

**Deputy Chief Executive and
Director of Resources and Performance: Sarah Pickup**

Economic and Sustainable Development
Three Rivers District Council
Three Rivers House
Rickmansworth «RoadName»
Hertfordshire
WD3 1RL

County Hall
Hertford, Herts SG13 8DN
Telephone: 01992 588104
Contact: Jacqueline Nixon
«Passed_To» E-Mail:
Jacqueline.nixon@hertfordshire.gov.uk

My ref:
Your ref:

Date: 8th August 2014

Dear Claire May,

**THREE RIVERS DISTRICT COUNCIL COMMUNITY INFRASTRUCTURE LEVY –
CONSULTATION ON THE DRAFT CHARGING SCHEDULE**

Thank you for consulting the County Council on the District Council's Draft Charging Schedule. This response represents the County Council's position as a strategic infrastructure provider and is made on behalf of the County Council's services namely Children's Services (including Education, Youth and Library) Waste, Fire and Rescue, Health and Community). I apologise that this response is late and as you are aware, it follows our telephone conversation today.

We have previously discussed the preparation of the Community Infrastructure Levy (CIL) charging schedule and the provision of strategic infrastructure provided by the County Council including:

- the need for a comprehensive and transparent approach to infrastructure planning and delivery at the outset,
- the need for clarity as to the relationship between CIL and Section 106 (S106) arrangements;
- the need for collaboration between the District Council and County Council in relation to setting the levy rate and agreeing how the levy will be spent in two-tier areas in relation to key strategic infrastructure;
- where appropriate the treatment of major strategic sites as a separate geographical zone for the setting of CIL rates,
- more onerous Government requirements relating to the updating and republishing of the Regulation 123 list.

Draft Charging Schedule

Clearly it is for the District to determine what the appropriate charging rate should be for the area and the schedule of proposed charges are listed in the Draft Charging Schedule (July 2014). We are aware that the proposed levy rate is based upon viability work part of which has been undertaken in conjunction with other authorities within Hertfordshire.

In relation to the types of development which will be liable for CIL, it would be really helpful if there could be clarification regarding the definition of "Retirement Housing" within the table of CIL rates. As you know the County Council purchases spaces within care homes for elderly and vulnerable adults. I understand this will only relate to Use Class C3 private retirement housing and would be grateful if this note could be expanded to include the following words "...*For the avoidance of doubt this excludes registered not for profit care homes.*" This is a clarification we have also sought in relation to the Dacorum Borough DCS.

Draft Regulation 123 list

We previously stated that when considering the use of S106 and CIL (in as much as it relates to the provision of strategic infrastructure provided by the County Council), it is considered that for larger, more strategic sites the most effective approach is likely to be the continued use of S106 agreements to fund infrastructure items which are directly related to those developments. In response the Regulation 123 list places clear thresholds for the application of CIL and S106. Where developments give rise to new primary education facilities both the land for the school and the funding to build it will be sought via S106.

We know that with the exception of the South Oxhey project, there are no significant strategic projects in your district. Thus, your strategy seeks to ensure CIL monies will be used to fund infrastructure requirements generated from smaller developments, and may be necessary to address the cumulative impact of development occurring across the borough as a whole.

I can think of an exception to this in that the County Council is reliant on the Woodside Road Housing Site (Abbots Langley) providing a suitable primary school site and as explored through the Site Allocations DP process we expect this to be transferred at nil cost via a S106 agreement. If this development comes forward post implementation of CIL or post April 2015, whichever is the later, there may be an issue around transfer of this land in terms of equity compared with other similar sized developments as this might comprise what is effectively a payment in kind. In addition you may seek CIL on that site. At present the R123 list does not identify this matter specifically and I am concerned that as written the provisions will not cover this arrangement. Might I therefore suggest that the R123 list is amended to reflect this particular case.

We note that your strategy does not include Exceptional Circumstances Relief, or Payment in Kind Policies. Inclusion of a Payment in Kind Policy might be an alternative

approach to potentially being able to receive land provided by a developer for a primary school.

Next Steps

The County Council as a strategic infrastructure provider is committed to working with the District Council to meet the requirements of the revised CIL guidance. As previously noted, the new requirements set out within the CIL guidance bring with them a number of challenges which is likely to require parallel political processes to determine how CIL monies should be prioritised.

As previously discussed, there will be a need to agree appropriate governance arrangements between the two authorities and the level of CIL monies that will be made available to the County Council for the provision of strategic infrastructure. HCC welcomes the invitation to comment on the suggested arrangements already circulated and looks forward to discussing these further.

We hope that you find the above comments useful and would be happy to attend the examination if necessary. We look forward to continuing to work with you in taking forward the implementation of CIL within Three Rivers.

Yours sincerely,

Jacqueline Nixon
Property and Technology

Hertfordshire County Council