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Dear Helen

Shropshire Council Community Infrastructure Levy Draft Charging Schedule Consultation

The Highways Agency (HA) would like to thank Shropshire Council for this opportunity to respond to this consultation. The Council will be aware that the HA is responsible for maintaining the safe and efficient flow of the strategic road network (SRN) on behalf of the Secretary of State for Transport. In Shropshire, the SRN consists of the A5 around Shrewsbury and up past Oswestry. It also includes the A483 and A458 near Oswestry and Shrewsbury respectively, and sections of the A49 and M54.

In February this year, the HA responded to the Developer Contributions SPD and the Community Infrastructure Levy Preliminary Draft Charging Schedule Consultations. As a result, Shropshire Council will already be aware of the Agency's initial views on the draft Schedule.

The HA understands that developers should not be overburdened by an infrastructure levy; that it is for the Charging Authority to set a rate which strikes an appropriate balance between the desirability to fund infrastructure and the potential effect on the viability of development coming forward. However, the Agency wishes to underline again the importance of the timely delivery of the SRN junction improvements identified through the Core Strategy preparation process and detailed, as 'critical', in the LDF Infrastructure Delivery Plan.

Insofar as this consultation is concerned the HA recognises that it focuses on the CIL draft charging schedule and given the nature of these comments the Agency wishes to decide at a later date whether it wishes to be present at the Hearing. However for the comments to be given proper context, reference is also made to the Developer Contributions SPD.

The HA has reviewed the documents available as part of this consultation but we remain unclear as to whether an overall strategy for delivering the SRN junction improvements has been devised and implemented and how this draft charging schedule fits within it.

The emerging Developer Contributions SPD and Annex C of the preliminary CIL draft charging schedule identifies which pieces of infrastructure will benefit from the levy in Shropshire and which will be secured through planning obligations. In its previous response, the HA noted that of the eight SRN junction improvements identified, six are proposed to be delivered through planning obligations and two will benefit from CIL.

According to Appendix B of the Levy Rationale Background paper, the cost of those improvements proposed to be delivered through planning obligations has been included in the funding gap at which CIL is targeted. However, Government guidance *Community Infrastructure Levy Guidance: Charge setting and charging schedule procedures* states that "a Charging Authority needs to identify the total cost of infrastructure that it desires to fund from CIL".

The HA is concerned that this apparent conflict suggests that 'double' payments will occur if this proposed levy is charged in that developers will be paying CIL for items expected to be delivered by planning obligations, thereby conflicting with the CIL Regulations.

In the event Shropshire Council continues with its current planning obligations/CIL 'split', the HA also needs to be satisfied that the Shrewsbury SUEs can meet their planning obligations insofar as SRN junction improvements are concerned, if they are also to be charged CIL.

The Shrewsbury SUEs are expected to deliver around a third of Shrewsbury's housing target and, according to the emerging Developer Contributions SPD and Annex C of the preliminary CIL draft charging schedule, three of the eight SRN junction improvements (Churncote Island, Emstrey Roundabout and Preston Boats junctions). At the Core Strategy examination discussions about the financial viability of the Shrewsbury West SUE included whether the cost of the funding the Churncote Island improvements could be met. The Agency therefore seeks the same comfort that the Shrewsbury South SUE can also shoulder the responsibility of delivering the Emstrey Roundabout and Preston Boats improvements in addition to paying CIL.

Additionally, the Agency notes that in the case of the Oswestry urban extension site its 'abnormal' highways costs (i.e the Whittington Road, Mile End Roundabout and Maesbury Road improvements) have been taken into consideration when determining what the Council considers to be an appropriate levy. It is currently unclear to the HA why a similar approach has not been taken for those Shrewsbury sites which formed part of the viability assessment given that the South and West SUEs are expected to deliver a relatively significant proportion of the town's housing.

The HA recognises that this response raises a number of matters which require further discussion with Shropshire Council and the Agency looks forward to meeting with the

Council to address these. Indeed, the Agency sees this meeting as an opportunity to discuss this, the emerging Developer Contributions SPD and the SAMDev DPD given the interrelationships between all of these documents.

In the meantime, I hope you find these comments of assistance and look forward to meeting with the Council in the near future.

Yours sincerely

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