

From: Megan Cameron <megan.cameron@cla.org.uk>
Sent: 29 April 2013 16:40
To: LDF
Subject: CIL Draft Charging Schedule CIL
Attachments: GN04-12 key messages for CIL charging schedule.docx

I have been reading the publication of a Draft Charging Schedule which is open for consultation.

I attach the CLA's key message document on CIL which I hope you will take into consideration regarding rural and agricultural development and farm diversification.

Farm Diversification

We presume that agricultural buildings fall into the "All other uses" category for type of development, therefore they have been acknowledged as a nil charge. However, we are concerned that small scale diversification e.g. Farm Shops, teashop, cafés, have not been specifically identified as a special case for exemption. The simple view I take is that a capital tax on development value is fine if you are making a capital disposal of the asset once developed (it becomes another cost in the residual valuation of the proposal). In the case of our members who are developing their own properties for agriculture and farm diversification the additional cost of CIL - £120/sq m, could well make the development unviable. **Therefore, it is our view that CIL should not apply to diversification of farm buildings.**

Rural Worker Dwelling

Please also note the special position of rural worker housing, which is always restricted in its occupation and exclude this type of dwelling from your charging schedule. Our view is that the **CIL should not apply** to these dwellings, which will have been justified as a requirement for the specific business. Such properties are not sold for development gain and are usually restricted by some form of occupancy condition which has already had a negative impact on the value of the development. The Council have failed to provide evidence to support this charge.

In such cases, a charge of between £80-120/sq m, would simply be an additional cost of construction and is likely to render many such projects unviable, and could lead to new farming entrants being priced off the land they wish to farm and the curtailment of new business start ups in rural areas.

As these properties are crucial to the operation of, in general, land-based businesses and sustainable rural communities, we ask that they be considered separately, based on a suitable viability assessment, or classified with affordable housing for CIL purposes and thus zero-rated for CIL purposes.

Given the rural nature of much of Hampshire, I hope you will bear in mind the CLA's key messages, and make a specific reference to farm diversification and rural worker dwellings; stating that CIL charged will not apply in the following CIL documentation.

We will look forward to examining the document in due course.

Kind regards

Megan Cameron

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