

STATEMENT

by

Dr Alan B Shrank, planning representative for the Shrewsbury Town Centre Residents Association.

Good morning

I am here to represent the response of the Shrewsbury Town Centre RA to the Shropshire Council's Draft Charging Schedule for the Community Infrastructure Levy. Our objection is specifically just to the exemption of commercial and retail development from the Schedule.

I listened yesterday to the concerted effort of Council officers to justify their schedule and to developers and others to find fault in the assessments. I heard about the studies of house prices and profit margins and the Council's logic in deciding who should pay and how much. I wondered when the Community was to be mentioned. Eventually we were told of Community involvement in a wish list of projects that really read more like a list of Council wishes rather than those of the Community.

I thought the Levy was introduced with the aim of reducing and even abolishing the reliance on Section 106 agreements, because such agreements take much time to finalise and there is no direct benefit to the community. I thought that it meant that developers knew the charge even before their planning application was registered, and furthermore whilst all funds accruing from Section 106 agreements were spent on matters decided by planning authorities, in contrast much of Levy would be spent at the wish of the community.

The Levy is obviously a tax on the capital profit on the development from which the community should profit especially when the development interferes with the amenity of the community. Greg Clark has also suggested it could be a sweetener for generally unwanted development. As a resident in Shrewsbury town centre for over 40 years, I have seen the undesirable effects of out-of-town developments such as retail centres and business parks on the viability and prosperity of my town centre. It is easily assessed by counting the number of empty shops and offices in all parts of our town centre. Section 106 agreements cannot compensate in any way for the huge amount of retail expenditure and office activity removed from the town centre by such developments. Whereas

substantial sums could be exacted if the Levy was appropriately applied to large retail stores and office development, especially those in out-of-town centres, and some of that Levy could be allocated to helping our town centres – and this could well include other market towns and not just Shrewsbury . (The subsequent debate clearly showed that a differential CIL could be readily applied to the Shrewsbury urban area, both greenfield and brownfield sites, for both commercial and retail developments. The argument based on the ‘broad brush treatment’ for the whole of the Council’s area is bogus – it’s not used for residential development - and appears to be a cover for the Council’s development policy and not based on the economic viability of the CIL charge.)

The Council’s scheme relies on Section 106 agreements for commercial and retail developments, and these agreements clearly do little or nothing to meet the community’s wishes. We consider it inequitable that residential dwellings should bear the whole brunt of the Community Infrastructure Levy, since it means that residents alone will in the end be paying it.

Accordingly we seek a rejection of this Draft Charging Schedule with the advice that Shropshire Council should consider exacting a Levy on commercial and retail development. We suggest that they use the same fine judgement that came up with the rates of £40 per square metre for urban residential development and £80 for rural development and come up with a figure of say £100 per square metre for all commercial and retail development but restricting it to developments over 250 square metres, which should exempt our farmers’ shops, a problem mentioned somewhere in their lengthy documentation.. (250 sq. m. might be too low for some rural developments set up by farmers).

This could provide an equitable source of funds for the community to spend its share on improving our town centre’s image and ease of use for example by subsidising parking and buses and for advertising its facilities. Section 106 agreements cannot be used to do this.

This plea may or may not be in your remit, but it needs to be said.

(Many of my comments appear to be echoed in the 29 page document on the Localism Bill: Impact Assessment on CIL just issued at

<http://www.parliament.uk/documents/impact-assessments/1829714.pdf>)