

Our ref: SO/JC/Imh

Tuesday 29th January 2013

Mr Steve Opacic Head of Strategic Planning Winchester City Council Colebrook Street Winchester SO23 9LJ Wates House Wallington Hill Fareham Hants PO16 7BJ

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Dear Mr Opacic,

## Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule - Consultation

Further to your letter dated 18<sup>th</sup> December 2012, we know that this is government policy but we are concerned that unless very carefully managed, CILs will simply be seen as an additional source of revenue, and negotiators will not find it easy to lower their expectations of what can be funded by 106 agreements. We fear that the edges will become blurred and overall costs will rise.

If we understand the rules correctly we see a charge of £120 per m2 for development within the city which will impose a considerable burden particularly on marginal redevelopment proposals (200m2 house x £120 CIL = £24,000 from CIL alone). Tourism is seen as one of the County's potential growth sectors and we are concerned that imposing a CIL on hotels could impact on the investment needed to build the new hotel capacity.

We are also concerned about the impact on development in our towns and villages.

Winchester area extends down Wickham and the borders of Fareham and we must be careful that we do not financially penalise developments near boundaries particularly if neighbouring authorities are charging at a lower rate.

Construction is one of the more effective ways of stimulating the local economy and we need to do everything we can to encourage investment. We believe that this is not the time to add a further burden to an industry already under stress and we will be urging the Council to set the lowest possible tariff levels.

Yours sincerely



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Chief Executive

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