

Examination of the Maidstone Community Infrastructure Levy (CIL) Charging Schedule

Written Response to the Examiner's Main Issues and Questions

This Written Response is from the Joint Parishes Group, which is a member of the Coordinating Team that embraces:

Kent Association of Local Councils Maidstone Area, Geraldine Brown Chairman
 Maidstone Joint Parishes Group, John Horne Chairman
 Campaign to Protect Rural England Maidstone Branch, Gareth Thomas Chairman
 Bearsted & Thurnham Society, Roger Vidler Treasurer
 Leeds Castle, Bill Lash, Estate and Project Director

That Coordinating Team played a role during the examination of Maidstone's draft Local Plan and, given its membership of that team, that has informed this Written Response from the Joint Parishes Group.

Paragraph 17 of the Programme Officer's Examination Guidance Note states that:

Council should produce a Hearing Statement which responds directly to all the points raised in the main issues and questions [CILEX03]. The Council is not expected to put forward any more substantive changes to the schedule. If, exceptionally, fundamental changes are proposed, the Council must fully explain and justify the reasons for the changes, with supporting evidence. It should also indicate the implications in terms of viability of the schedule and ensure that they have been subject to the same process of financial appraisal, publicity and opportunity to make representations as the submitted version.

As at date of despatch of this Written Response, we have not had benefit of sight of that Hearing Statement. We therefore ask that, should such statement subsequently appear, we are given the opportunity to respond to it at any time up to, and including, the Session 1 Hearing date.

In summary, given the status of Maidstone's draft Local Plan and the uncertainties about its final form, when combined with underpinning data from the Peter Brett report (SUB007) that is almost two years out-of-date and based on old development projections, we believe that it is premature to arrive at a conclusion on a Community Infrastructure Levy (CIL) Charging Schedule for Maidstone Borough.

No.	Inspector's Question	Team Comment
1.	Have the procedural requirements of the Planning Act 2008 (as amended) and the Community Infrastructure Levy Regulations 2010 (as amended) been complied with during the preparation of the draft charging schedule?	We are not aware of any procedural irregularities. However we assume that the Inspector will carefully review the matter, especially as, for the draft Local Plan, Maidstone Borough was found to have produced a "sound" plan, but with many parties doubting that conclusion, unless the regulatory "pass-mark" has been set at a very low level.
2.	Is it appropriate to prepare a draft charging schedule in the context of the emerging Local Plan for the Borough?	It is a draft Local Plan, with a considerable number of Main Modifications required by the Local Plan Inspector. The draft Main Modifications have been drafted by MBC

		<p>and several are being challenged, including by our Coordinating Team.</p> <p>At his request, the Inspector received, by 10th February 2017, further submissions related to employment within the wider economic area of Maidstone Borough and five neighbouring authorities. The resultant impact on the draft Local Plan remains to be seen.</p> <p>In addition, a key employment site in the draft Local Plan has been refused by MBC and is now at appeal, with MBC Officers committed to make a strong defence against that appeal.</p> <p>Therefore it is premature to make a draft charging schedule.</p>
3.	<p>Do the Inspector's Interim Findings [SUB004] and the proposed main modifications [SUB005] provide sufficient certainty on the Local Plan's strategy for growth, related infrastructure requirements and costs and overall policy requirements?</p>	<p>No. Please see our response to Question 2.</p> <p>In addition, MBC's answer to stressed transport infrastructure is "modal shift", with that, along a key arterial road, dependent upon an extended bus lane, but with park-and-ride facilities reducing, rather than increasing, in the Borough.</p> <p>Kent Highways are opposed to that bus lane and, in fact, KCC Highways and MBC are at loggerheads on traffic matters.</p> <p>Maidstone Borough has substantial air quality problems. Much of the urban area is covered by an AQMA, with several locations recording well above permitted limits.</p> <p>The Local Plan Inspector arranged an extra Hearing Session to explore air quality and there are likely to be more national initiatives that may have an impact on Maidstone and may curtail the pace and extent of permitted development.</p> <p>Given all of the uncertainties, the Local Plan Inspector's Interim Findings require a First Review of the Local Plan to be <u>completed by April 2021</u>, whereas MBC had offered to commence preparation of the First Review in <u>2022</u>. That signals concern about the lasting quality and sustainability of the draft Local Plan.</p>
4.	<p>Is the draft charging schedule supported by appropriate available evidence about economic</p>	<p>No comment on economic viability.</p>

	viability and infrastructure planning?	<p>Infrastructure Planning should, presumably, be summarised within the Infrastructure Delivery Plan (IDP), May 2016, which is held to be a living document – and that is understandable.</p> <p>However, it is interesting to compare the above with the February 2016 version. There is no version control, no continuity of naming convention and no easy appreciation of the changes between versions.</p> <p>New projects have been entered and some costs revised – upwards. Some projects have been downgraded in terms of importance to strategy.</p> <p>Some 90 projects remain to be costed.</p> <p>Therefore, if the IDP is used as a foundation for the draft charging schedule, it must raise concerns about adequacy at this time.</p>
5.	Is the methodology used in the Revised Local Plan and CIL Viability Study – July 2015 [SUB007] appropriate? Is it suitably grounded in the ‘real world’ conditions in Maidstone?	<p>While we are not expert in this matter, the Peter Brett report (SUB007) would appear to be a professional piece of work.</p> <p>However, we note that it is dated July 2015. That raises a concern as, for instance, at paragraph 3.2.1 it refers to “... The local plans (<i>sic</i>) target of 17,100 units or 855 units annually”. That figure is not recognised. The Local Plan Inspector’s Interim Findings arrived at 17,660 units (plus Care Home spaces).</p> <p>Therefore, while the methodology may be appropriate, its numerical analysis is somewhat out-of-date and must raise questions about its underpinning of CIL assumptions.</p>
6.	Is Section 4 of the Viability Study up-to-date in terms of the Local Plan policies and potential for impact on viability?	Given its publication date (July 2015), it cannot be. Draft Local Plan policies have already undergone considerable revision and further revision is probable.
7.	Are the different charging zones clearly set out and defined on an Ordnance Survey map in accordance with CIL Regulation 12(2)(a)(i)-(iv)?	No comment
8.	Does the Infrastructure Delivery Plan – May 2016 [SUB006] accurately estimate the infrastructure likely to be required to support the development of the Borough as proposed in the emerging Local Plan?	No. Please see our comments on Question 4.

9.	Have infrastructure needs/costs markedly changed in light of (a) the on-going Local Plan examination process [noting the Local Plan Inspector's interim finding [SUB004] to retain the SE Maidstone proposals] and (b) any updated evidence (Local Transport Plan; strategic review of waste management infrastructure)?	<p>They are likely to have changed markedly.</p> <p>Traffic issues in SE Maidstone remain un-resolved, exacerbated by the impasse between Kent Highways and MBCs.</p> <p>To that must be added the issues arising in NW Maidstone (Hermitage Lane), compounded by the development aspirations of Tonbridge & Malling Council at the northern end of that lane.</p> <p>Air Quality is likely to be an increasingly important factor, having an impact on transport infrastructure and its costs and perhaps on development density and air pollution mitigation requirements.</p> <p>We cannot comment on other aspects of infrastructure, other than the general perception that medical facilities are struggling to cope with increasing population.</p>
10.	Are there specific infrastructure costs associated with managing the Area of Outstanding Natural Beauty in the context of potential pressures arising from growth? Are such costs identified with the 'Green and Blue' infrastructure in the IDP [SUB006 – item references GB25/GB26?] attributed to CIL funding?	If MBC Officers succeed in their wish to drive through development at Junction 8, despite MBC Members' objections, there is considerable concern that the road infrastructure through nearby villages will be further stressed, with adverse impact on residents. We have seen no real answer to that issue.
11.	What is "strategic open space"? Would this encompass green infrastructure identified in the Kent & Medway Growth & Infrastructure Framework? Is the figure of a £46.83million funding gap for green infrastructure in the Maidstone area recognised?	No comment
12.	Are the costs of transport infrastructure, particularly in Maidstone reasonably established? Does the Integrated Transport Strategy for Maidstone provide the appropriate foundation for identifying transport infrastructure necessary to support growth?	No. Please see our comments on Question 4.
13.	What are the actual and expected sources of infrastructure funding that have been identified?	No comment
14.	Overall, what is the resultant funding gap?	No comment
15.	Does the submitted evidence clearly explain how planning obligations would operate alongside a new CIL regime in Maidstone? [Is it clear to developers and local communities what infrastructure would be funded through the CIL charging schedule and what would be secured through other planning obligations, so as to avoid any duplication?]	No comment
16.	Paragraph 6.3.4 of the Viability Study [SUB007] states that it is the Council's intention to undertake further work on the potential level of S106/S278 that will be sought from development.	No comment

	Has that work been done? If so, has it (a) informed any re-consideration of the buffer applied; and (b) informed the extent to which planning obligations would be scaled back when CIL is implemented?	
17.	What is the projected income from CIL?	No comment
18.	On average what level of contributions have been secured towards new infrastructure from Section 106 Agreements associated with new residential development? How does this relate to the expected future CIL receipts?	No comment
19.	Other than Site H1(11) Springfield, are there any other strategic sites as part of the Local Plan where particular costs may affect viability for CIL?	No comment
20.	Are the boundaries of residential charging zones justified by the viability evidence?	No comment
21.	Is the £6 per sqm difference between the “within urban boundary” and “outside urban boundary” rates justified by the viability evidence? Is the additional complexity of separate charging zones justified by important additional revenues for contributing to the delivery of infrastructure and growth?	No comment
22.	Is there sufficient variability in sales values and viability which would support different (higher) CIL rates for residential development in the rural parts of the Borough?	No comment
23.	Does the Viability Study [SUB007] make appropriate assumptions about the costs of residential development including: <ul style="list-style-type: none"> • Construction costs – are these higher than BCIS benchmark? • External works – is 10% realistic; should it be a higher 20% figure? 	No comment
24.	Is the charging schedule clear that it applies to all forms of residential development? Are flats/apartments viable and are the assumptions on gross internal area, including circulation space, to calculate build costs and net internal area to calculate sales revenue reasonable?	No comment
25.	Have sales values markedly changed since 2013? Have changes in Stamp Duty and wider economic conditions resulted in any tangible downward movement on sales values?	No comment
26.	Are the house price values in the viability study ‘asking prices’ or actual achieved sales values?	No comment
27.	Does the viability evidence make appropriate assumptions about the price a willing landowner would be likely to sell their land for in different parts of the Borough? Have values markedly changed since 2014?	No comment
28.	Approximately what percentages of (a) residential development costs and (b) residential development values would the proposed charge rates be likely to represent for the two	No comment

	residential charging zones set out in the draft charging schedule?	
29.	What are the viability buffers associated with the CIL residential rates? Are the buffers sufficient to allow viable residential development in the charging zones?	No comment
30.	If you consider the proposed residential charging rates would put at risk the overall development of the Borough, what specific modification are you seeking and what appropriate evidence is there to support it?	If they do put overall development at risk, we would welcome that. In our view, MBC has prepared a draft Local Plan that over-develops our Borough, especially given current infrastructure problems.
31.	Has the viability work considered appropriate typologies for Care Home, Extra Care and Retirement Home? How have these forms of residential accommodation been reflected in the draft charging schedule?	No comment
32.	Are the definitions of 'retirement' and 'extra care housing' in the draft charging schedule sufficiently clear and robust?	No comment
33.	Do the appraisals for older persons housing incorporate appropriate build costs and unit sizes?	No comment
34.	What is meant in the draft charging schedule by "wholly or mainly" convenience / comparison?	No comment
35.	Does the Viability Study [SUB007] make appropriate assumptions about the development costs and values of retail developments?	No comment
36.	Is the proposed charge rate for all convenience justified by the viability evidence?	No comment
37.	Does the viability evidence justify a Cil rate of £nil for comparison retail within the town centre?	No comment
38.	Is the charging schedule for comparison retail consistent with the viability evidence? Table 7.9 in SUB007 refers to "retail warehouses".	No comment
39.	Are the proposed £nil charging rates for "all other forms of CIL liable development" justified by the evidence and reasonable?	No comment
40.	Has an appropriate balance been struck between the desirability of using CIL to contribute towards funding infrastructure and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development in the Borough as proposed in the emerging Local Plan?	Please see our comment on Question 30.