

# Taunton Deane Borough Council

## Report to Executive 16<sup>th</sup> January 2013

### Introduction of the Community Infrastructure Levy (CIL) in Taunton Deane – Consultation Responses on Preliminary Draft Charging Schedule and Proposed Amendments

Report of the Policy Lead Officer

This matter is the responsibility of Executive Councillor Edwards

#### 1.0 Executive Summary

This report provides feedback on the consultation on the CIL Preliminary Draft Charging Schedule, which took place from 29<sup>th</sup> June to 27<sup>th</sup> July 2012.

It also sets out the proposed Draft Charging Schedule, which takes account of the comments received and will be published for representations prior to submission to the Examiner.

Arising from the consultation, the Council needs to bring forward a policy for payment of CIL by instalments, and to provide a map indicating the zones within which different rates of CIL will be charged. These are appended to this report.

#### 2.0 Background

- 2.1 At its meeting on 20<sup>th</sup> June 2012, the Executive agreed to progress the introduction of the Community Infrastructure Levy (CIL) in Taunton Deane, and approved a Preliminary Draft Charging Schedule (PDCS) for consultation.
- 2.2 Consultation on the PDCS took place over a 4-week period between 29<sup>th</sup> June and 27<sup>th</sup> July. Around 20 responses were received, the majority being from developers and agents. Comments from respondents have been considered and discussed with the Council's consultants, Three Dragons and Peter Brett Associates. These are summarised in Appendix 1, together with a proposed response.
- 2.3 The next stage in the CIL process is to publish a Draft Charging Schedule (DCS), taking account of the comments which have been received. There will be a further opportunity for people to make representations prior to the Schedule being submitted for independent Examination. The CIL can then be adopted, providing a mechanism to collect contributions towards the provision of strategic infrastructure (as set out in Policy CP7 of the Core Strategy).

### 3.0 Timescale

3.1 The comments received have meant that some extra work has had to be undertaken before the Draft Charging Schedule can be published. In particular, respondents have suggested that the Council includes with the DCS a policy for payment by instalments. The proposed policy is attached to this report (Appendix 2).

3.2 Similarly, respondents have requested that a map showing the zones within which different rates of CIL would be charged is included with the DCS. This has now been prepared and is also attached to this report (Appendix 3).

3.3 The timescale for progressing CIL is now as follows:

Executive: 16<sup>th</sup> January 2013

Full Council: 22<sup>nd</sup> January

Publication of Draft Charging Schedule: Friday 1<sup>st</sup> February

Formally approach PINS with request for an examination: early-February

Period for representations: 1<sup>st</sup> February – 15<sup>th</sup> March

LDF Steering Group/Portfolio Holder sign-off: w/c 18<sup>th</sup> March

Submission to the Examiner: w/c 25<sup>th</sup> March

Examination: May-June 2013

Adoption: July-August 2013

### 4.0 Recommended changes to the Charging Schedule

4.1 As a result of consultation responses, the following changes are proposed to be incorporated in the Charging Schedule when it is published as the 'Draft' that will eventually be submitted for examination:

- A reduction in the proposed charge for residential development in Taunton from £80 per square metre to £70. In this way, the Council can demonstrate that it is avoiding setting a charge right up to the margin of economic viability across the majority of sites in the Taunton area.
- Exemption of residential development in Taunton town centre from payment of CIL. This will ensure that delivery of brownfield sites in the town centre, which are key to delivery of the Core Strategy and Project Taunton regeneration schemes, are not rendered unviable by introduction of the levy.
- Exemption of residential development in the Wellington urban extensions from payment of CIL. This will reduce the risk to delivery of key elements such as affordable housing.

- Simplification and re-definition of the proposed charges for retail development, so that a single charge of £140 per square metre will apply outside Taunton and Wellington town centres (as defined on the Core Strategy proposals maps), with no charge being levied on retail development within those centres. This is to avoid the risk of legal challenge to charges based on size of retail unit, distinctions between stores selling comparison and convenience goods, or 'high street' and 'bulky goods' types of retailing.
  - Publication of a policy for payment of CIL by instalments (see Appendix 2).
  - Production of a map on an Ordnance Survey base showing the proposed charging zones (see Appendix 3).
- 4.2 Where it is not proposed to make changes in line with suggestions received, respondents will be able to make further comments when the Draft Charging Schedule is published, and issues raised at that stage will be considered by the Examiner.
- 4.3 It is important to note that the proposed CIL rates have been derived from viability assessments that allow for the proportion of affordable housing set out in the adopted Core Strategy (25%). The affordable housing is assumed to be 45% social rent, 15% affordable rent, and 40% intermediate. These parameters have previously been agreed by the Council. This should provide some reassurance that the introduction of CIL will not put the delivery of affordable housing at risk.
- 4.4 After the introduction of CIL, S106 agreements will continue to be used to deliver certain on-site measures (such as children's play and affordable housing). However, it will not be possible to pool S106 contributions from more than five separate developments after April 2014, so it is essential to progress CIL to deliver off-site infrastructure and measures where pooling a large number of developer contributions would otherwise be needed.
- 5.0 Links to Corporate Aims
- 5.1 The funding that will be obtained through the introduction of CIL is fundamental to delivering the Council's objectives for tackling deprivation and sustainability community development, regeneration and climate change. At present, under the Regulations, CIL cannot be spent on providing affordable housing.
- 6.0 Environmental Implications
- 6.1 There are no direct environmental implications; however, failure to deliver the infrastructure identified in the Council's Infrastructure Delivery Plan (IDP) would have significant implications for flood alleviation, accessibility and reduction of carbon emissions. Development funded through CIL is likely to include infrastructure that will enhance the environment, such as country parks and green spaces.
- 7.0 Community Safety Implications

7.1 There are no identified community safety implications.

## 8.0 Equalities Impact

8.1 No separate Equalities Impact Assessment has been carried out as CIL is essentially a mechanism, rather than a proposal in its own right. A separate Equalities Impact Assessment has however been prepared to accompany the Core Strategy, whose proposals CIL is intended to help implement.

## 9.0 Risk Management

9.1 The principal risks associated with failure to introduce CIL are that the infrastructure needed to deliver the growth in the Core Strategy cannot be provided. This would undermine the long-term strategy for Taunton Deane and the achievement of the Council's corporate objectives.

## 10.0 Partnership Implications

10.1 The Council will need to work in partnership with a range of other organisations to deliver the proposals using CIL receipts.

## 11.0 Recommendations

11.1 The Executive are requested to endorse the Draft Charging Schedule, the Instalment Policy and proposed Charging Zones for public consultation.

## 12.0 Persons to Contact

Phil Bisatt, Policy Officer (Planning and Development)

Tel: (01823) 356305

E-mail: [p.bisatt@tauntondeane.gov.uk](mailto:p.bisatt@tauntondeane.gov.uk)

**Taunton Deane Borough Council**

**Community Infrastructure Levy**

**Draft Charging Schedule**

**January 2013**

## **Community Infrastructure Levy (CIL) – Draft Charging Schedule**

### **Introduction**

The Community Infrastructure Levy (CIL) was introduced under the Planning Act 2008 and is defined in the CIL Regulations 2010 (as amended 2011). Local authorities in England and Wales can elect to charge CIL on new developments.

CIL takes the form of a charge per square metre of additional floorspace (new build or extensions) and can be charged on most new development. There are exemptions for charitable organisations and affordable housing, together with some size thresholds for non-residential uses. Domestic extensions, together with non-residential development resulting in the creation of less than 100 sq m of net additional floorspace, are not liable for CIL.

The introduction of CIL is seen as necessary in part because, from April 2014, the ability to pool planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), will be restricted. It will therefore become difficult to deliver larger scale items of infrastructure such as schools, swimming pools and transport schemes, where pooling of numerous individual planning contributions is often necessary. Section 106 agreements will continue to be used to deliver some infrastructure (as will Section 278 for highways), but this will largely be restricted to site-specific mitigation and for providing affordable housing.

The money raised through CIL will be used to deliver infrastructure that is needed to support the proposals set out in the Council's Core Strategy and the Taunton Town Centre Area Action Plan.

### **Evidence to support the proposed levels of CIL**

The evidence to support this Draft Charging Schedule is available on the Council's website. Other links are given at the end of this document. The viability appraisal to support the proposed charges has been prepared on behalf of the Council by Three Dragons and Peter Brett Associates.

The viability appraisal looks at notional and actual housing development sites in Taunton Deane, and also considers non-residential uses. It recommends rates of CIL that can be charged without putting the majority of development proposed at risk. The evidence indicates that for residential development, CIL would not render the majority of development unviable in most of Taunton Deane. For non-residential uses the only type of development which could support CIL and remain viable, at present, is retailing outside the town centres of Taunton and Wellington.

### **The Proposed Levy**

The Draft Charging Schedule attached has been prepared in accordance with Part 11 of the Town and Country Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended). The Council has sought to strike a balance between ensuring appropriate development comes forward and the impact of CIL on development viability. It has also sought to balance costs between aspects of site-specific infrastructure which will continue to be secured through Section 106 planning obligations and those that will be funded through CIL.

The CIL rates proposed are set out in the Draft Charging Schedule. An assessment of the viability of development in different parts of the Borough has been carried out by the Council's consultants to determine what level of CIL could be charged without affecting the viability of most development. The Regulations recognise that the CIL charge may make some development unviable and that CIL should not be set at such a low rate as to ensure that every development remains viable.

Viability evidence suggests that there is no scope to charge CIL on residential development within Taunton town centre and in Wellington (urban area and urban extensions), nor on retail development within Taunton and Wellington town centres. Employment development in the Borough is also not able to support CIL.

Once CIL is adopted, the charging rates proposed will be indexed to account for inflation using a nationally recognised index. The charges will be regularly reviewed to take account of changes in viability, and any proposed changes to the Charging Schedule will be submitted for further examination.

### **CIL Relief**

The CIL Regulations provide for full relief from the CIL charge for any part of a development which is affordable housing (and includes social and affordable rent and shared ownership). Charity landowners will also benefit from relief provided that the development is to be used for charitable purposes. If a development is initially granted CIL relief and then circumstances change, there is a claw-back period of 7 years within which the development will become liable for CIL. Relief can also be given in exceptional circumstances, subject to the Council publishing a policy to this effect. Such exceptional circumstances will only apply where there is a Section 106 planning obligation in place that has costs greater than the chargeable amount and where the addition of CIL would make the development unviable; additionally the amount of relief granted must not be sufficient to qualify as notifiable state aid under EU law.<sup>1</sup> The fact that an application may be unviable is unlikely, in itself, to constitute an exceptional circumstance in terms of the CIL Regulations. However, the Council will give further consideration to what might constitute exceptional circumstances prior to the introduction of CIL and if appropriate will publish a policy covering these.

### **Payment of CIL**

CIL is payable on commencement of development. However, the Council invited views at the Preliminary Draft stage as to whether there should be a policy to allow payment of CIL by instalments. As a result of views received, the Council has now prepared an instalments policy which is being published alongside this Draft Charging Schedule.

---

<sup>1</sup> The current de minimis threshold is €200,000 (€100,000 for undertakings in the road transport sector) over a rolling three year fiscal period. Community Infrastructure Levy Relief Information document published by CLG.

## **Relationship between CIL and Section 106 agreements**

Provision for Section 106 agreements will remain, but from April 2014, under Regulation 123, the ability to pool contributions from developers via S106 to deliver larger items of infrastructure will be substantially curtailed. The Council's intention is that CIL will be used to deliver larger strategic items with S106 retained only for direct mitigation of site-specific impacts.

Under Regulation 123, the Council will also need to prepare a list setting out the types of infrastructure that it intends to fund through CIL, prior to the adoption of its Charging Schedule. CIL cannot be used as well as Section 106 to deliver the same piece of infrastructure. The Regulation 123 list will be published in advance of the introduction of CIL.

## **CIL for local communities**

It is likely that the Council will be required to pass a proportion of CIL receipts to parish councils for use on infrastructure identified as important by the local community. The Government indicated early in 2013 that this proportion would be set at 25% of the receipts within a community having a neighbourhood plan in place, and a maximum of £100 per household elsewhere.

## **Next Steps**

The CIL Regulations require the Council to carry out two stages of consultation on the proposed CIL Charging Schedule. The Preliminary Draft was the subject of consultation between 29<sup>th</sup> June and 27<sup>th</sup> July, 2012.

Taking account of comments received on the Preliminary Draft, the Council is now publishing a Draft Charging Schedule for examination in the summer of 2013. This will be available for people to make representations between 1<sup>st</sup> February and 15<sup>th</sup> March. The Draft Charging Schedule, together with the representations received, will then be submitted to the Examiner prior to an examination being held.

## **Your Views**

We would like to receive any comments you may have on the CIL Draft Charging Schedule.

Comments should be put in writing and sent to:

Policy (Planning and Development)  
Taunton Deane Borough Council  
The Deane House  
Belvedere Road  
Taunton  
Somerset  
TA1 1HE

e-mail: [talkingtomorrows@tauntondeane.gov.uk](mailto:talkingtomorrows@tauntondeane.gov.uk)

# Taunton Deane Community Infrastructure Levy Draft Charging Schedule

This charging schedule has been prepared in accordance with Part 11 of the Town and Country Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended by the 2011 Regulations). It is supported by local evidence regarding infrastructure requirements and the impact of the levy on the viability of development, as set out in the consultants' reports. These can be found on the Council's website as part of the Core Strategy and CIL Evidence Base (see links on previous page).

## Levy Rates

The rates below will be charged against the gross internal floor area of:

- All new dwellings
- All other development exceeding 100 sq m in size

<b>Development Uses</b>	<b>Levy (per sq m)</b>
Residential Development in Taunton, including urban extensions	£70
Residential Development in Taunton town centre	£0
Residential Development in Wellington, including urban extensions	£0
Residential Development outside Taunton and Wellington	£125
Retail Development in Taunton and Wellington town centres	£0
Retail development outside Taunton and Wellington town centres	£140
All other development	£0

## How the CIL charge will be calculated

In accordance with the Regulations, where applicable the Council will issue a Liability Notice that states the chargeable amount on grant of planning permission or as soon as possible after the grant of planning permission. The Council will calculate the amount of CIL chargeable using the formulae set out in the Regulations.

Full details of the way in which CIL will be calculated, together with an overview of CIL and the full Regulations, can be found on the CLG website:

<https://www.gov.uk/government/organisations/ministry-of-housing-communities-and-local-government>

## APPENDIX 1

### Community Infrastructure Levy – Preliminary Draft Charging Schedule – Consultation Responses June/July 2012

Respondent No.	Respondent	Comments	TDBC Response
1	Network Rail	A policy should be included requiring improvements to rail facilities as a result of increased patronage arising from new development. There should also be a policy directing CIL monies towards level crossing improvements where a need is generated by development.	The Regulation 123 list may include certain rail projects in due course; for example, a station at Wellington if this is confirmed as feasible.  Future use of CIL for level crossing improvements will need to be the subject of discussions between the Council and Network Rail.
2	Highways Agency	No specific comments – request ongoing liaison between the Council and the Highways Agency.	Noted.
3	Woodland Trust	The CIL document does not make clear that green infrastructure – trees and woodlands specifically – are eligible for funding via CIL.	It is not the role of the Charging Schedule to do this; however green infrastructure is included in the Council's IDP and where appropriate will be addressed via the Regulation 123 list identifying items for funding via CIL.
4	Somerset County Council	Clarity is required as to what is meant by 'Taunton' geographically.	The charging zones will be identified on an OS base map when the Draft Charging Schedule is published.

Respondent No.	Respondent	Comments	TDBC Response
		<p>The definition of residential development should be based on the Use Classes Order.</p> <p>Will chargeable amounts be index linked and if so, how?</p> <p>The residual S106 element does not appear to include public transport schemes. Clarification on funding sources for off-site infrastructure would be welcomed.</p>	<p>The Regulations specify 'intended uses of development' rather than use classes.</p> <p>Chargeable amounts will be index linked to BCIS values.</p> <p>It is correct that off-site infrastructure will not normally be included under S106. Clarification on funding sources will be provided as part of the process of drawing up the Regulation 123 list of projects for CIL funding.</p>
5	Sport England	<p>Support for the use of planning obligations/CIL as a means of securing new/enhanced places for sport and a contribution towards future maintenance.</p> <p>All new dwellings in Taunton Deane should provide for new or enhanced sport and recreation facilities.</p> <p>Existing standard charge approaches should be incorporated into CIL charges.</p>	<p>This is the intention as set out in the Council's Infrastructure Delivery Plan.</p> <p>CIL will be collected from the majority of new dwellings and is likely to be used for this purpose.</p> <p>It is intended that this will happen.</p>
6	Environment Agency	<p>Consideration should be given to 'capping' CIL contributions on</p>	<p>There is no provision in the CIL Regulations to do this. The type</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>very large developments.</p> <p>Charges for new dwellings should be based on the number of dwellings, not square metres of floor area.</p> <p>There is no mention in the Schedule of the Regulation 123 list.</p> <p>It would be wise to have a policy for payment by instalments as referred to in CLG guidance on CIL.</p> <p>Some critical infrastructure may need to be in place before the commencement of development and this needs to be borne in mind when agreeing instalments payments with applicants.</p>	<p>of development quoted would not in fact be liable for CIL in Taunton Deane.</p> <p>The CIL Regulations specify that charges are levied per square metre of floor area. Charges relate to the total floorspace, not the building footprint.</p> <p>The Regulation 123 list is referred to on pages 3 and 4 of the Schedule.</p> <p>Support for an instalment policy is noted.</p> <p>Noted; however the timing of payment of CIL is not directly linked to the timing of delivery of infrastructure, and other mechanisms to ensure delivery will be needed.</p>
7	Country Land & Business Association	The local authority should consider the use of different rates for rural and urban areas to take account of differences in economic viability.	The emerging Charging Schedule does include differential rates for urban and rural areas based on a viability assessment.

Respondent No.	Respondent	Comments	TDBC Response
		<p>Buildings erected for agricultural, forestry or horticultural purposes should be exempted or zero-rated.</p> <p>A nil rate should be set for change of use of redundant farm buildings or an extension to provide units for small business start-ups.</p> <p>Farm shops should be exempted from CIL.</p> <p>Agricultural, forestry and other occupational dwellings should be considered separately from other dwellings or classified with affordable housing for CIL purposes.</p> <p>Other rural dwellings which are not being sold on the open market but which are being retained to provide an income for the landowner, should be treated</p>	<p>The emerging Charging Schedule does not propose a levy on these types of development.</p> <p>The emerging Charging Schedule does not propose to levy CIL on any type of employment space.</p> <p>The emerging Charging Schedule would exempt farm shops if they are on the farm. Other new shopping floorspace in rural areas would be liable to pay CIL.</p> <p>To qualify for exemption from CIL under Regulation 49, dwellings would need to be let by registered housing providers or local authorities on an assured agricultural tenancy or on an 'intermediate rent' basis.</p> <p>With the exception of affordable housing, there is no provision in the Regulations for exempting rural dwellings from CIL where these are not being sold on the</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>flexibly in terms of payment of CIL.</p> <p>Concern that the allocation of a 'meaningful proportion' of CIL revenue to local communities is likely to result in aspirational proposals which are not underpinned by robust evidence or viability assessments.</p>	<p>open market. In planning terms it would not be possible to distinguish dwellings on the basis of the financial circumstances of the owner.</p> <p>Noted. Guidance on this issue is awaited from central Government. The Council intends to publish its Regulation 123 list setting out the measures on which it expects to spend CIL.</p>
8	WYG Planning & Environment (1)	<p>Since the CIL tariff will be non-negotiable, developers will be forced to negotiate the S106 component which will result in a decrease in the number of affordable homes. New Homes Bonus would also be reduced if less housing was completed.</p>	<p>To minimise this risk, the proposed CIL charges have been tested on the basis of a specified level and mix of affordable housing. However, the Council cannot afford to forego the receipts that CIL will raise. These are essential to deliver the infrastructure required for development to take place as set out in the Core Strategy. By reducing the CIL rate for residential development in Taunton the Council has listened to the development industry and added more flexibility into the rate.</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>The proposed rates for Taunton are higher than rates proposed by authorities elsewhere in the South West despite land values being lower.</p> <p>Would support a provision for payment of CIL by instalments.</p>	<p>The rates for Taunton Deane have been subject to viability testing. On the basis of the viability evidence the Council is satisfied that they are valid. Proposed rates in other authorities in the South West should not be used to set Taunton Deane rates.</p> <p>Noted.</p>
9	GVA on behalf of St Modwen	<p>Clarification is sought as to whether the proposed CIL charges are based on Gross Internal Area.</p> <p>Justification is sought for the level of CIL proposed for retail development when compared with the charges which are proposed elsewhere in the South West.</p> <p>Clarification is sought regarding the proposed level of CIL rates for residential development (particularly the £80 rate for development in Taunton) and whether there should be a</p>	<p>Regulation 40 (5) states that CIL is to be charged on the basis of the Gross Internal Area of the part of the development chargeable at the relevant rate.</p> <p>The levy is informed by evidence on viability in Taunton Deane. Markets and delivery strategies will vary across the South West; therefore it is not appropriate to compare CIL rates.</p> <p>It is proposed to introduce a zone covering Taunton town centre where CIL would not be charged on residential or retail development.</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>different rate of charge for regeneration sites within Taunton town centre.</p> <p>Regulation 13 only permits differential charges within different zones or between different intended uses of development. The differential rate proposed for superstores does not appear to accord with the Regulations.</p> <p>Justification is sought for the proposed retail threshold of 2,500 sq m, as the viability study examples are based on 1,100 sq m and 3,000 sq m.</p> <p>Clarification is needed as to what constitutes a 'significant' proportion of comparison goods.</p> <p>The CIL proposals do not appear to allow for opening up costs for previously developed sites and the additional abnormal costs to be factored in.</p>	<p>There is evidence to suggest that there are different intended uses between different types of retail development. However the Council is intending to simplify the charging schedule and set an in centre and out of centre charge, so there will no longer be differentials by retail use.</p> <p>See above.</p> <p>Accept that this is not specific enough. However please see above for change in approach to retail development.</p> <p>Opening up costs and abnormal costs are not the same thing. Opening up costs allow for the delivery of serviced parcels of land and previously developed land is already serviced. Within</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>Further consideration is required with regards to the cross-site subsidy from higher value uses on mixed-use sites (such as retail superstores) to fund the delivery of the other proposed uses on such sites.</p>	<p>the build cost figures used in the viability evidence, there is an allowance for external works including local roads and services within the site. The examiner considering the proposed CIL for Bristol City Council also dealt with this issue and stated that:  “By definition, the CIL cannot make allowance for abnormal, site specific, costs. The rates have to be based on a generic analysis of a variety of size and type of schemes across the area, taking into account average local build costs, not the individual circumstances of particular sites.”  (Report On The Examination Of The Draft Bristol City Council Community Infrastructure Levy Charging Schedule – April 2012).</p> <p>There is no provision in the CIL Regulations for the concept of ‘enabling’ development or cross-subsidy between uses on a site. However, the Council is aware of the delivery issues affecting major mixed-use sites and proposes to make changes in the</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>The potential introduction of a phased CIL payment arrangement would be welcomed.</p> <p>Clarification is needed as to whether the boulevard link in Firepool is to be included on the Regulation 123 list.</p> <p>Consideration is needed of the impact of CIL on delivery of affordable housing.</p> <p>Consideration should be given to a differential CIL rate for retail and residential development within Taunton town centre to facilitate the regeneration of key sites.</p>	<p>Draft Charging Schedule that will take account of this.</p> <p>Noted.</p> <p>The Council is not yet in a position to say what will be on its Regulation 123 list although the boulevard link is a potential candidate.</p> <p>The viability assessment has been carried out assuming a specified proportion and tenure mix of affordable housing.</p> <p>It is proposed to introduce a zone covering Taunton town centre where CIL would not be payable on residential development.</p>
10	Bell Cornwell on behalf of Strategic Land Partnerships	The viability assessment is based on mid-range values. This means that the assumed level of CIL that the market can withstand is unrealistic. Market values should be assessed at the bottom	No evidence is presented to support this contention. The Council therefore proposes to proceed on the basis of the viability evidence presented by its consultants.

Respondent No.	Respondent	Comments	TDBC Response
		<p>end of the range of values.</p> <p>In 3.44 of the viability assessment, a developer return of 17% is assumed. This is inadequate to facilitate financing and should be re-assessed using a figure of 20%.</p> <p>The five market value areas in Annex 1 should be used rather than just the three of Taunton, Wellington and 'Rest of Borough'.</p>	<p>By definition, CIL rates have to be based on a generic analysis of a variety of size and type of schemes across the area, taking into account average local values, not the individual circumstances of particular sites.</p> <p>Agreed the return to the developer used is 17% of GDV plus 5% of costs (the 'Internal Return'). This equates to a 20% total return. This approach was accepted at the development industry workshop.</p> <p>The Council is seeking a CIL approach that is realistic but not overly complex. Separating out two villages (Bishops Lydeard and Creech St Michael) from the 'Rest of Borough' is considered unduly complex and unnecessary, given the scale of development anticipated and the evidence of house prices for new properties. In any case the development industry workshop noted that Bishops Lydeard should not be separately</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p data-bbox="1151 304 1630 411">More sampling of sites is needed to reflect the more diverse nature of the rural areas.</p> <p data-bbox="1151 786 1630 893">Clarification is needed as to how the CIL charge will relate to the S106 regime across the Borough.</p> <p data-bbox="1151 970 1630 1153">The zero rate for Wellington should be reconsidered in the light of a more meaningful analysis of market values across the Borough.</p>	<p data-bbox="1662 233 1800 260">identified.</p> <p data-bbox="1662 304 2141 746">Adequate analysis of residential viability in the Rest of Borough (which includes the rural part of Taunton Deane) has been provided. Testing includes a 1 hectare scheme at three different densities as well as a single dwelling and a larger scheme of 80 dwellings. A relatively low level of housing delivery is anticipated from the Rest of Borough.</p> <p data-bbox="1662 786 2141 930">The Council will publish its Regulation 123 list when it adopts the Charging Schedule in 2013.</p> <p data-bbox="1662 970 2141 1372">The market values used in the viability assessment were based on Land Registry data, feedback at the development industry workshop and further discussions with local agents as well as review of available information on new build properties from the web. It is considered this provides a robust basis for the analysis.</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>Employment development should be required to make some payments towards the provision of infrastructure.</p> <p>The Council should make provision for discretionary relief for exceptional circumstances alongside publication of its draft Charging Schedule.</p> <p>It is imperative that an instalment policy is adopted as part of the Charging Schedule and not</p>	<p>CIL rates are set on ability to pay, i.e. viability and not infrastructure need. The viability evidence demonstrates that it is not currently possible to set a levy for employment uses without putting that type of development at risk, which could compromise delivery of the Core Strategy. Where necessary S106 agreements can still be sought from employment development.</p> <p>The Council agrees that it is reasonable to make provision for relief when the Charging Schedule is published, although there is no obligation for it to do so at the draft stage. The CIL Regulations are clear that relief can only be offered in exceptional circumstances, in particular, where a planning obligation has been entered into whose cost would be greater than the cost of paying the CIL charge.</p> <p>Instalment policies do not form part of the Charging Schedule; however the Council has decided</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>afterwards. The instalment policy must be linked to completion of dwellings rather than the default position of 60 days from commencement.</p>	<p>to produce one concurrently. It is agreed that it is reasonable to link payment by instalments to completion of dwellings.</p>
11	PCL Planning	<p>All residential developments over 50 units should have provision for phased payments by completion of units (not time from initial payment).</p> <p>The viability appraisal does not adequately consider abnormal costs such as demolition, decontamination etc. or onerous policy requirements.</p> <p>It would be unsound to base assumptions on anything other than current economic</p>	<p>The Council has prepared an instalment policy linked to completion of dwellings.</p> <p>The examiner considering the proposed CIL for Bristol City Council stated that:  “By definition, the CIL cannot make allowance for abnormal, site specific, costs. The rates have to be based on a generic analysis of a variety of size and type of schemes across the area, taking into account average local build costs, not the individual circumstances of particular sites.”  (Report On The Examination Of The Draft Bristol City Council Community Infrastructure Levy Charging Schedule – April 2012).</p> <p>Agreed. The viability analysis is based on current costs and values but allows for an increase</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>circumstances if a large hiatus in development activity is to be avoided. To base a judgement about CIL on long run trends would not be sound.</p> <p>A list should be published by the Council as soon as possible making clear which infrastructure costs will be funded by CIL and which will be met by other means.</p> <p>There are a number of policies in the Core Strategy which will add costs to development (such as Code for Sustainable Homes Level 4 and Lifetime Homes standards) that have not been adequately allowed for in the viability assessment.</p>	<p>in build costs which takes into account the changes to Building Regulations in 2013, signalled by DCLG. The Council will keep market conditions under review and if there is a significant change in costs and/or values, will undertake a review of its CIL.</p> <p>The Council intends to publish its Regulation 123 list prior to the introduction of CIL.</p> <p>The viability assessment made allowance for the cost of Lifetime Homes and the anticipated change to the Building Regulations in 2013. In light of the forthcoming review of the Code for Sustainable Homes, the Council will keep its policies under review and will update its CIL when more information about CSH is known. (See 2012 consultation on changes to the Building Regulations in England Section two, Part L (Conservation of fuel and power) January 2012, Department for Communities and</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>All work on appraising CIL needs to reflect Core Strategy policies SO1, SO8, CP1, CP8, DM5, DM1.</p> <p>The benchmark values for Greenfield development do not reflect actual historic transactions and are unlikely to be acceptable to landowners.</p>	<p>Local Government. Para 192 states, <i>'The Code is due for revision to bring it up to date with the changing policy background, and in particular to align it with the developing zero carbon homes policy. The Government intends to consult on a revised Code in spring 2012, and to publish a final version alongside the final 2013 Part L changes.'</i>)</p> <p>The main impact of these policies on new development will be on carbon reduction from dwellings. The Council intends to undertake a review of the proposed CIL levels if changes to the Building Regulations in 2016 imply a significant increase in build costs.</p> <p>The fact that land values have been higher in the past is not a reason for not introducing CIL. This situation applies across the UK. PCL Planning provides no evidence to support this contention nor does the Council accept that land values can not and should not adjust to reflect changing market conditions. This</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>The currently reduced rate of sale, and its impact on development viability, must be taken into account.</p> <p>The notional appraisal process increasing viability by increasing density does not work in practice.</p> <p>The suggested developer return of 17% is too low – 25% is the currently accepted trigger.</p> <p>It is vitally important that the</p>	<p>point was verified at the Development Industry Workshop which reported a recent fall in land values. The Council also notes that the benchmark land values used in the viability evidence were derived from more than one source.</p> <p>An instalment policy with payment linked to completion of dwellings should help to address this.</p> <p>Agreed – viability is not necessarily improved by higher density development. For example, for the notional 1 ha scheme in Taunton, 40 dph produces a higher residual value than the 50 dph scheme.</p> <p>See earlier comment that developer return was tested at c20% of GDV and that the assumptions used were accepted by the Development Industry Workshop and are widely used in similar viability studies.</p> <p>The viability appraisal has been</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>required levels of affordable housing are factored in as this is a significant cost to development.</p> <p>A lower tariff in the interim would be more pragmatic with a review based on housing delivery rates over, say a 3 year period.</p>	<p>prepared using the Core Strategy affordable housing requirement and an agreed tenure mix.</p> <p>To ensure flexibility in a difficult market the CIL charge in the draft Schedule will be slightly lower; specifically reducing the Taunton rate to £70.</p>
12	Savills on behalf of the House Builder Consortium Group	<p>The viability assessment does not take into account the fact that larger sites will incorporate a mix of uses and should be analysed on this basis.</p> <p>The unit sizes assumed for the market housing are too low and represent 'minimum' rather than 'average' unit sizes. We would welcome the opportunity to review the Council's evidence in detail.</p> <p>The viability evidence does not appear to take account of the area and build cost of non-saleable floorspace in residential apartment schemes.</p>	<p>The CIL Regulations do not require this but they do require that rates are based on 'uses of development'.</p> <p>The dwelling sizes reflect the report produced by Scott Wilson for CABE in 2010, 'Dwelling Size Survey' and experience of area wide studies and site specific analysis. The size of dwellings used in the viability study were accepted by the Development Industry Workshop.</p> <p>The build costs used include a 15% uplift for external works and would cover some of these items. Apartments comprise a very limited element of the</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>Approximately 20% of the floorspace is taken up by circulation, cores, bin stores etc.</p> <p>For the strategic Greenfield typologies it is necessary to include within the profit margin the costs and planning risk associated with promoting sites through the planning process. A 2-stage approach to the level of</p>	<p>development in Taunton Deane. Where they are included, and given the densities used, buildings of 2 storeys have been assumed – so that non saleable space would be minimal e.g. entrance hallways and stairs (certainly not 20%). As a sensitivity test, we have considered the impact of a 10% allowance for non saleable space and find this would reduce the residual value in case studies e.g. 1 and 4 by around £15,000 per hectare. For Case study 5, with a higher percentage of flats, the additional cost would be more but the residual value is some £350,000 above the benchmark (at £70 CIL) so that any additional cost for non saleable space can easily be accommodated.</p> <p>Agreed – a c20% return has been used and is acceptable for this purpose. But Savills appear to have misunderstood how viability is assessed. ROCE and IRR are simply different measures of the same thing.</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>profit based on ROCE/IRR and then GDV should be used for larger strategic sites promoted through the planning process; an approach based solely on GDV is applicable to smaller sites.</p> <p>Threshold land values have been significantly underestimated. Agricultural land has recently been selling for £24,000 per hectare. Historic option agreements are based on higher minimum values than 10-20 times agricultural value. The theoretical threshold value of agricultural land needs to take account of the planning status of the land in question.</p> <p>A 'viability buffer' should be incorporated to ensure that CIL</p>	<p>Return on GDV is the more usual measure, as was noted in the recent Viability testing Local Plans, Advice for planning practitioners, LGA/HBF/NHBC (June 2012) which states that (at page 37) <i>'This sort of modelling – with residential developer margin expressed as a percentage of GDV – should be the default methodology, with alternative modelling techniques used as the exception.'</i></p> <p>Savills have not provided any evidence to support this assertion. The evidence used by the Council was based on standard assumptions about greenfield land, advice from the DV on agricultural land values and related back to the (2009) Affordable Housing Threshold Viability Study. The fact that the viability evidence assumes a 10-20 times uplift on agricultural value is a reflection of the land's planning status.</p> <p>There is no requirement to provide a specific level of 'buffer'</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>rates are not set at the maximum rate for an average scheme within the Borough. A figure of 30% has been used elsewhere.</p> <p>In Table 5.1 for large sites the assumed net:gross figure of 65% in Table 5.1 is too high – the average of the 5 largest schemes in Taunton Deane is 54% and lower for the two largest sites. Considerable areas of land are need for other land uses as well as open space, etc.</p>	<p>but the Council recognises the importance of having flexibility within its CIL rates and has set them with this in mind. The viability evidence has been prepared using conservative assumptions throughout (e.g. full BCIS based build costs plus a 15% uplift for external works, minimum revenue for the affordable housing and that 100% of development is financed through borrowing). To add further reassurance that CIL rates can adapt to minor shifts in values and/or costs, the Council has reduced the proposed rate for Taunton (to £70 psm).</p> <p>The Council has analysed the net:gross areas for a sample of schemes with planning permission or at application stage. The schemes were of 100 or more dwellings and the net/gross ratio ranged from about 60% to 90%. 65% is an acceptable ratio for modelling of this type although the Council understands that individual schemes may have a net/gross</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p data-bbox="1149 379 1615 600">It is unclear why certain sites have been allocated an opening up cost and others have not. Brownfield sites of 2.5 ha or Greenfield sites for 60 dwellings are likely to have such costs.</p> <p data-bbox="1149 1082 1626 1372">The viability assessment assumes opening up costs of £0 to £175,000 per net hectare but standard opening up costs in the region are in the range of £600,000 per developable hectare. It would be helpful if the Council could provide the</p>	<p data-bbox="1659 236 2134 339">ratio outside this range and land value expectations may have to adjust to accommodate this.</p> <p data-bbox="1659 379 2134 1042">'Opening up' costs provide serviced residential parcels and brownfield sites do not generally require such additional access to services. Opening up costs (or strategic infrastructure) is required for large-scale schemes to provide serviced parcels (and is in addition to the allowance for external works included within the build costs used as previously described as well as the allowance for s106 payments included in the analysis). The Council accepts that the allowance for opening up costs for case studies 6 and 7 may be an unnecessary cost.</p> <p data-bbox="1659 1082 2134 1372">The development industry workshop indicated a range of opening up costs between £200,000 and £600,000. It is clear that great care is needed to avoid double counting so that opening up costs cover the costs to provide serviced land parcels</p>

Respondent No.	Respondent	Comments	TDBC Response
		evidence to support the assumptions in Table 5.1. Unless there is evidence to the contrary we would endorse use of the figures given by the industry at the June 2011 workshop.	including site clearance, strategic landscaping, provision of utilities and drainage. The Council expects to use its CIL receipts to provide off-site highway works/access and other major infrastructure to facilitate its strategic sites. The Council also notes that with a CIL of £70 in Taunton, with case study 1 and 2 there is flexibility to accommodate additional opening up costs and still produce residual land values above the benchmark. This addition equates per hectare to about £60k for case Study 1 and £110k for Case Study 2. Savills have not provided any evidence to justify the figure of £600,000 for Taunton Deane.
13	J E Gannon Ltd.	The introduction of CIL will put at risk the delivery of affordable housing and other infrastructure items which are outside the scope of CIL.	The viability assessment has been undertaken on the basis of delivering 25% affordable housing and a residual S106 contribution of £4250. It is not therefore accepted that CIL will put the overall delivery of affordable housing at risk.

Respondent No.	Respondent	Comments	TDBC Response
		<p>Table 3.2 indicates site coverage for a B1 office at 80% whereas the industry norm would be 40%.</p> <p>Table 3.44 indicates a developer's return of 17%, however the industry norm would be 20%.</p> <p>The study assumes that land will come forward at a value linked to existing use values, whereas option agreements will be drafted on the basis of open market value. The study quotes evidence of a values of £1.9m per hectare for land with residential planning permission and then employs a benchmark which is half this.</p> <p>The study assumes that some sites will have no opening up costs and that those in rural areas will be lower than in urban areas when the opposite is likely.</p>	<p>This is a typographical error. However, it is not proposed to levy CIL on employment development.</p> <p>Agreed the return to the developer used is 17% of GDV plus 5% of costs (the 'Internal Return'). This equates to a 20% total return. This approach was accepted at the development industry workshop.</p> <p>The Development Industry Workshop noted that land values had fallen considerably since the height of the market. The use of an uplift on existing values has been endorsed by the Advice to planning practitioners report quoted earlier (see page 29)</p> <p>See earlier comments that explain the purpose of opening up costs and their relationship to the build costs assumed (including external works).</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>All sites have opening up costs and this assumption should be reviewed.</p> <p>We are concerned by the intention to link CIL to inflation indices. Any review in the CIL charging rate should only take place once a review of viability has been undertaken.</p> <p>We are surprised that the rate for retail warehousing should be the same as that for supermarkets and superstores over 2,500 sq m as the yields for retail warehouse development are considerably lower.</p> <p>There should be an ability to pay in instalments with payments linked to the occupation of a number of dwellings.</p>	<p>Regulation 40 specifies that CIL should be index linked to the national All-in Tender Price published by the BCIS.</p> <p>The viability assessments take into account costs as well as value. The build costs for retail warehousing are significantly lower than those for supermarkets and superstores and therefore the residual values are similar.</p> <p>An instalment policy has been prepared linked to completion (not occupation) of dwellings.</p>
14	Natural England	It is disappointing that the viability study has shown that values are too low to enable CIL to be levied in some parts of the Borough and that only outside the	Noted.

Respondent No.	Respondent	Comments	TDBC Response
		<p>main towns could it be levied close to the rates assumed in the IDP.</p> <p>We trust that a significant sustained change in market values will be a trigger for a review of CIL.</p>	<p>It is the intention to review CIL if market values significantly change.</p>
15	WYG Planning & Environment on behalf of Sainsbury's Supermarkets Ltd.	<p>The CIL Regulations do not permit differential charges by reference to the size of development where it is in the same intended use.</p> <p>It is unclear what is meant by a 'significant' proportion of comparison goods.</p> <p>Higher town centre development costs do not appear to have been considered in terms of their impact on the viability of food retail development. The proposed charge of £180 per sq m on food retailing below 2,500 sq m overlooks the fact that town centre retail is unviable with a CIL charge.</p> <p>BREEAM requirements for non-</p>	<p>Noted.</p> <p>Accept that this is not specific enough. However please see below regarding change in approach.</p> <p>There is evidence to suggest that there are different intended uses between different types of retail development. However the Council is intending to simplify the charging schedule and set an in centre and out of centre charge, so there will no longer be differentials by retail use.</p> <p>It is considered that good, rather</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>residential development need to be taken into account to ensure a consistent approach to viability.</p> <p>Neither the charging schedule nor the evidence base address whether the differential rates or selective advantage given would amount to notifiable state aid under European law.</p> <p>The Council's intention not to have a discretionary relief policy is unduly restrictive. Provided that viability evidence is presented and as long as the policy is used objectively and consistently it should not give rise to notifiable state aid.</p> <p>Support an instalments policy.</p>	<p>than more expensive design and building orientation can account for BREEAM requirements.</p> <p>Since differential rates have to be justified by viability evidence they should not amount to notifiable state aid.</p> <p>The Council is prepared to offer relief in accordance with Regulation 55 and will publish a policy to this effect.</p> <p>Noted.</p>
16	GL Hearn on behalf of Tesco Stores Ltd.	Concern that the appropriate balance may not have been struck between the desirability of funding infrastructure from the levy and the potential impact on economic viability of development across the Borough.	Noted.
17	Nash Partnership (DW Alder) on behalf of Charles French and Son and South Western Property Ltd.	Comments the same as J E Gannon Ltd.	

Respondent No.	Respondent	Comments	TDBC Response
18	Tetlow King Planning on behalf of the South West HARP Planning Consortium	<p>The Council should make provision for discretionary relief from CIL in exceptional circumstances. The sites most likely to affected are hard to develop brownfield sites which may have high levels of land contamination.</p> <p>The viability report appears to suggest that for urban extensions to be viable they would need to pay CIL over a 5-year period. Suggest instead a lower level of CIL - a CIL instalment policy as implied would be overly complex.</p> <p>The Council should provide clarity over what will be considered 'direct site-specific-impacts'. In the viability report it is suggested that CIL will not cover the provision of open space – this should be funded via CIL.</p> <p>Sales from the past three years will only be indicative of areas where the market is strong. The</p>	<p>The Council is prepared to offer relief in accordance with Regulation 55 and will publish a policy to this effect.</p> <p>Other local authorities have already set out instalment policies which indicate that there is no need for such policies to be complex. The Council has therefore prepared its own policy for paying CIL by instalments.</p> <p>The Council will publish its Regulation 123 list setting out what measures will be funded via CIL. This may include some types of open space although others are clearly integral to a development site and are likely to be funded via S106.</p> <p>The Council does not intend to introduce a complex system of differential CIL charges across its</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>viability report should set out how many sales the values are based on and plot these on a map so that lower value areas can be identified justifying a lower CIL charge.</p> <p>Any further increases to build costs announced by Government after 2013 should trigger a review of the viability assessment and if it is discovered to have a detrimental impact on the viability of projects coming forward then a full-scale review of CIL should be instigated.</p> <p>Many developers are stating that they need a return of 20-25% to obtain private funding.</p> <p>The impact of CIL should be fully assessed when the Council produces its Affordable Housing Trajectory (NPPF para 47.3) and brought forward alongside the</p>	<p>area. It is inevitable that there will be some lower value areas within broad zones.</p> <p>The viability analysis is based on current costs and values but allows for an increase in build costs which takes into account the changes to Building Regulations next year, signalled by DCLG. The Council will keep market conditions under review and if there is a significant change in costs and/or values, will undertake a review of its CIL.</p> <p>Examiners have accepted that a 20% return is reasonable and in practice the viability assessment has assumed a total return to the developer of approximately 20% return on GDV.</p> <p>Given that the cost of affordable housing has already been factored into the viability assessment when setting the level of CIL, there is no need to</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>draft Charging Schedule.</p> <p>Testing should encompass more than 13 schemes and should include lower-density brownfield schemes within Taunton.</p> <p>Children’s play areas should be included within CIL.</p> <p>Case studies 1 and 2 – the CIL charge should be set closer to £50 per sq m to ensure that these sites can deliver 25% affordable housing. The viability assessment should be revised to show where the schemes go from viable to marginally viable between each CIL charge.</p> <p>Case study 3 – this does not show sufficient evidence to justify a charge of £25 per sq m and a lower charge should be set to protect the delivery of affordable housing.</p>	<p>do this. It will not be possible to accurately assess the impact of CIL in advance of its introduction.</p> <p>The Council is satisfied that sufficient viability testing has been undertaken to arrive at the proposed CIL charges.</p> <p>As such facilities are an integral part of housing developments it would not be appropriate to include them within CIL.</p> <p>The viability assessment shows that these sites would be deliverable without a reduction in the CIL charge. The Council intends to allow payment of CIL by instalments which would improve viability as suggested in Case Study 1.</p> <p>The Council has decided that to protect the delivery of affordable housing, CIL will not be levied on the urban extensions around Wellington.</p>

Respondent No.	Respondent	Comments	TDBC Response
		<p>A buffer of between 30 and 50% should be used to protect the delivery of affordable housing.</p> <p>The Council should include an assessment of the impact of CIL on viability of older person care and accommodation schemes which fall within the C3 use class.</p> <p>The Council should set a lower rate of CIL for rural areas to ensure that cross-subsidy continues to be available for rural exception schemes.</p>	<p>The consultants have already made allowance within their recommended levels of CIL so there is no need for an additional viability buffer.</p> <p>Schemes falling within class C3 would be chargeable on the same basis as private dwellings. There is no basis within the Regulations for differential charges within the same use class other than on a geographical basis.</p> <p>Developments falling outside class C3 would not be chargeable.</p> <p>The level of cross subsidy and hence financial viability on exceptions sites will vary depending on the mix of units and tenure of affordable housing sought. There is no basis in the CIL Regulations for the concept of a lower CIL rate to support cross subsidy schemes on exceptions site.</p>
19	Clarke Willmott LLP on behalf of Somerset County Cricket Club	The Preliminary Draft Charging Schedule has not explicitly	There is no basis in the CIL Regulations for the concept of

Respondent No.	Respondent	Comments	TDBC Response
		<p>tackled the topic of ‘enabling’ development.</p> <p>The Cricket Club have plans to redevelop areas that would help to fund ground improvements. If CIL were levied this could be detrimental to the future of the ground which adds to the interest and vitality of the centre of Taunton.</p> <p>An area in the centre of Taunton should be designated where CIL would not be payable so long as proceeds are used to enhance sporting and cultural facilities. Such an approach is being put forward in the London Borough of Lambeth.</p>	<p>enabling development.</p> <p>There is no basis in the CIL Regulations for exempting developments from the charge on the grounds that the use to which an organisation may choose to put its receipts from development would be adversely affected by the CIL charge. However, see below.</p> <p>There appears to be no reference to this in Lambeth’s Preliminary Draft Charging Schedule. It is however proposed to introduce a zone covering Taunton town centre where CIL will not be payable on residential or retail development. Employment development will not be liable for CIL in Taunton Deane.</p>
20	Michael Farrell	Is there a designated point of contact for interested parties seeking further information about the CIL proposals?	Information can be obtained from the Council’s Planning Policy team. The CIL proposals will also be considered by the Spatial Planning Working Group within the Taunton Deane Partnership.
22	Carolyn Drew	A charge should not be levied for smaller local businesses that	It is not proposed to levy CIL on business developments.

Respondent No.	Respondent	Comments	TDBC Response
		<p>would deter economic development.</p> <p>Support the levy in that it will support local infrastructure development and hence local jobs.</p>	Noted.
23	Mike Davis	<p>Oppose the introduction of another tax, which will not increase revenue as development will stop.</p> <p>The extra cost will stop me from doing a self-build project on brownfield land.</p>	<p>There is no evidence to support the claim that development will stop.</p> <p>The Government is considering exempting self-builders from CIL.</p>
25	Knightstone Housing Association	Discretionary relief should be available on regeneration schemes involving the council's own housing stock.	Affordable housing in such schemes would be exempt from CIL. There is no provision in the Regulations to exempt market housing from CIL on the basis of who owns the development. However, the ability to provide relief for exceptional circumstances, and whether schemes involving council housing stock might qualify, is something the Council will consider.

## Appendix 2

### Taunton Deane Borough Council

#### Community Infrastructure Levy (CIL)

##### Draft Instalment Policy

In accordance with Regulation 69B of the Community Infrastructure Levy (Amendment) Regulations 2011, Taunton Deane Borough Council will allow the payment of CIL by instalments.

As permitted under Regulation 9 (4) of the Community Infrastructure Levy Regulations 2010 (as amended), where outline planning permission has been granted which permits development to be implemented in phases, each phase of the development as agreed by Taunton Deane Borough Council is a separate chargeable development, and the instalment policy will therefore apply to each separate chargeable development and the associated separate chargeable amount.

This policy will not apply in the case of any one or more of the following:

- a. A Commencement Notice has not been submitted prior to commencement of the chargeable development, as required by Regulation 67 of the Community Infrastructure Levy Regulations 2010 (as amended);
- b. On the intended date of commencement
  - (i) No-one has assumed liability to pay CIL in respect of the chargeable development;
  - (ii) A Commencement Notice has been received by Taunton Deane Borough Council in respect of the chargeable development; and
  - (iii) Taunton Deane Borough Council has not determined a deemed commencement date for the chargeable development and payment is therefore required in full (as specified in Regulation 71 of the Community Infrastructure Levy Regulations 2010 (as amended));
- c. A person has failed to notify Taunton Deane Borough Council of a disqualifying event before the end of 14 days beginning with the day on which the disqualifying event occurs, as per the Community Infrastructure Levy Regulations 2010 (as amended);
- d. An instalment payment has not been made in full after the end of the period of 30 days beginning with the day on which the instalment payment was due, as per the Community Infrastructure Levy Regulations 2010 (as amended).

Where the instalment policy is not applicable, the amount must be paid in full at the end of the period of 60 days beginning with the notified or deemed commencement date of the chargeable development or the date of the disqualifying event, whichever is the earliest, unless specified otherwise within the Community Infrastructure Levy Regulations 2010 (as amended).

The Instalment Policy takes effect on xxxx, the date of the introduction of the Taunton Deane Community Infrastructure Levy: Charging Schedule 2013.

### Residential Development

<b>Total CIL liability</b>	<b>Number of instalments and amount payable</b>	<b>Payment period</b>
Amount less than £16,000 or the amount due in respect of a single dwelling	Payable as one instalment	100% payable within 60 days of the commencement date
Amount between £16,000 and £50,000 in respect of two or more dwellings	Payable in three instalments	1 <sup>st</sup> instalment of 25% payable within 60 days of the commencement date 2 <sup>nd</sup> instalment of 25% payable on completion of 50% of the dwellings 3 <sup>rd</sup> instalment of 50% payable on completion of 75% of the dwellings or within 180 days whichever is the sooner
Amount between £50,000 and £500,000	Payable in three instalments	1 <sup>st</sup> instalment of 25% payable within 90 days of the commencement date 2 <sup>nd</sup> instalment of 25% payable on completion of 50% of the dwellings 3 <sup>rd</sup> instalment of 50% payable on completion of 75% of the dwellings or within 360 days whichever is the sooner
Amount over £500,000	Payable in three instalments	1 <sup>st</sup> instalment of 25% payable within 90 days of the commencement date 2 <sup>nd</sup> instalment of 25% payable on completion of 50% of the dwellings 3 <sup>rd</sup> instalment of 50% payable on completion of 75% of the dwellings or within 720 days whichever is the sooner
<p>NB: If 25% or more of the chargeable development is occupied at any time before the chargeable amount has been paid in full then the outstanding amount will be due in full within the instalment time given or 60 days whichever is the lesser unless otherwise agreed in writing with the Council BEFORE the commencement of development. The percentage of dwellings will be rounded up where this is necessary.</p>		

### Non-Residential Development

Total CIL liability	Number of instalments and amount payable	Payment period
Amount less than £50,000	Payable as one instalment	100% payable within 60 days of the commencement date
Amount between £50,000 and £250,000	Payable as two instalments	1 <sup>st</sup> instalment of 50% payable within 60 days of the commencement date 2 <sup>nd</sup> instalment of 50% payable prior to completion or occupation of any part of the development, whichever is the sooner
Amount over £250,000	Payable as three instalments	1 <sup>st</sup> instalment of 25% payable within 60 days of the commencement date 2 <sup>nd</sup> instalment of 25% payable within 120 days of the commencement date 3 <sup>rd</sup> instalment of 50% payable within 360 days of the commencement date or prior to completion or occupation of any part of the development, whichever is the sooner

Nothing in this policy prevents payments being made at earlier times than specified above.

Appendix 3

