Hatch Beauchamp Parish Council
by Email 7/10/26

Dear Mrs Fowler

Land West of Station Road, Hatch Beauchamp - Proposed Exceptional Circumstances Relief (ECR) Application

Thank you for your letter of 23 September 2026 regarding the application for Exceptional Circumstances Relief (ECR) from Community Infrastructure Levy (CIL) liabilities in relation to the above development. We acknowledge the concerns raised by Hatch Beauchamp Parish Council and appreciate the constructive manner in which they have been presented.

The Council recognises the importance of CIL funding to local communities and understands the Parish Council's concern regarding the potential loss of infrastructure funding, including the neighbourhood portion that would otherwise be payable to the parish. We also acknowledge the Parish Council's support for the provision of affordable housing within the village. I have addressed each of the points you raised in your letter below.

1. **Exceptional Circumstances Relief Policy**

The Council's adopted ECR Policy reflects the provisions of the Community Infrastructure Levy Regulations and allows relief to be considered where the statutory and policy requirements are met. The purpose of the policy is not to provide a general mechanism for reducing development costs but to allow relief in those circumstances where the Council is satisfied that the imposition of CIL would have an unacceptable impact on the viability of a development and where the wider public benefits of delivery justify the grant of relief.

In considering any application, the Council must have regard to detailed viability evidence submitted by the applicant and, in accordance with the Council's policy, that evidence is subject to independent review. The Council is required to assess the current viability position of the development at the time of determination of the ECR application rather than relying solely on viability evidence prepared for other purposes or at an earlier point in time. The fact that an earlier viability appraisal demonstrated a different financial position does not, in itself, determine whether the current application satisfies the requirements of the ECR policy.

This development proposal (ref 19/24/0007) was granted permission on 11th August 2026. It is only once permission has been granted that a development can claim and be considered for CIL Exceptional Circumstances Relief.

2. Viability Evidence

You have referred to the viability appraisal submitted in July 2024 and requested a reconciliation between that appraisal and the position relied upon in support of the current application.

The assessment has considered up to date costs, values, financing assumptions and other development inputs relevant to the current viability position. Thank-you for pointing out an inconsistency in the spreadsheet, where 6 Full market dwellings were assessed rather than 4. Having re-run the numbers I can confirm that the deficit still remains at a high enough level to meet the Exceptional Circumstances Relief Policy.

This independent viability report has formed the basis of the proposed decision to recommend granting 100% CIL Exceptional Circumstances Relief for this development.

3. Community Infrastructure Levy and Affordable Housing

The Council agrees that the loss of CIL funding is a relevant consideration. However, the purpose of ECR is to enable development to proceed where the evidence demonstrates that compliance with the full CIL liability would jeopardise deliverability and where granting relief is considered expedient. In considering any application, the Council must therefore weigh the loss of CIL income against the benefits arising from delivery of the development.

In this case, those benefits include the delivery of affordable housing that meets identified housing needs within the area. The Council notes the Parish Council's comments regarding the rural exception site status of the development. The provision of affordable housing was an important consideration in the granting of planning permission and remains a relevant factor in assessing the wider public benefits associated with delivery of the scheme.

The planning obligations secured through the Section 106 Agreement are specifically intended to make the development acceptable in planning terms by mitigating its impacts and addressing matters that are directly related to the development. These obligations formed part of the planning balance when permission was granted and remain an important material planning consideration. Whilst the Council acknowledges concerns regarding the potential loss of Community Infrastructure Levy (CIL) receipts, including the neighbourhood portion that would otherwise be payable to the Parish Council, the absence of CIL funding does not in itself render the development unacceptable in planning terms.

4. Transparency and Governance

The Council is committed to ensuring that any decision is taken in accordance with its adopted procedures and delegated powers. The authority under which any decision is made will be clearly documented, together with the reasons supporting that decision.

The Council has received your request for information relating to this matter, including under the Environmental Information Regulations and a response has been provided.

5. Subsidy Control

The Council can confirm that subsidy control considerations form part of the assessment process where required by the Council's policy and relevant legislation. Any decision on ECR will not be issued unless the Council is satisfied that all applicable legal requirements have been properly considered.

6. Scrutiny, public accountability and potential disqualifying event

The matters raised regarding ownership changes, social housing relief and potential disqualifying events have been noted. The Council is aware of the requirements of the Community Infrastructure Levy Regulations and its adopted ECR Policy.

In terms of the South West Audit Partnership report I have attached a link to the report that went to the Corporate and Strategic Scrutiny Committee on 8th July (not 13th July) so that you can review and see that this did not raise any concerns regarding the allocation of CIL funding to rural communities as your refer to in your letter.

Social Housing Relief and Exceptional Circumstances Relief are separate forms of relief provided for under the Community Infrastructure Levy Regulations and are subject to different eligibility criteria and assessment processes. A chargeable development cannot receive more than one form of relief in respect of the same CIL liability, and the Council must determine the application before it on the basis of the relief sought and the applicable statutory tests. In this case, the applicant has not applied for Social Housing Relief and the Council is therefore not considering the development against the criteria for that relief. Instead, the application seeks Exceptional Circumstances Relief, which requires the Council to assess whether the relevant legislative and policy requirements have been met, including consideration of the impact of the CIL liability on the viability of the development. Accordingly, the availability or otherwise of Social Housing Relief is not a matter that falls to be determined as part of the current application.

The Council has carefully considered the representations submitted by the Parish Council. Whilst there is no statutory requirement under the Community Infrastructure Levy Regulations for the Parish Council's agreement to be obtained before

determining an application for Exceptional Circumstances Relief, the Council has taken account of the matters raised insofar as they are relevant to the assessment of the application. The decision must ultimately be made in accordance with the Community Infrastructure Levy Regulations, the Council's adopted Exceptional Circumstances Relief Policy and the viability evidence.

I have now taken the Decision to grant Exceptional CIL Relief and the decision will be recorded in accordance with the Councils normal procedures.

Thank you again for setting out the Parish Council's views. We recognise the importance of this issue to the local community and appreciate the time taken to provide detailed representations.

Yours sincerely,

Bill Cotton

Service Director, Planning (Interim)

Somerset Council

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