

Appendix 3: Response submitted to the BCP Council Community Infrastructure Levy Charging Schedule consultation.

Dorset Council response to BCP Community Infrastructure Levy Charging Schedule

General

Dorset Council welcomes the opportunity to comment on the BCP draft Community Infrastructure Levy (CIL) Charging Schedule.

Dorset Council supports the preparation of a single charging schedule, combining the existing charging schedules for Bournemouth, Christchurch and Poole under one charging area. Dorset Council intends to follow a similar pathway by combining the existing charging schedules of West Dorset, Weymouth & Portland, Purbeck and East Dorset. A single charging schedule will also include North Dorset, ensuring complete coverage of CIL across the Dorset Council administrative area.

Dorset Council anticipates that a single charging schedule will be adopted alongside the Dorset Council Local Plan under timetabling agreed through its latest approved Local Development Scheme (March 2024).

Dorset Council manages CIL to support a wide variety of infrastructure. The use of developer contributions is guided (in-part) by Supplementary Planning Documents and strategies, particularly where the delivery of environmental mitigation is concerned. For the most part, environmental mitigation such as the protection of Dorset Heathlands and Poole Harbour catchment are met through financial contributions secured through CIL.

CIL led approach to developer contributions

Over the course of time where CIL has operated in the Dorset Council area, the responsibility for mitigating the effects of development on protected wildlife habitats has grown, placing increased financial burden on Dorset Council's CIL.

As a consequence, the scope to support other forms of infrastructure using CIL such as schools, transport and community facilities has reduced, particularly in charging areas where multiple strands of habitat mitigation are present. Having experience of covering the cost of habitat mitigation through CIL, Dorset Council would offer caution to BCP's approach, particularly given the role it sees CIL playing in supporting wider infrastructure costs as indicated through the accompanying Infrastructure Delivery Plan.

Development that is CIL liable but has the subsequent benefit of social housing or self-build relief further effects CIL income and can leave development paying CIL to cross-subsidise the income lost to CIL relief. This further reduces the availability of CIL funding to deliver

other forms of infrastructure. In 2022/23 self-build and social housing relief accounted for approximately 30% of all CIL liable housing completions.

Site specific infrastructure

The Community Infrastructure Levy regime is not intended to serve site-specific needs. As such, any genuine site-specific need that is regulation 122 compliant would trigger the need to secure s106 developer contributions in addition to the CIL charge. The assumptions included in the accompanying viability evidence of £1,500 for education and £1,500 for transport, would appear to under-represent their true cost in these situations. The range of site specific infrastructure requirements will often be guided by site-specific need and individual circumstances.

Charging rate comparisons

The BCP Council draft charging schedule presents rates which are a significant increase on existing adopted rates. There does not appear to be any allowance for large and complex site allocations where contributions would typically be secured through s106 and CIL charged at a £0 rate.

The accompanying table sets out how the proposed BCP Council CIL rates compare to those rates currently applied through Dorset Council's adopted CIL where it adjoins the BCP charging area boundary. In all cases, the proposed BCP rate is much higher, but the most significant change occurs between value area 1 and the Purbeck - Upton rate where the increase is over 2000%.

Sales values are a component in determining appropriate CIL rates. In 2022, Dorset Council prepared new viability evidence to inform the emerging Dorset Council Local Plan. That viability evidence considered up to date development costs including the increased environmental mitigation responsibilities outlined in this response. The supporting viability information accompanying the BCP draft charging schedule sets out the expected sales value rates by value area. Again, these represent an increase on equivalent rates for Dorset, with the most significant increase again occurring in areas where the council's charging areas adjoin one another.

The outcome of the 2022 viability study was the recommendation of a range of CIL rates, with an upper limit of up to £200 per sqm in higher value areas.

Implications and conclusions

National planning guidance suggests that CIL should be easily understandable and minimise the need for multiple charging zones and development types. Such a large step change in the BCP Council CIL rate, could lead to market shock and potentially have an effect on the delivery of future development and supporting infrastructure across both BCP Council and Dorset Council areas as a whole.

Development Type	CIL Charges on land adjoining Value Area 3				CIL Charges on land adjoining Value Area 2			CIL Charges on land adjoining Value Area 1	
	BCP CIL Draft	DC - East Dorset - Wimborne	DC Purbeck - Upton		BCP CIL Draft	DC East Dorset - West Parley		BCP CIL Draft	DC Purbeck - Upton
Brownfield 1-9 dwellings	£360	£200	£16		£310	£200		£280	£16
Brownfield 10+ dwellings	£300	£93	£16		£130	£93		£40	£16
Greenfield	£600	As above	£16		£485	As above		N/A	£16