

EAST HAMPSHIRE DISTRICT COUNCIL COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE¹

Examiners Main Issues and Questions (MIQs)

1st April 2015

Issue 1 – Legal and preliminary matters

- a) Does the Charging Schedule comply with the procedural requirements of the 2008 Planning Act and the 2010 Regulations as amended?

Issue 2 – Is the Charging Schedule supported by appropriate available evidence on infrastructure requirements?

- a) Does the Infrastructure Delivery Plan (CIL 03) and other submitted evidence² clearly identify the infrastructure needed to support future growth in the district up to 2028?
- b) What is the total cost of infrastructure needed to support development in the Whitehill and Bordon Regeneration Project Zone? What is the funding gap within the Project zone, and within the East Hampshire Local Plan area as a whole?
- c) How have infrastructure costs been apportioned between East Hampshire District Council and the South Downs National Park Authority, in relation to those infrastructure items that are cross boundary or affect both authority areas?
- d) What contribution is it anticipated that CIL would make towards bridging the funding gap?
- e) Does the submitted evidence clearly explain how planning obligations would operate alongside a new CIL regime in East Hampshire?

¹ The basis for the Examination is the Draft Charging Schedule, published for consultation between 6 November and 19 December 2014, along with the Statement of Modifications published for a 4 week period of consultation on 13 February 2015.

² Including the Council's recent update to Appendix 2 of the Infrastructure Delivery Plan relating to the Whitehill and Bordon Regeneration Project Zone, as submitted in response the Examiner's Initial Questions (document EH-01).

Issue 3 – Is the Charging Schedule supported by appropriate available evidence on viability?

- a) Do the residential site typologies tested in the viability evidence adequately reflect the type, density and size of schemes likely to come forward in East Hampshire? Has sufficient testing been undertaken of strategic sites?
- b) In relation to residential development, have reasonable assumptions been made in relation to factors affecting viability of development and up to date evidence used? Including:
- Sale prices
 - Building costs
 - S.106/S.278 - is the estimated cost of £2000 per unit justified by the evidence and reasonable?
 - Affordable housing – what account has been taken of the Ministerial Statement dated 28 November 2015 which states that affordable housing and tariff-style obligations should not be sought on sites of 10 or less units?
 - Contingencies
 - Fees
 - Profit levels
 - Benchmark land values
- c) In relation to hotel development, have reasonable assumptions been made in relation to factors affecting viability of development and up to date evidence used? Including:
- Capital value per room
 - Rental income
 - Build costs
 - Fees
 - Profit levels
 - Existing site values
- d) In relation to retail development, have reasonable assumptions been made in relation to factors affecting viability of development and up to date evidence used? Including:
- Rental levels
 - Build costs
 - Fees
 - Contingencies
 - Profit levels
 - Existing site values

Issue 4 – Residential rates: Are the proposed charging rates informed by and consistent with the evidence? Would the proposed charging rates put the overall development of the area at risk?

- a) Are residential uses and geographical zones clearly defined in the table in the Charging Schedule, avoiding duplication?
- b) Is the nil CIL rate for residential development in the Whitehill and Bordon Regeneration Project Zone justified by the evidence³ and reasonable? Is the geographical zone soundly based on development viability evidence?
- c) Does the geographical area of the Whitehill and Bordon Regeneration Project Zone correspond to the boundaries of the Whitehill and Bordon Strategic Allocation as defined in the Core Strategy (Map 4)? If not, what is the evidence or justification for a different geographical area?

[The Council is requested to provide a map which clearly shows the boundaries of the charging zone, the Strategic Allocation and the recent planning applications at Bordon Garrison and the Louisburg and Quebec Barrack sites]

- d) Is the proposed site size threshold of 10 and 11+ units in areas VP4 and VP5 (excluding Alton) justified by the evidence and reasonable? (see also 3b above)
- e) Are the other proposed charging rates for residential development and geographical areas justified by the evidence and reasonable?
- f) Is the proposed £40 psm CIL charging rate for sheltered housing justified by the evidence and reasonable? What assumptions have been incorporated into the Viability Appraisal?
- g) What are the overall viability buffers associated with the CIL residential charges?
- h) Are the buffers sufficient to allow viable residential development across the district? What is the Council's latest housing trajectory over the Plan period, and would the CIL charges affect delivery of the planned housing provision?

Issue 5 – Hotel rates: Are the proposed charging rates informed by and consistent with the evidence? Would the charging rates put the delivery of hotel development in the area at risk?

- a) Is the CIL charge of £70 psm for hotel development justified by the evidence and reasonable?

³ Including the Viability Reports dated March 2014, November 2014 and January 2015 (documents CIL 10, CIL 11 and CIL 12), and the Council's recently submitted response to the Examiner's Initial Questions (document EH-01).

- b) Is the nil CIL rate for hotel development in the Whitehill and Bordon Regeneration Project Zone justified by the evidence and reasonable? Is the geographical zone soundly based on development viability evidence?
- c) What is the overall viability buffer associated with hotel development? Would the CIL charge affect the delivery of hotel development in the district?

Issue 6 – Retail rates: Are the proposed charging rates informed by and consistent with the evidence? Would the charging rates put the delivery of retail development in the area at risk?

- a) Is the definition of 'high street/centre retail and out of centre retail' sufficiently clear? Does the definition cover all types of retail schemes in all locations?
- b) Is the CIL charge of £100 psm for high street/centre retail and out of centre retail justified by the evidence and reasonable?
- c) Is the nil CIL rate for high street/centre retail and out of centre retail development in the Whitehill and Bordon Regeneration Project Zone justified by the evidence and reasonable? Is the geographical zone soundly based on development viability evidence?
- d) What is the overall viability buffer associated with retail development? Would the CIL charge affect the delivery of retail development in the district?