**DRAFT RESPONSE SERVICE**

As part of the Rural Opportunities Bulletin, RSN will regularly provide concise potential responses to key current consultations. These are not intended to be definitive or to reflect the views of RSN and may include potentially opposing responses to reflect different views designed to assist individual organisations in compiling their own response. We do however recognise the pressure members are under and we hope this service will assist.

**Developer contributions reform: technical consultation – Ministry of Housing, Communities & Local Government**

This consultation on Community Infrastructure Levy draft regulations focuses on technical implementation of the reforms outlined in the government response to supporting housing delivery through developer contributions. The reforms seek to improve the operation of the Community Infrastructure Levy by reducing complexity and increasing market responsiveness and transparency.

This consultation closes on 31 January 2019.

<https://www.gov.uk/government/consultations/developer-contributions-reform-technical-consultation>

*Suggested potential responses to a selection of the questions posed are set out below.*

**Question 1:** *Are there any elements in regulation 3 which will prevent the Government achieving the policy intent?*

The additional flexibility proposed is welcomed. The level of consultation and engagement should be proportionate to the charging schedules proposed.

**Question 2:***Are there any elements in regulations 4 and 12 which will prevent the Government achieving the policy intent?*

The decision to lift pooling restrictions altogether is hugely welcomed as a mechanism to assist the delivery of critical infrastructure. This will help to remove the uncertainty and delay which can otherwise surround infrastructure delivery. The combined use of the levy with section 106 planning obligations is particularly welcomed.

**Question 3:***Are there any elements in regulation 7 which will prevent the Government achieving the policy intent?*

The decision not to introduce a ‘grace period’ is welcomed. However, care is still required to ensure that no developers of any size attempt to ‘game’ the system. There should, perhaps, be certain circumstances where the current penalties should still apply.

**Question 4:** *Are there any elements in regulation 13 which will prevent the Government achieving the policy intent?*

Notwithstanding the proposed changes to ‘abatement’ provisions, it is important to ensure that each phase of a development remains a separate chargeable development. This is as proposed in the consultation document and is supported.

**Question 5:***Are there any elements in regulation 6 which will prevent the Government achieving the policy intent?*

There is a risk of confusion with respect to the issue of indexation and the re-calculation of applicable levy payments. Whatever rules are applied to indexation, these should be clear and understood by both developers and planning authorities.

**Questions 6 & 7:***Are there any elements in regulation 5 which will prevent the Government achieving the policy intent?* *Do you have any further comments in relation to the Government’s proposed approach to Community Infrastructure Levy indexation including, for residential development, the approach of using a smoothed index using local house prices.*

It is disappointing that indexation will not be linked to the cost of building infrastructure. Whilst the proposals will provide additional comfort to developers in terms of viability, they will not serve to expedite local authority planning and budgeting of infrastructure work.

If the proposed changes are to be made then it is sensible to smooth out the calculations over a 3 year period given the perpetual fluctuations in house prices.

**Question 8:***Are there any elements in regulation 10 which will prevent the Government achieving the policy intent?*

The proposed requirement to produce annual Infrastructure Funding Statements is understandable. However, this requirement will add yet another administrative burden to local authorities who are already incredibly stretched.

If this is to go forward, it is critical that the tools produced to assist local authorities are robust and straightforward so that these assist in the production of these annual statements.

**Question 9:***Are there any elements in regulation 11 which will prevent the Government achieving the policy intent?*

The proposal to specifically permit authorities to seek a ‘proportionate and reasonable’ monitoring fee through section 106 planning obligations is welcomed in helping to meet the associated costs.