

7 JUNE 2023

PR6-23 | INFRASTRUCTURE LEVY

Introduction

We are writing in response to the government's consultation on the new Infrastructure Levy.

The National Association of Local Councils (NALC) is the national membership body that works with the 43 county associations of local councils to represent and support England's 10,000 local (parish and town) councils and parish meetings.

Local councils and their 100,000 councillors are the first tier of local government, closest to the people, and play an essential part in delivering hyper local services, building strong communities, and strengthening social fabric.

Local councils cover two thirds of England and a third of the population and invest over £3 billion per year to improve and strengthen communities.

Summary

- It is right the government intends to build on the current Community Infrastructure Levy for the new Infrastructure Levy with a local council being the body who will receive the neighbourhood share. This is consistent with the government's approach to devolution to local leaders with local accountability. Local councils are the first tier of local government and as democratically elected local leaders they are accountable to local people. Unelected and unaccountable local bodies that do not operate within the same extensive legislative frameworks as local councils should not be in receipt of the neighbourhood share.
- Under the new Levy, local councils must not receive a smaller percentage Neighbourhood Share than the current value being allocated to neighbourhoods in the existing system. Only by ensuring that this happens will the government guarantee that communities will benefit from development and local councils can invest in local infrastructure and other priorities. However, by regulation, the government should ensure that the minimum flat rate share that planning authorities can set for the neighbourhood share as part of their Infrastructure Delivery Strategies at 25%. An uplift or added incentive for communities that have a made neighbourhood plan in place, which is the presently the case where the

Community Infrastructure Levy is charged, also needs to be provided in the regulations.

- As proposed in an amendment to the Levelling Up and Regeneration Bill at committee stage in the House of Lords, the Neighbourhood Share should be 25% of receipts for local councils without a made neighbourhood plan and 35% of receipts for local councils with a made neighbourhood plan. This uplifted amount will retain the added incentive for local councils to develop neighbourhood plans. Furthermore, local councils should be named in law through Levelling Up and Regeneration Bill as the “person” to whom Infrastructure Levy receipts can be passed.
- As democratically accountable local leaders, local councils should have full flexibility as to how to use and spend the Neighbourhood Share as they are often at the front line of dealing with the impacts of development with residents, businesses, services and facilities.
- We welcome the fact that Infrastructure Levy regimes will be mandatory for local planning authorities to adopt. This will prevent planning authorities from wriggling out of their infrastructure levy payment commitments to local councils, create a wider incentive as stated above for local councils to make neighbourhood plans, and weave into the process a much-needed ladder of accountability.

Overarching policy statement

In October 2020 NALC included the below overarching planning policy statement in its response to the three main Planning White Paper consultations launched that summer – these positions still hold true in response to this consultation:

1. NALC has signed up to the proposition that there is a climate emergency and will therefore, as a general principle, promote and support moves and policies which help to mitigate it. For instance, NALC supports the need for Local Plans and large developments to be subject to environmental appraisals and it supports energy efficient homes and more trees.
2. NALC will support a planning system which incorporates a significant role for local (parish and town) councils. It will not support any diminution of local councils’ statutory right to comment on planning issues at all stages of their evolution, whether they be development planning matters or spatial planning policies.

3. NALC will support a soundly based planning system which represents the most reliable tool for the sustainable allocation of land, and which represents the three pillars of sustainability equally, i.e., social, economic, and environmental factors.
4. NALC will support changes to the planning system which it perceives will strengthen the system and the voice of democracy and lead to better quality, appropriately sited developments. It will not support planning changes which it perceives will work in the opposite direction.
5. NALC would support a very much strengthened version of the 'duty to co-operate' between neighbouring local authorities or an alternative policy which made it compulsory for neighbouring LAs to work in close co-operation with each other on spatial planning.
6. NALC does not support an across-the-board extension of permitted development rights in the planning system. Policies on permitted development rights should be the prerogative of LAs in their Local Plans or Neighbourhood Planning Groups.
7. NALC supports the recommendations of the Building Better, Building Beautiful Commission.
8. NALC recognises the need for more affordable housing and would welcome initiatives that would enable LAs and local councils to deliver some. In addition, NALC would like to see more housing delivered that is suitable for the disabled and those with mobility impairments and a range of different types of tenures facilitated.
9. NALC wants to see a fair infrastructure levy system which gives local councils a voice and benefits them financially so that they in turn can deliver more for their local communities.
10. NALC has concerns about housing tests based on standard methodologies/ algorithms. It wants to see a planning system which recognises that every planning application and every location is different.

Consultation questions

NALC's responses to the main consultation questions applicable to local councils in the consultation document are below:

Chapter 1: Fundamental design choices

Question 1: Do you agree that the existing CIL definition of ‘development’ should be maintained under the Infrastructure Levy, with the following excluded from the definition:

- developments of less than 100 square metres (unless this consists of one or more dwellings and does not meet the self-build criteria) Yes/No/Unsure

No, we do not agree with the less than 100 square metre exclusion. We agree that self-build should be excluded. We feel that all developments should pay some CIL, whether one residential property or more. However, this should not include extensions on properties.

- Buildings which people do not normally go into - Yes/No/Unsure

Unsure.

- Buildings into which people go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery - Yes/No/Unsure

Unsure - as above.

- Structures which are not buildings, such as pylons and wind turbines. Yes/No/Unsure

There should be no distinction between these. What is integral to one site is not integral to another. For example, a small development may be required to provide funding for school places at primary and secondary level, but a larger development may be required to provide not a cash figure, but an actual build of a primary or through-school.

Question 2: Do you agree that developers should continue to provide certain kinds of infrastructure, including infrastructure that is incorporated into the design of the site, outside of the Infrastructure Levy? [Yes/No/Unsure]. Please provide a free text response to explain your answer where necessary.

Yes, there will be certain obligations that fall outside of the Infrastructure Levy but these should be clearly defined within the regulations. One example of this is the Highways obligations which fall into a s278 agreement.

We would urge that the terms ‘integral’ and ‘Levy-funded’ infrastructure should be clearly defined to provide clarity and avoid any confusion and tensions.

Question 3: What should be the approach for setting the distinction between integral and Levy-funded infrastructure? [see para 1.28 for options a), b), or c) or a combination of these]. Please provide a free text response to explain your answer, using case study examples if possible.

Combination of these - there should be no distinction between these. What is integral to one site is not integral to another. For example, a small development may be required to provide funding for school places at primary and secondary level, but a larger development may be required to provide not a cash figure, but an actual build of a primary or through-school. Whatever the approach it should be clear and transparent.

Question 4: Do you agree that local authorities should have the flexibility to use some of their levy funding for non-infrastructure items such as service provision? [Yes/No/Unsure] Please provide a free text response to explain your answer where necessary.

Yes, but in specific cases only for both local councils and planning authorities. We support the retention of the existing different rules on spending of the neighbourhood share that are contained within the CIL regulations. For example, a large new development (e.g. a new secondary school). However, providing the facilities is not enough. What is needed is funding to support the employment of new staff such as doctors, teachers, etc, who will be providing services from existing facilities, but to new students from the development. This again reinforces why local councils should have full flexibility as to how to use and spend the neighbourhood share.

We have some sympathy in giving local authorities a small amount of flexibility to determine whether an element of the funding should be used to support non infrastructure items in special and specified circumstances. A good example is the long-term management and maintenance of infrastructure such as green spaces delivered as part of a planning obligation, especially as this is an issue for many areas – parished and unparished. It is our experience that financial and other arrangements for their long-term management/care of certain types of service such as roads, play areas and habitats provided as part of a development, particularly housing, are not fully considered or addressed as part planning approval/obligation process resulting in problems and tensions downstream including so called ‘fleece holding’. However, this flexibility should only be permitted in clear and special circumstances, local authorities should be expected overwhelmingly to prioritise infrastructure and affordable housing.

Question 5: Should local authorities be expected to prioritise infrastructure and affordable housing needs before using the Levy to pay for non-infrastructure items such as local services? [Yes/No/Unsure]. Should expectations be set through regulations or policy? Please provide a free text response to explain your answer where necessary.

Yes - we think that planning authorities are best able to set the priorities for their area, working closely with local councils.

Question 6: Are there other non-infrastructure items not mentioned in this document that this element of the Levy funds could be spent on? [Yes/No/Unsure] Please provide a free text response to explain your answer where necessary.

Yes. The neighbourhood share is an example of spending that is not necessarily infrastructure related. With this exception our view is that in the first instance you should not be making reference to non-infrastructure items as separate from infrastructure. In the S106 system it is possible to obtain both a maintenance and a provision component of s106 from a developer. This must continue.

Question 7: Do you have a favoured approach for setting the 'infrastructure in-kind' threshold? [high threshold/medium threshold/low threshold/local authority discretion/none of the above]. Please provide a free text response to explain your answer, using case study examples if possible.

None of the above - no specific approach is preferred, but a standard approach across the whole country would be helpful.

Question 8: Is there anything else you feel the government should consider in defining the use of s106 within the three routeways, including the role of delivery agreements to secure matters that cannot be secured via a planning condition? Please provide a free text response to explain your answer.

We think more neighbourhood plans should be written with s106/IL policies, to define the exact nature of the infrastructure or services the new development needs.

Chapter 2: Levy rates and minimum thresholds

Question 9: Do you agree that the Levy should capture value uplift associated with permitted development rights that create new dwellings? [Yes/No/Unsure]. Are there some types of permitted development where no

Levy should be charged? [Yes/No/Unsure]. Please provide a free text response to explain your answer where necessary.

Yes, but again only if the development is of a commercial nature and expected to raise funds for the developer.

Yes, anything that is of community benefit. There are various examples of local councils' own permitted development such as the provision of bus shelters, groundsmen's huts, allotments' sheds, EV charging points.

It is neither fair nor proper that new dwellings and some other forms of development brought forward through permitted development can be exempt from developer contributions aimed at mitigating the impact of development of the local community and infrastructure under the current planning rules. This change is welcome and long overdue.

With regard to whether there are some types of permitted development where no Levy should be charged, we do not have strong views on this but generally consider that this should be by exception. Also, that if considered desirable that there should be some local flexibility to determine the types of development that should be exempt based on local needs and circumstances.

Question 10: Do you have views on the proposal to bring schemes brought forward through permitted development rights within scope of the Levy? Do you have views on an appropriate value threshold for qualifying permitted development? Do you have views on an appropriate Levy rate 'ceiling' for such sites, and how that might be decided?

If permitted development brings forward schemes that create a commercial benefit, they should be charged the same s106/CIL rates as properties that have had to go forward through the planning system.

Question 11: Is there a case for additional offsets from the Levy, beyond those identified in the paragraphs above to facilitate marginal brownfield development coming forward? [Yes/No/Unsure]. Please provide a free text response to explain your answer where necessary, using case studies if possible.

Yes there is, particularly if the development would see a significant improvement to a derelict, or ugly site that is a blight on the street scene. In this case, in order to facilitate improvement, no CIL/s106 should be charged.

Question 12: The government wants the Infrastructure Levy to collect more than the existing system, whilst minimising the impact on viability. How strongly do

you agree that the following components of Levy design will help achieve these aims?

- Charging the Levy on final sale GDV of a scheme [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure]

Strongly Agree. The full yield of the final sale GDV will not be achieved unless the levy is charged in this way.

- The use of different Levy rates and minimum thresholds on different development uses and typologies [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure]

Neutral. The logic to having different rates for commercial and household developments is clear but the detailed implications of applying different levy rates for households in different areas is less clear.

- Ability for local authorities to set 'stepped' Levy rates [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure]

Agree. Where local authorities wish to direct development to specific areas, such as those of high deprivation the ability to apply stepped levy rates can be a useful tool.

- Separate Levy rates for thresholds for existing floorspace that is subject to change of use, and floorspace that is demolished and replaced [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure]

Agree, particularly where there is change of floor space from retail to residential.

Question 13: Please provide a free text response to explain your answers above where necessary.

Not applicable.

Chapter 3: Charging and paying the Levy

Question 14: Do you agree that the process outlined in Table 3 is an effective way of calculating and paying the levy? [Yes/No/Unsure] Please provide a free text response to explain your answer where necessary.

Unsure – it is reasonable. However, we do have some concerns about the proposal to enable local authorities to borrow against Levy proceeds to allow for the future

funding of infrastructure. We are especially concerned what would happen in these circumstances should a local authority determine not to borrow the money, or the developer be unable to pay the proceeds downstream. It may also act as an incentive for developers to build-out less quickly to delay or avoid making any payments.

Many communities already experience problems when infrastructure such as schools, health facilities and roads planned required as part of a development do not come about until many years after the development commenced and in some instances when completed.

We would like to see Levy payments continue to be paid at the granting of planning approval stage.

Question 15: Is there an alternative payment mechanism that would be more suitable for the Infrastructure Levy? [Yes/No/Unsure] Please provide a free text response to explain your answer where necessary.

No - not that we can think of.

Question 18: To what extent do you agree that a local authority should be able to require that payment of the Levy (or a proportion of the Levy liability) is made prior to site completion? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure]. Please explain your answer.

Strongly agree. If you are requiring a new school or a new local shopping precinct to be part of a new development, these must of course come forward well in advance of site completion, otherwise people in the first phases do not benefit from the necessary infrastructure.

However, there are often problems for the occupiers of a development and the wider community when infrastructure such as schools, health facilities and roads planned required as part of a development do not come about until many years after the development commenced and in some instances when completed.

Question 19: Are there circumstances when a local authority should be able to require an early payment of the Levy or a proportion of the Levy? Please provide a free text response to explain your answer where necessary.

Yes, as above.

However, if it is determined that the focus should be on payment on completion we would urge that local authorities should be able to require early payment of the Levy or a proportion of it for essential infrastructure such as roads, schools, health and other communities etc. and that the neighbourhood share (see q.34) should form part of any early payment.

Chapter 4: Delivering infrastructure

Question 21: To what extent do you agree that the borrowing against Infrastructure Levy proceeds will be sufficient to ensure the timely delivery of infrastructure? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure]. Please provide a free text response to explain your answer where necessary.

Disagree.

Question 22: To what extent do you agree that the government should look to go further, and enable specified upfront payments for items of infrastructure to be a condition for the granting of planning permission? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure] Please provide a free text response to explain your answer where necessary.

Unsure. The government should be aware that this is important for the timely delivery and implementation of the essential infrastructure required to deliver the developments and mitigate any adverse impacts.

Question 23: Are there other mechanisms for ensuring infrastructure is delivered in a timely fashion that the government should consider for the new Infrastructure Levy? [Yes/No/Unsure] Please provide free text response to explain your answer where necessary.

Unsure.

Question 24: To what extent do you agree that the strategic spending plan included in the Infrastructure Delivery Strategy will provide transparency and certainty on how the Levy will be spent? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree] Please provide a free text response to explain your answer where necessary.

Agree. The Infrastructure Delivery Strategy will consider the strategic spending plans for the whole of a Charging Authority but there should be direct community involvement in the local needs of an area. This is best delivered through a full

involvement of local councils in this process. Using Neighbourhood Plans to create local infrastructure policies is a much sounder approach.

The principle is supported as it should provide transparency and certainty. Our experience of such documents is that they can be often too general and vague to be meaningful, which should be avoided.

Question 25: In the context of a streamlined document, what information do you consider is required for a local authority to identify infrastructure needs?

There are some needs that are standard, such as community facilities, swimming pool provision, and sports provision, as well as highways infrastructure, education, etc. But there are many situations where when working closely with affected local councils, less obvious infrastructure needs come to light, such as cycle tracks for children in secondary schools who have to travel some distance, and car parking in town centres, so the new development does not become a dormitory development.

It is imperative that they are supported by robust evidence and information.

**Question 26: Do you agree that views of the local community should be integrated into the drafting of an Infrastructure Delivery Strategy?
[Yes/No/Unsure] Please provide a free text response to explain your answer where necessary.**

Yes - certainly the views of the local council must be integrated into the Infrastructure Delivery Strategy.

The views of local councils are critical here. They are the first tier of local government. Owing to their unique place embedded within local communities they are well-placed to identify and bring forward local needs and priorities. We would like to see specific reference in the guidance to the need to meaningfully engage with local councils in parished areas.

Question 27: Do you agree that a spending plan in the Infrastructure Delivery Strategy should include:

- Identification of general integral infrastructure requirements
- Identification of infrastructure/types of infrastructure that are to be funded by the Levy

- **Prioritisation of infrastructure and how the Levy will be spent**
- **Approach to affordable housing including right to require proportion and tenure mix**
- **Approach to any discretionary elements for the neighbourhood share**
- **Proportion for administration**
- **The anticipated borrowing that will be required to deliver infrastructure**
- **Other – please explain your answer**

Not applicable. Identification of whether the area needs leasehold or shared ownership options within the development, as well as self-build service plots.

Question 28: How can we make sure that infrastructure providers such as county councils can effectively influence the identification of Levy priorities?

Planning authorities raise the infrastructure levy and county councils spend some of it. And they rarely talk to each other about this.

- **Guidance to local authorities on which infrastructure providers need to be consulted, how to engage and when**

Helpful, as long as local councils are included in this. Local councils should always be consulted on all material aspects of neighbourhood infrastructure provision, either as interested parties or as infrastructure providers. Regular dialogue between planning authority and local council officers and councillors would facilitate this, as well as through attendance at respective planning committee meetings.

- **Support to county councils on working collaboratively with the local authority as to what can be funded through the Levy**
- **Use of other evidence documents when preparing the Infrastructure Delivery Strategy, such as Local Transport Plans and Local Education Strategies**
- **Guidance to local authorities on prioritisation of funding**
- **Implementation of statutory timescales for infrastructure providers to respond to local authority requests**
- **Other – please explain your answer**

None of the above are likely to be specifically helpful. Local councils need to become statutory consultees on development.

Question 29: To what extent do you agree that it is possible to identify infrastructure requirements at the local plan stage? [Strongly

Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure] Please provide a free text response to explain your answer where necessary.

Disagree - for the big-ticket items such as highways, and schools, but the rest is much more granular.

Chapter 5: Delivering affordable housing

Question 30: To what extent do you agree that the 'right to require' will reduce the risk that affordable housing contributions are negotiated down on viability grounds? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure] Please provide a free text response to explain your answer where necessary.

Agree - a right to require will prop up local authorities in negotiating viability settlements. The big issue here is that viability is not always understood by local authority planners, and legal services are in short supply and not trained to address this matter either, so the developers invariably win on this issue.

Question 31: To what extent do you agree that local authorities should charge a highly discounted/zero-rated Infrastructure Levy rate on high percentage/100% affordable housing schemes? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure] Please provide a free text response to explain your answer where necessary

Agree - zero-rated. NALC has made the case before that our sector should be encouraged and empowered to be community-led providers of affordable housing.

It would make sense for local councils to be fully exempt from paying the new Infrastructure Levy. Even affordable homes have some commercial benefit. Affordable homes also come in a range between 80% to 20% payment of rent on the price of the property.

Question 32: How much infrastructure is normally delivered alongside registered provider-led schemes in the existing system? Please provide examples.

This often depends on how much a given local council pushes.

Question 33: As per paragraph 5.13, do you think that an upper limit of where the 'right to require' could be set should be introduced by the government? [Yes/No/unsure] Alternatively, do you think where the 'right to require' is set

should be left to the discretion of the local authority? [Yes/No/unsure]. Please provide a free text response to explain your answer where necessary.

Yes.

Chapter 6: Other areas

Question 34: Are you content that the Neighbourhood Share should be retained under the Infrastructure Levy? [Yes/No/Unsure?]

Yes.

As the consultation document quite rightly states “retaining the Neighbourhood Share will enable local communities to receive a portion of Levy proceeds to spend as they deem appropriate, in a hyper-localised manner, in order to support the needs of the community”.

It is the experience of our members and many others that the neighbourhood share of CIL is working well not only for communities but also developers and local authorities.

The Neighbourhood share ensures that communities receive a fair contribution of a planning obligation to mitigate at a very local level the impacts of new development and in a manner that provides for a high degree of certainty, responsiveness, accountability, transparency and local control. It acts as a powerful incentive for communities to support and shape the development and growth of the area. It helps demonstrate that there are benefits and positives with development and allows communities to have their say and choose how development contributions are spent to meet local needs and priorities.

Its loss would be a serious retrograde step.

We would also propose a change to the regulations on the spending of the neighbourhood share to allow a parish council to retain the neighbourhood share for longer than 5 years where the parish council has clearly defined spending plans for a specific project that is unable to be completed by the funds generated over a five-year period.

Question 35: In calculating the value of the Neighbourhood Share, do you think this should A) reflect the amount secured under CIL in parished areas (noting this will be a smaller proportion of total revenues), B) be higher than this equivalent amount C) be lower than this equivalent amount D) Other (please

specify) or E) unsure. Please provide a free text response to explain your answer where necessary

D - The neighbourhood share should be predicated on: 25% of receipts for local councils without a made neighbourhood plan.

- 35% of receipts for local councils with a made neighbourhood plan – this will retain the added incentive for local councils to make neighbourhood plans.
- Local councils should be named in law (ideally the Levelling Up and Regeneration Bill) as the “person” to whom Infrastructure Levy receipts can be passed.

We would also propose a change to the regulations on the spending of the neighbourhood share to allow a parish council to retain the neighbourhood share for longer than 5 years where the local council has clearly defined spending plans for a specific project that is unable to be completed by the funds generated over a five-year period.

Question 36: The government is interested in views on arrangements for spending the neighbourhood share in unparished areas. What other bodies do you think could be in receipt of a Neighbourhood Share in such areas?

It is right the government intends to build on the current Community Infrastructure Levy for the new Infrastructure Levy with a local council being the body who will receive the neighbourhood share. This is consistent with the government’s approach to devolution to local leaders with local accountability.

Local councils are the first tier of local government and as democratically elected local leaders they are accountable to local people. They must also operate within a statutory audit and accountability framework which includes transparency requirements.

The government has previously expressed support for the creation of new local councils in unparished areas to give more people the opportunity to take control and have a greater say over what goes on in their neighbourhood.

In unparished areas, the government should maintain the same approach used for the current Community Infrastructure Levy for the new Infrastructure Levy.

Unelected and unaccountable local bodies that do not operate within the same extensive legislative frameworks as local councils should not be in receipt of the neighbourhood share.

A community or local body that wishes to be in receipt of, and have more direct control over, the neighbourhood share should use existing measures open to them to create a new local council.

New measures have already been introduced to help remove the bureaucratic burdens faced by community groups wanting to set up a local council to allow communities to take control of local assets, deliver local services and influence decision-making and priorities.

Measures included lowering the threshold of signatures required to trigger a review of governance from 10% to 7.5 % of residents, speeding up the process and creating greater certainty for local campaigners by shortening the amount of time the local authority can take to complete a governance review to 12 months from receipt of a valid petition, and allowing neighbourhood forums to trigger a community governance review for a new local council without requiring them to submit a petition.

The Levelling Up the United Kingdom white paper commits to a review of neighbourhood governance including making it quicker and easier to establish new local councils. This review is yet to start and the government should bring this forward as a matter of urgency.

Question 37: Should the administrative portion for the new Levy A) reflect the 5% level which exists under CIL B) be higher than this equivalent amount, C) be lower than this equivalent amount, D) Other, (please specify), or E) unsure. Please provide a free text response to explain your answer where necessary.

A - principal authorities currently get a 5% share of CIL to pay for its administration - this should continue under IL.

Question 38: Applicants can apply for mandatory or discretionary relief for social housing under CIL. Question 31 seeks views on exempting affordable housing from the Levy. This question seeks views on retaining other countrywide exemptions. How strongly do you agree the following should be retained:

- residential annexes and extensions; [Strongly Agree/Agree/Disagree/Strongly Disagree]

Agree - retain as exempt.

- self-build housing; [Strongly Agree/Agree/Disagree/Strongly Disagree] Retain as exempt as long as this is limited to one property.

Agree - retain as exempt as long as this is limited to one property.

If you strongly agree/agree, should there be any further criteria that are applied to these exemptions, for example in relation to the size of the development? As above, on brownfield sites where development would significantly enhance an area.

As above, on brownfield sites where development would significantly enhance an area. If the government is minded to introduce this it should consider that this should be best determined at the local level having regard to local needs and circumstances. This response applies to self-build housing too.

Question 39: Do you consider there are other circumstances where relief from the Levy or reduced Levy rates should apply, such as for the provision of sustainable technologies? [Yes/No/Unsure]. Please provide a free text response to explain your answer where necessary.

Yes - we support the notion of 100% relief from IL for developments undertaken by our sector. Not just for developments regarding renewable energy, but also for example parish council-run community halls and playing field pavilions. If the government is minded to introduce this we consider that this should be best determined at the local level having regard to local needs and circumstances.

Question 40: To what extent do you agree with our proposed approach to small sites? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure] Please provide a free text response to explain your answer where necessary.

Agree - we support the ability for LPAs to levy IL on small sites (e.g. of fewer than ten dwellings) in rural areas. If the government is minded to introduce this we consider that this should be best determined at the local level having regard to local needs and circumstances.

Question 41: What risks will this approach pose, if any, to SME housebuilders, or to the delivery of affordable housing in rural areas? Please provide a free text response using case study examples where appropriate.

We need to encourage our SME housebuilders to work on brownfield sites. Larger builders will not touch these, so there should be incentive for SME housebuilders to undertake such building work.

Question 42: Are there any other forms of infrastructure that should be exempted from the Levy through regulations?

Yes - infrastructure developments undertaken by local councils. But if the government is minded to introduce this it must consider that this should be best determined at the local level having regard to local needs and circumstances.

Question 43: Do you agree that these enforcement mechanisms will be sufficient to secure Levy payments? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure] Please provide a free text response to explain your answer where necessary.

Disagree. The proposed enforcement mechanisms are insufficient because there will be no one in place to enforce them. This weakness in the proposed mechanisms must be corrected.

Chapter 7: Introducing the Levy

Question 44: Do you agree that the proposed 'test and learn' approach to transitioning to the new Infrastructure Levy will help deliver an effective system? [Strongly Agree/Agree/Neutral/Disagree/Strongly Disagree/Unsure] Please provide a free text response to explain your answer where necessary.

Agree - this is a useful approach. However, there should be a single date for its introduction to avoid cause confusion, provide certainty and maximise its impact.

For further information on this response contact Chris Borg via email at chris.borg@nalc.gov.uk or policycomms@nalc.gov.uk.