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To
Mr M J Hetherington
C/O
CIL Programme Officer
Ian Kemp

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Ref: DB

Dear Mr Hetherington

Re : Warwick CIL Charging Schedule Examination

- 1 Thank you for your Initial Note regarding Warwick's CIL Charging Schedule. This letter seeks to address the queries you have raised in the note. Taking each of your paragraphs in turn, I can respond as set out below.

Paragraph 2 - Website and Publicity

- 2 The CIL website, including all submission documents was published on Monday 8th May. This can be viewed through this link: [CIL Examination Website](#).
- 3 All "relevant persons" have been informed that the draft schedule has been submitted on Wednesday 10th May.

Paragraph 3 – Modifications

- 4 I note that you consider a formal consultation should be undertaken on a statement of modifications. We have prepared a draft of the relevant documentation for this (attached as Appendix 1) and intend to commence the consultation on Friday 19th May for four weeks through to Friday 16th June. Subject to your advice, we can add the proposed changes set out in Appendix 2 of this letter to the statement of modifications and also consult on these. At this stage we have not done this and will await you advice before doing so.
- 5 You raise a point about the justification for extending the nil charging rate to 'all other uses'. The most common types of development that take place across the District have been

identified and assessed in the viability studies. Clearly it is not possible to assess all potential uses and where a use has not been assessed, the Council has taken the view that it would not be reasonable to make a CIL charge. In line with the PPG, the Council has sought to adopt a proportionate approach to its evidence base; significant resources would be required to test all potential uses that do not fall within the categories identified in the Charging Schedule. While some of these uses *may* potentially be able to make a contribution, the prospects of this actually yielding any income are slim given the limited volume of development involved. In this context, the purpose of the proposed modification was simply to clarify that all uses that have not been separately assessed and that are not specifically identified in the Charging Schedule are therefore nil rated.

Paragraphs 4 to 9 - Comments on Draft Charging Schedule

6 You raise two early concerns in relation to the draft Charging Schedule:

- a) 'Residential' and 'Strategic Residential' development types: I note that you have concerns that the approach proposed by the Council does not accord with the Regulations, particularly because it is not clear that 'Residential' and 'Strategic Residential' can be considered distinct uses. The intention of this element of the charging schedule was to recognise the onsite infrastructure requirements that are associated with strategic residential sites. However if the approach proposed is considered not to comply with the regulations, the Council would be open to revising the schedule as set out in Appendix 2 of this letter. We consider that such an approach would be consistent with the evidence and would not change the intention of the Charging Schedule in any way.
- b) 'Retail – Prime Leamington': I note that you also have concerns regarding the approach the Council has taken with regard to "Retail-Prime Leamington" whereby there is an apparent inconsistency between the evidence base and the charging schedule regarding the geographical areas to which this applies. On reflection, we would accept that the way the Charging Schedule is laid out is potentially misleading in that it appears that "Leamington – Prime Retail" applies to Zone B and D. Given the zones B and D relate to residential development rather the retail, we would propose that the layout of Charging Schedule is amended, as shown in Appendix 2 of this letter, to clarify this. Again we consider that this is consistent with the evidence base and does not change the intention of the Charging Schedule in any way.

7 In paragraph 9 of your letter, you indicate that it is unclear why two zones (B and D) are being proposed whilst they have identical charging rates. In earlier viability studies, the evidence suggested that these should be two distinct zones with different charging rates. However, the study undertaken in November 2016 indicated that the differentiation had become minimal. It was therefore decided to combine the two zones. For transparency and consistency with earlier consultations we took the view that the two zones should be shown separately so that the changes could easily be traced back. Looking ahead, it is likely to be appropriate that the two zones are combined.

Paragraph 10 – Funding Gap

- 8 It is correct that the Infrastructure Delivery Plan (CIL 11) is the Council's main evidence with regard to the scale of the infrastructure funding gap. We acknowledge the inconsistency regarding the level of estimated CIL funding between the Regulation 123 list and the IDP. The discrepancy relates to transport elements of the IDP and specifically the way the two documents differ in their approach to assigning specific scheme to the transport corridors. We are now liaising with colleagues at Warwickshire County Council to resolve these discrepancies and will be in a position to issue an update to the IDP by Wednesday 17th May. At that point we will also be in a position to issue a statement to provide greater clarity on the funding gap as evidenced by the IDP.

Paragraph 11 – Local Plan

- 9 The Local Plan was submitted for Examination in 2015. Following initial hearings in May 2015, the Examination was suspended whilst the Council worked with other Councils in Coventry and Warwickshire to address unmet housing need arising in Coventry. As a result of this the Council submitted modifications in June 2016 and the Examination was then reopened. Following hearings in September, October, November and December 2016, the Inspector wrote to the Council indicating that, subject to Main Modifications being made, he considers the Plan can be made sound. He has specifically suggested the Modifications required. His letter can be viewed here:
https://www.warwickdc.gov.uk/downloads/file/4158/exam_155_-_inspectors_letter_to_council_following_hearings)

Since then he has provided a further note which forms the basis of the Main Modifications. This can be viewed here: https://www.warwickdc.gov.uk/downloads/file/4288/exam_183_-_outline_of_main_modifications_required_from_inspector

- 10 These Main Modifications have now been subject to a six week consultation which closed on 5th May 2017. At the time of writing, the Council is compiling the representations for the Inspector to consider. Subject to the Inspector's conclusions, the Council is hoping to adopt the Plan in August or September this year.

- 11 The submission Local Plan is made up of

CIL16 – Publication Draft Local Plan 2014:

https://www.warwickdc.gov.uk/downloads/file/2250/lp10_-_publication_draft_-_without_maps_-_april_2014

CIL17 – Publication Draft Policies Map :

https://www.warwickdc.gov.uk/downloads/download/651/local_plan_documents

CIL18 – Focused Changes 2014:

https://www.warwickdc.gov.uk/downloads/file/2066/publication_draft_local_plan_focused_consultation

- 12 The Main Modifications and the supporting changes to the Policies Map are set out here:

CIL19 – Schedule of Main Modifications 2017:

https://www.warwickdc.gov.uk/downloads/file/4284/schedule_of_main_modifications

CIL20 – Schedule of Policy Map Changes:

https://www.warwickdc.gov.uk/downloads/file/4282/schedule_of_policy_maps

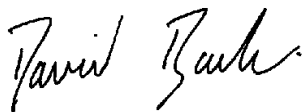
13 These documents have been added to the CIL Examination Library as CIL16 to CIL20

Paragraph 12: Representations: McCarthy and Stone (ref 70351)

14 We apologise that the full text of this representation was omitted from the submission documents. The representation has now been provided in full to the Programme Officer and our online consultation system has been updated to include the full text of the representation.

15 We look forward to receiving your Guidance Notes and Issues and Questions. In the meantime, if you have any further queries please do not hesitate to get in touch. In any event, we will provide a further statement regarding the funding gap next week.

Yours faithfully



David Barber
Policy and Project Manager

Attachments:

Appendix 1: Statement of Modifications

Appendix 2: Suggested changes to the format of the Charging Schedule