

The Country Land and Business Association (CLA) is a national organisation embracing the owners and occupiers of all types of rural land and business in England and Wales. It represents the interests of the owners of some 35,000 land holdings and rural businesses.

Winchester City Council is part of the area covered by the South East Region of the CLA. Hampshire CLA members include every size and type of holding, from estate owners to the smallest land holding of less than a hectare. The membership encompasses all traditional agricultural and forestry enterprises from the most sophisticated dairy and arable enterprises, pigs and poultry and more extensive livestock systems. The majority of our landowning membership is made up of family farm owner-occupiers many of whom have diversified into other business activities in response to the downturn in farm incomes.

The CLA also represents the interests of owners of other types of rural businesses including: forestry enterprises, mineral and aggregate operators and owners, hotels, golf courses, tourist enterprises, equestrian establishments, a myriad of small rural enterprises and also institutional land owners such as water companies, pension funds, and development companies. Our members have businesses in rural Hampshire and most live in its rural communities and villages.

The CLA represents the wide diversity of the rural community. We are glad to have the opportunity to comment on the Draft Charging Schedule for CIL.

The CLA comments are as follows:

The CLA supports Winchester City Council's decision not to impose a CIL rating on agricultural or forestry, employment and commercial development, as these are important areas for rural landowners and farmers to diversify into in order to support their farming and forestry enterprise. In addition, farmers and landowners are often forced to upgrade their buildings and infrastructure due to legislation with no commercial gain to the enterprise. If a CIL is imposed on these types of enterprise it would have had a major impact on the farming and rural business community, who would have been unable to afford the increased cost of the development due to the CIL.

CIL charges would make these developments unviable; regeneration would be stifled and sustainability of the rural areas in Winchester City Council would be adversely affected, by making them less economically viable; particularly in the current climate where rural workshops and offices are difficult to let especially where broadband connection is poor.

The CLA would advise Winchester City Council's not to impose a CIL rating (£120/m²) on retail developments in the rural areas (Zones 1 and 2) as farm shops would have to pay CIL charges as they would fall under the Food Retail use type. Farm shops are a diversification from agricultural and should not be treated the same as large supermarkets. The CLA would like clarification that the CIL charges for farm diversification for example Clay Pigeon Shooting grounds and sui generis uses are exempt from CIL as they fall under Leisure.

However, the CLA has major concerns regarding Winchester City Council's proposal to levy a charge of a £120m² for the Rural Zone (2) and £80m² for the Zone 3, therefore all charges are all levied on rural market housing, where in more urban areas it is levied at a NIL rate. The CLA would suggest that both urban and rural developments be judged under the same CIL charge criteria. There is no evidence base in the draft charging schedule to justify the higher charge in the rural areas.

It is our view that the market housing in rural areas is being used to subsidise the increased infrastructure required for development of Winchester City Council and the other Key Areas by charging areas outside of urban areas.

The CLA views this as an unacceptable high charge and the impact will stop the much needed objective of rural rebalancing in Winchester City Council as the profit margins for development of rural housing will be squeezed and make sites unviable, especially when you include the additional charges for affordable housing and costs to promote a site for development.

It is our view that charges from £120m2/£80m2 contributions will act as a significant disincentive for development in rural areas. In addition, we support the Council's decision for a hundred percent relief on affordable dwellings.

The CLA feels strongly that all developments being requested to contribute to infrastructure should have the opportunity to negotiate the level of payment depending on what a community/area needs.

Additional CLA concerns

The CLA would like to know what will happen where landowners decide to build houses to keep within their long term ownership (build to rent), to diversify their income through a residential portfolio of properties. There are no capital receipts from which to fund a CIL charge, rather the CIL charge would have to be met from existing revenues which the land manager is trying to improve by diversifying to obtain an alternative rental income stream. In this case we believe the Council should be more flexible in their approach for the payment of CIL for example not charging the CIL if a legal agreement is given that the new property would remain available for private rental for a period of at least 5 years.

Agriculture, Forestry and Rural Enterprise Dwellings

Houses for essential workers - The CLA has concerns that there is no allowance for housing needed for rural businesses such as agricultural, forestry and other essential rural workers. The CLA would like clarification that these dwellings will be treated the same as affordable housing, **with a nil rate set for CIL**. Our view is that the CIL should not apply to these dwellings which will have been justified as a requirement for the business.

The CLA view is the proposed contribution of £120/£80m2 for rural areas for residential and, combined with the other costs will suppress development and therefore impact the rural economy and the ability to regenerate our rural villages in Hampshire, we urge Winchester City Council to re think this excessive charging policy.