

My ref: Cllr. Ian Bates
Date: 12th June 2012
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**Economy, Transport and Environment
Services
Transport Policy and Strategy Service**

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Mr Giles Hughes
Head of Planning & Economic
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Dear Giles

**RE – CONSULTATION RESPONSE TO EAST CAMBRIDGESHIRE DISTRICT
COUNCIL’S PROPOSED DRAFT COMMUNITY INFRASTRUCTURE (CIL)
CHARGING SCHEDULE**

Thank you for inviting comments on your Draft CIL Charging schedule.

We are pleased to see continued progress with progressing plans for implementing CIL in East Cambridgeshire and look forward to continuing to work with you in this regard. In particular, we will be keen to support you in developing the CIL Funding Strategy and Delivery Plan, and identifying priority projects for CIL funding early.

As you will be aware, the County Council has been working hard with our partners in East Cambridgeshire to progress some key infrastructure projects locally, whether this is in planning for new schools or for transport projects such as Ely Crossing which is currently being designed. We would therefore welcome clarity early over levels of funding anticipated and how funds will be transferred to help support delivery of key priorities into the future, and in particular how CIL and S106 is expected to support the delivery of committed projects such as Ely crossing.

Early agreement on priorities and what proportion of CIL is expected to contribute towards delivery of priorities is needed, and in particular in relation to Transport and Education. These two areas have been identified as the largest infrastructure costs in terms of infrastructure needed to support delivery of the Local Plan. Therefore it will be important to ensure that CIL contributes towards these costs proportionately to support the delivery of the local plan.

Table 2 in your Consultation Draft Charging Schedule currently outlines that only some £6m is proposed to be allocated towards transport infrastructure, while some £5.7m is proposed to be allocated towards Open Space against total costs of £6.6m. Comparatively then the figure proposed for CIL contributions to transport infrastructure appears very low, especially given the level of commitment there is already to progressing key transport infrastructure projects within East Cambridgeshire such as Ely crossing. The Ely crossing project alone is likely to cost

in the order of £28m which the County Council is borrowing to help deliver as a key local priority to help address this barrier to growth. We would therefore query the current proposed split for how CIL should be allocated, and look to work with you to review this to ensure that this better reflects agreed priorities.

We look forward to also working closely with you on governance of CIL and how we can best support you in this regard, and supporting the regular review of priority projects, ideally on an annual basis into the future

We have set out answers to the specific questions you have asked below and these have been approved by the County Council's Cabinet.

Question 1 – Do you agree or disagree with the Council’s Draft Instalments Policy (as set out in Appendix 2)? Please explain your reasons for agreeing or not agreeing, and provide evidence in support of your case if available.

It is acknowledged that the payment of CIL, for amounts over £40,000, could be paid over a period of longer than 60 days (from commencement of development) to assist with the mitigation of payments and to assist with development viability.

Under the proposed Instalment Policy the latest payment (for amounts over £100,000) would be 540 days (1.5 years approx.) from commencement – being the final 25% of the total CIL payment due.

The County Council supports the Draft Instalments Policy.

We also acknowledge that the District Council is entitled to apply a charge of up to 5% for administration on all CIL monies collected. However, it is unclear at this stage whether the County Council will receive any of this administration charge in relation to work around transport and infrastructure in support of local priorities and this needs to be clarified. The Council requests that a proportion to be paid to the County Council be agreed.

Question 2 – Do you agree or disagree with the Council’s proposed CIL rates for residential development? Please explain your reasons for agreeing or not agreeing, and provide evidence in support of your case if available.

It is acknowledged that different parts of East Cambridgeshire have different viability challenges. However, it should be noted that the costs to the County Council of providing services and infrastructure are generally uniform across the District. For example the cost of providing a new school in Littleport would be the same as providing a new school in Ely.

However, given viability issues, the County Council supports these rates subject to a review on an annual basis to address the viability gap and appropriate proportions of CIL revenue being agreed for County Council services.

Question 3 – Do you agree or disagree with the Council’s proposed CIL rates for retail development? Please explain your reasons for agreeing or not agreeing, and provide evidence in support of your case if available.

It is acknowledged that the infrastructure required from this type of development, such as new roads and/or junctions, or public transport subsidy can be significant.

The County Council accepts this rate on the condition that it is reviewed on an annual basis.

Question 4 – Do you agree or disagree with the Council’s proposed CIL rate for other development? Please explain your reasons for agreeing or not agreeing, and provide evidence in support of your case if available.

It is acknowledged that other development may have an impact on the transport and highway network for example. However, in the interests of supporting economic growth in the District, the County Council accepts this rate at present. As per the other rates, it should be reviewed on an annual basis.

We look forward to also working closely with you on governance of CIL and how we can best support you in this regard, including the regular review of priority projects, ideally on an annual basis into the future

Early discussions on priorities and what proportion of CIL is expected to contribute towards delivery of priorities is needed, and in particular in relation to Transport and Education. These two areas have been identified as the largest infrastructure costs in terms of infrastructure needed to support delivery of the Local Plan. Therefore it will be important to ensure that CIL contributes towards these costs proportionately to support the delivery of the local plan.

We would welcome a meeting early with yourself and Cllr Moakes to discuss the setting of priorities. We understand that a meeting is being set up for 27th June, and look forward to receiving the agenda and papers for this meeting.

Yours sincerely,

A handwritten signature in black ink that reads "Ian C. Bates". The signature is written in a cursive style and is positioned above a horizontal line.

Cllr. Ian Bates,
Cabinet Member for Growth and Planning