

EXAMINER PUBLISHES REPORT IN RESPECT OF JOINT CORE STRATEGY DRAFT CIL CHARGING SCHEDULES

On 31 July, the Joint Core Strategy CIL Examiner published her report, broadly finding the JCS authorities' draft Charging Schedules to be reasonable, subject to a few changes, namely:

- Introducing a reduced £35/m² rate for non-allocated sites of over 450 dwellings;
- Reducing the 'out-of-centre' retail rate from £100/m² to £0/m², the same as 'town centre' retail (this was agreed with the JCS authorities in the course of examination); and
- Including the West Cheltenham strategic allocation on the reduced charging schedule for Tewkesbury district, as it straddles both districts

The final proposed charges for residential dwellings are as follows:

Gloucester

10 dwellings and under £0 psm

450 dwellings and over £0 psm

11-449 dwellings £45 psm

Strategic sites £0 psm

Cheltenham

10 dwellings and under £148 psm

450 dwellings and over £35 psm

11-449 dwellings £200 psm

Strategic sites £35 psm

Tewkesbury

10 dwellings and under £104 psm

450 dwellings and over £35 psm

11-449 dwellings £200 psm

Strategic sites £35 psm

So, in practice, in Cheltenham an average dwelling of 120m² would trigger a CIL charge of nearly £18k per dwelling on a site of up to 10 dwellings, £24k per dwelling on a scheme of 11-449 dwellings and £4.2K per dwelling on larger sites and strategic sites. In Tewkesbury, the same dwelling on a site up to 10 units would drop to around £12.5k, while in Gloucester small (10 or fewer) and strategic sites would be nil-chargeable and sites of 11+ units the charge will be £5.4k per dwelling.

Clearly when extrapolated over a whole site, depending on its circumstances, the implications of this will range from none at all, through to substantial additional costs; for example, a site of 100 units in Cheltenham with an average dwelling size of 100m² per dwelling and 40% affordable housing would incur a CIL charge of £1.2m.

Our expectation is that the cost of the CIL liability will be borne by the landowner, thus we expect land values to be subject to a downward adjustment.

The implication of the draft Schedules' emerging largely unscathed from examination is that the JCS Councils are likely to want to move quickly to finalise their respective Schedules following the Summer recess and set adoption dates in late-2018 or early-2019 at the latest. It is unlikely that additional guidance on interpretation will be provided in the interim or at adoption, so many cases the exact contributions to be paid following adoption may need to be discussed with the charging authority and, in some cases, challenged.

For those developers with applications running currently, the implications could be substantial, as CIL-liability is fixed at the time of determination. If experiencing delays with legal agreements or other negotiations, expediting these either through concessions or additional resources may prove worthwhile where this will secure a positive decision prior to the introduction of CIL. It should be noted, however, that variation (S73) applications are covered by transitional provisions in the CIL Regulations that allow a reversion to previous (non-CIL) contributions, minus any net gain in chargeable floor space.

For those considering whether to appeal a refusal of permission, given current appeal timescales, thought will need to be given whether instead (or in tandem) a resubmission isn't pursued, as this may achieve an earlier decision.

We will update once we have a clearer idea of the likely adoption timescales and, of course, Evans Jones are always on-hand to provide advice on CIL as required. For more details, speak to a member of our planning team.

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