bordon will be subject to separate s106 planning obligations.	
		It would be unfair to charge different levels of CIL across the District. It is already potentially divisive that there is a proposed charge for CIL for hotel developments outside the SDNP boundary and no charge within the boundary.	The SDNPA are making their own CIL charging proposals based on their own consultants recommendations.	No Change proposed.
28	Ziyad Thomas, Planning Bureau for McCarthy and Stone and Churchill.	Given the extent of projected housing need for older persons accommodation, it is paramount that the CIL schedule recognises the potential shortcomings of providing a uniform CIL rate for all forms of residential development. The additional costs associated with the construction and initial maintenance of this form of development, coupled with the slower sales rate, make it clear that the financial viability of such developments is more finely balanced than with houses and apartments.  It is requested that development scenarios for sheltered/retirement housing and Extra Care accommodation are undertaken, so as to ensure that these forms of accommodation are not rendered unviable by the proposed CIL rates.	Regarding sheltered housing, as opposed to care homes, we have carried out some further testing, based upon figures provided by the respondent. These figures reflect both the increased build cost associated with communal areas, together with the longer sales rates that are experienced with these types of development. The sales figures are based upon those for the sheltered scheme that is currently selling in Alton.  Having undertaken this exercise, we believe that it would be reasonable to charge a reduced CIL of £40 per square metre for such developments.	An amendment is proposed to the DCS in relation to age restricted sheltered housing.
29	Giles Stogdon	There is a disproportionately high level of charge in the north of the district. This should be altered.	The evidence supports the different charges.	No Change proposed.
		The FAQs say that there should not be much difference in cost between CIL and the current s106 charges. S106 and CIL, taken together, should not exceed the old s106 charges, so as not to adversely impact the supply of land for development.	CIL Regulations do not permit 'double dipping'. S.106 contributions cannot be sought for items covered by the Reg 123 List.	No Change proposed.
		It is unclear if the CIL includes the £10,000 per unit charge for the Alton Sports Centre in the northern part of the district. This charge should not be on top of CIL, so as not to adversely	Noted. Please see the Viability Report for clarification on this matter.	No Change proposed.

		impact the supply of land for development.		
30	Katie Weir, Grayshott Parish Council	Have reviewed the DCS and have no comment.	Noted.	No Change proposed.
31	Paul Sansby, Portsmouth Water	Have no direct involvement in CIL and have no comments on the process.	Noted.	No Change proposed.
32	Nawal Atiq, Highways Agency	No comment at this stage, but reserve the right to make representations about national/strategic transport matters, as and when they arise in the development process and on a case by case basis.	Noted.	No Change proposed.
33	Peter Parkinson	Surprised to read the proposal that WandB has two CIL rates, one of £60 per sqm and the other of £0 per sqm. The zero rate applies to what is called the "Eco-town." There is no eco-town.	Noted, Green Town is mor appropriate and this is defined in the CIL Map attached to the DCS Document.	No Change proposed.
		W and B clearly needs special assistance, so zero rating the development is a clear signal that there will be no gain, no benefit for existing residents, no facilities deriving from the huge housing developments in the town. How will these now be financed?	In WB S106 agreement negotiations will allow an appropriate negotiated solution to be put in place. The CIUL Regulations specifically allow this process under certain circumstances.	No Change proposed.
		It appears that the modest £60 per sqm for W and B outside the eco-town is all that will be available to finance the list of supposed gains.	Agreed, however development close to WB may benefit from the infrastructure delivered to support the Green Town.	No Change proposed.
34	Nicole Penfold, Gladman	Local planning authorities need to be able to demonstrate the infrastructure need and funding gap and must ensure that the level of CIL receipts reflects these true needs and the proposals in the local plan.  The Council needs to ensure that they have a full understanding of the potential costs of infrastructure projects, needed to meet infrastructure needs. Gladman believe that it is inappropriate to set the levy based on a partial understanding of these infrastructure costs and in particular if the total money needed for	This is set out in the IDP.	No Change proposed.

		infrastructure is unknown.		
		It is integral, when setting differential rates for different geographical areas that these rates are based on accurate, up to date housing market intelligence, forming the evidence base for this decision.	Agreed	No Change proposed.
		Discretionary relief should be factored into CIL, to avoid rendering sites with specific cost burdens unviable in exceptional circumstances.	Noted.	No Change proposed.
		Gladman would urge the Council to adopt an instalments policy for CIL payments, as this will give developers the flexibility to pay contributions in line with development phasing and will facilitate cashflow and therefore development viability.	Currently no ECR policy is under active consideration.?	No Change proposed.
		Would like to remind the Council of the need to review CIL tariffs once they have been set.	Noted.	No Change proposed.
		Gladman believe that the Council need to have a clear understanding of the level of residential development to be brought forward in the plan period when preparing the charging schedule. Without this, the charging schedule will not reflect the relevant and true infrastructure needs of the area.	Noted although the market will dictate the amount of development that actually takes place.	No Change proposed.
35	Liss Parish Council	Does not apply to Liss, but wanted to bring EHDC's attention to their comments on CIL for the SDNP.	Noted.	No Change proposed.







