

CLG Consultation on Community Infrastructure Levy

A joint response by the English National Park Authorities Association and the Welsh National Park Authorities Association

October 2009

Introduction

1. The English National Park Authorities Association (ENPAA) exists to provide a collective voice for the nine English National Park Authorities (NPAs) within England. It is governed by the Chairs of the nine Authorities, and our response, therefore, represents the collective view of the Authorities. The Welsh Association of National Park Authorities (WANPA) provides the same for the three National Park Authorities in Wales. Our response has been prepared jointly following internal discussion amongst the National Park Heads of Planning Professional Group that covers both countries. Individual NPAs may wish to submit separate comments, which will draw on the specific issues for their particular area.

General Points

2. We welcome this detailed consultation which seems to set out clearly the various procedures involved with the Community Infrastructure Levy (CIL) and tries to answer any possible questions. It is very helpful when considering any new process or legislative change to have all these details from the outset rather than after the change has taken place. This has enabled us to give a much more considered response to the consultation.

3. We also welcomed the opportunity to meet with members of the CIL team to discuss the consultation paper – this dialogue helped clarify several points and we have therefore concentrated our response on the key issues concerning National Parks.

4. We appreciate that only a limited amount of development takes place within National Parks but we consider any legislation relating to CILs should apply to National Parks and agree that National Park Authorities should have the same status as all other LPAs. We consider it is important to retain the discretionary application of CILs so that individual LPAs can determine whether, looking at their particular circumstances, the introduction of CILs would result in overall public benefits. We recognize and welcome the benefits of CIL in terms of fairness, clarity, certainty and transparency.

5. We welcome confirmation that the legislation and regulations relating to CILs will be framed in such a way that it will be equally applicable to the planning

systems of both Wales and England and we hope that as the details of the system are finalized this principle will be carried forward.

6. We are pleased to note the recognition that this legislation will require new and different skills by those involved and we hope that the cost of training to provide these skills as well as the cost and need to employ specialists and consultants to advise during the process of setting CILs will be recognized in future funding to LPAs including NPAs. We would note in particular that there is not a direct equivalent in Wales to the requirement in PPS12, *Local Spatial Planning*, for the development plan to be supported by an infrastructure planning process that identifies what infrastructure will be needed to deliver the plan. In Wales the LDP would be the starting point in setting CIL (and its testing of proposed land allocations will have considered soundness in respect of infrastructure implications) but substantial additional work would be required. In respect of highways infrastructure, for example, the plan will only include schemes that have been programmed and funded, and thus fall outside the terms of CIL setting. Further attention should, therefore, be given to the practical implications of setting of the CIL in the Welsh context.

Definition of Infrastructure

7. We are pleased to note that the Government wish to see a broad definition of infrastructure but are concerned that this will not be broad enough to recognize the importance and need for different forms of infrastructure in rural areas. CILs is an excellent opportunity for Government to secure funding for facilities and services in our remoter rural areas which would have a very positive role in increasing the sustainability and viability of rural communities.

8. Rural areas, especially remoter areas, have specific infrastructure needs that differ considerably from those more usually associated with urban developments and ENPAA and WANPA hope that Government will recognize this in allowing the wide definition of CIL funded infrastructure. In particular there are needs for broadband/IT type infrastructure to enable rural economies to diversify and the need for visitor related infrastructure, for example, new footways and piers to connect new tourism sites to green transport routes.

9. ENPAA and WANPA would also like Government to consider including in the definition of infrastructure the provision of carbon absorbing/saving measures in rural areas. These would help implement the Government's Low Carbon Transition Plan by reducing the carbon released by new developments elsewhere in the UK. This would also recognize the important role of rural areas in providing green infrastructure.

Affordable Housing

10. The lack of affordable housing is recognized nationally and locally as one of the major issues facing rural areas. National Parks are keen to be at the

forefront of initiatives that seek to deliver these houses. One of the major difficulties, however, in increasing the provision is the lack of opportunities for quota type housing due to the very small scale of many housing developments in National Parks. Whilst we welcome the continuing ability for LPAs to secure affordable housing through S106s we believe that there are real opportunities to secure a 'pot' of funding for affordable housing in rural areas through the application of CIL on small scale housing developments which would not meet the S106 threshold and on other types of development. This levy could enable National Park Authorities, in partnership with Housing Authorities, to proactively secure very small affordable housing schemes on sites in smaller communities where even the provision of 1 or 2 such dwellings can make a big difference to the sustainability of that community. It would also help pump prime affordable housing schemes where the unit costs are high due to their rural location.

11. In villages in many National Parks there are no allocations for residential development, with development being limited to that of one or two houses on windfall infill sites. Furthermore, the occupation of these houses is often restricted to persons with a local connection. This ensures that the limited number of environmentally suitable development sites in National Park villages provide development that directly meet local needs, not needs arising elsewhere.

12. Very few market housing schemes, therefore, actually result in affordable houses on the ground and NPAs rely to a great extent on exceptions sites to secure affordable housing provision with the majority of these being funded through HCA grants to RSLs.

13. The ability of NPAs to use CIL contributions to develop affordable housing would significantly assist in improving the shortfall of affordable homes for local people in these areas of very high house prices and low incomes. NPAs are being urged by Government to find different ways of tackling this issue and the use of CILs money could be a further means of providing much needed homes.

14. We do accept, however, that there still will be a role for the use of S106s to provide affordable housing although this is likely to be on sites of more than one house or on sites where local occupancy conditions do not apply. Some National Park Authorities do use S106 s more widely and we recognize that it is important to retain the ability to deliver new homes through this means.

15. One advantage of the current S106 approach, for example, can be found in the Pembrokeshire Coast National Park Authority (PCNPA) who, as a matter of policy, prioritises the provision of affordable housing above the collection of an infrastructure charge, wherever it is demonstrated that there are viability issues over providing both. The Authority uses the Three Dragons toolkit for assessing viability. In such cases the NPA could either waive a payment altogether or accept a reduced contribution. This is vital if the Authority is to have a chance of getting to grips with what is a key planning issue facing all National Park Authorities, and many other rural authorities as well. A potential concern with

CIL is that it might compromise the delivery of affordable housing by, in effect, reversing the priority order. The CIL charge would come first, and this could impact adversely on the capacity of a scheme to contribute to affordable housing needs.

16. The consultation paper asks for views on a reduced rate of CIL for affordable housing development (Qs 24 and 25). We would support this principle as essential if we are to make a significant contribution to meeting affordable housing needs through the planning system. We would accept, in principle, the distinction between publicly funded and other elements but feel there needs to be greater flexibility in situations where collection of CIL would jeopardize the delivery of the full level of the affordable housing contribution requested within a scheme.

The future of S106 Obligations and transition proposals

17. In view of the above, we would ask that amendments to the S106 regime do not close off the S106 tariff scheme route to developers contributing to infrastructure needs. The PCNPA scheme, for example, is a joint scheme operated with Pembrokeshire County Council; is the product of an exhaustive preparation process, and will only come fully into operation in 2010. Early abandonment of the scheme would represent a significant waste of resources.

18. If this view is not accepted we would ask for a longer transition period than the two years identified in the consultation paper, to say four or five years. This would help ensure successful dovetailing of the new scheme with any existing schemes operated by NPAs with partners.

19. We recognize that CIL will be subject to more rigorous and independent examination than is the case with S106 Supplementary Planning Guidance, and perhaps an equivalent requirement could be built into amended S106 arrangements that retained the ability to operate tariff schemes.

Scope of CIL charging

20. We welcome the proposal to enable different rates of CIL to be adopted according to the viability of that particular type of development. In particular we believe there will be a need to set a lower rate of CIL for agricultural buildings many of which are directly required to meet other regulations and legislation. ENPAA and WANPA do have some concerns that developments such as caravan, camping and boating developments will be exempt from CIL despite the fact that these can result in significant infrastructure requirements. It is accepted that some of these also involve buildings where CIL can be charged and the ability to set a CIL rate which takes account of the overall viability of leisure developments is welcomed.