



Suffolk Coastal...
...where quality of life counts

Community Infrastructure Levy

Responses to Preliminary
Draft Charging Schedule

October 2014

Suffolk Coastal District Council CIL Preliminary Draft Charging Schedule Consultation Responses

October 2014

Contact Details	Response to Consultation	Officer / PBA Comment
A Jones	<p>Section 3: Evidence and Rate Setting</p> <ol style="list-style-type: none"> 1. There is insufficient differentiation between types of development/developer in the tables in 3.17 & 3.27. 2. Also the industrial-type developments mentioned in 3.28 should not all have CIL waived. Increased CIL charges for greenfield developments over brownfield, for larger retailers over independents (to protect small town centres) and for commercial development over those with a social benefit (e.g. care homes). Industrial developments should be considered for CIL as the impact of these on the local community can be large too. <p>Section 4: Estimated Revenue</p> <p>Are there any firm plans for 'other avenues and funding opportunities' to fill the substantial funding gap identified in 4.3? Many funding sources seem to be drying up so what is the back up plan in case this extra funding does not materialise?</p> <p>Section 5: Implementation</p> <p>A large funding gap appears inevitable despite the CIL and this will have a considerable impact on local communities whose hands seem to be tied under new planning legislation.</p> <p>Changes to Plan: Communities should be entitled to a larger proportion of the CIL than that outlined in 5.3 because these are the people on whom local development will have the biggest impact. Isn't this the area 'where quality of life counts'?</p>	<p>Section 3: Evidence and Rate Setting</p> <p>The differentiation and proposed CIL charges are based on viability evidence supported by consultation and analysis of sales values and patterns of development.</p> <p>As per the CIL Regulations CIL cannot be set in order to fulfil planning functions i.e. to protect small town centres.</p> <p>No evidence is offered by the respondent to counter the differentiations adopted in the Preliminary Draft Charging Schedule.</p> <p>Section 4: Estimated Revenue</p> <p>The Council is always looking for alternative funding opportunities that become available and this will continue following the introduction of CIL across the district. Funding from service providers and other stakeholders such as Anglian Water are expected to become available once the Council has greater certainty regarding future site allocations as part of the Site Allocations document and the Felixstowe Peninsula Area Action Plan.</p> <p>Section 5: Implementation</p> <p>National regulations are clear that funds generated through CIL are not expected to deliver the entire infrastructure required, therefore a funding gap will always exist. The level of funds transferred to local communities is set by national regulations and the District Council has no evidence to demonstrate that these thresholds should be changed at a local level.</p>
Bromeswell Parish Council / Sutton Parish Council / Sutton Ward Parishes / Sutton Parish Council	<p>The parishes of Bawdsey, Alderton, Shottisham, Sutton and Bromeswell are so concerned about these proposals that they have formed a group (The Sutton Ward) to register their objections. This group has met to discuss their unanimous opposition to the draft charging structure.</p> <p>The fundamental objection is that these parishes have been put into a medium house price zone, thereby encouraging development in an area of Outstanding Natural Beauty, the Suffolk Coast and Heaths, the River Deben designation and other planning restrictions. In addition to this, no</p>	<p>Parishes put into a Medium House Price Zone (Encouraging development in an AONB, The Suffolk Coast and Heaths, The River Deben etc.)</p> <p>The CIL methodology used is based on the CIL Regulations - which make clear that CIL Charging zones must be high level so as to avoid complicated CIL Charging schedule structures. The PBA study is also based on viability, rather than on specific planning allocations. Should development take place in the locations discussed the viability study shows the level of CIL which</p>

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	<p>account seems to have been considered regarding the lack of sustainability of the parishes including the fact that there is just one single road access in and out of the Deben peninsular area which is used by Bawdsey, Alderton, Shottisham and Sutton.</p> <p>This proposal has the effect of encouraging residential development in one of the most environmentally sensitive parts of Suffolk ,thereby making the proposal in conflict with the National Planning Policy Framework which emphasises that AONB's, and SSSI/Ramsar sites merit the highest possible protection. It would appear that SCDC have ignored this Central Government policy which is one reason why it is now challenged. In terms of the economy, it is accepted that a large number of visitors come to this county to enjoy its peace and tranquillity which is provided by the AONB ; this obviously will be compromised by your CIL proposal which encourages development in this area and will have an adverse impact on the sustainable Tourism economy .</p> <p>We wish to challenge the data that presumably lies behind the Peter Brett Associates document. We say 'presume' because they say on para 5.2.2 'Comparables we have used were provided in confidence and cannot be made public' Why not? It is our villages that you are making assumptions about and we feel we have a right to see the raw data which lies behind the house price comparison chart.</p> <p>We also wish to have an explanation as to how the zones have been made up and the reasons for the decisions about the selection of parishes within each zone. The report says that this decision is somewhat "arbitrary", but of course "arbitrary" decisions are not appropriate in the open government of today; do you mean "random" when you use the word "arbitrary"? If not there must be some reason behind the choice of what parish to include or exclude in a particular zone. We expect you to disclose those reasons; <i>also we ask for the minutes of the meeting at which the zone selection decision was made, also details of those present.</i></p> <p><i>We wish to see the land registry data used by you with details of the house prices and location of the houses. Are PBA aware that one village (Sutton Heath) predominates in this ward with a considerably larger population than any other? In addition, that village, in stark contrast to the others has a high turnover of houses owing to military mobility and the fact that the value of those houses is about 50% of the value of houses elsewhere in the ward/Zone. We suspect that this house price data has been averaged over the area, thus diluting the others to make Sutton Ward a medium house price area which does not reflect the truth for the other parishes in the zone. Woodbridge is stated as a high value area with 3 bedroom houses selling for £250,000. Similar size houses are selling in these villages for £275,000. In Bromeswell (proposed medium band CIL), there have been 15 house sales in the last 5 years with an average price paid of</i></p>	<p>development could viably afford to contribute. However planning applications will still be judged on merit and the designations of the local plan / regional and national planning guidance.</p> <p>Some evidence has been provided on a confidential basis and therefore cannot be published in the Viability Study but information relating to land sales and house prices is widely available in the public domain. The CIL Regulations and accompanying advice make it clear that setting an overcomplicated CIL charge on the basis of a multi-banded structure is to be avoided unless: a) development is otherwise to be deemed unviable, or, b) adding additional complexity generates significant additional revenue. Our analysis (which includes analysis of all dwellings sold including military housing) indicates that it is appropriate for the area in question to be covered by a single charge, and that the majority of development will not be negatively affected by the proposed CIL charges.</p> <p>We would note that we would also always welcome the provision of additional comparables in order that we can ensure that our viability testing is as accurate as possible.</p> <p>CIL Regulations state that CIL charging zones must be delineated with clear and definable boundaries which can be plotted precisely on an OS map base. Statistical wards are used because very precise boundary mapping exists, and is not subject to the degree of change that electoral wards or postcode boundaries are subject to. Furthermore, ward boundaries generally follow settlement boundaries. They are therefore the best way of approaching this issue. Our analysis on sales value supported such an approach. Whilst there is potential for variations within each ward we have ensured that the bulk of development is not put at risk.</p>

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	<p>£464,608 (source: Zoopla 1 July2014). In Woodbridge (proposed higher band) this figure is 3,112 houses sold with an average price paid of £276,547. For our neighbouring village of Ufford (proposed higher band) the figures are 61 houses sold with an average price paid of £342,000. Placing Bromeswell in a lower CIL category than neighbouring towns and parishes with significantly lower average house prices because of "arbitrary" groupings of parishes (your reports word) throws your entire methodology and process into doubt as to its being fit for purpose. It is very difficult to understand why the SCDC Local Planning document adopted as recently in 2013 can adopt a village by village hierarchy, yet for CIL you propose grouping villages with entirely different characteristics in terms of house values.</p> <p>Suffice it to say, we regard this report as fundamentally flawed and is challenged by us.</p> <p>Listed above is our detailed request for further and better particulars including the raw data and explanations of methodology; we will not be satisfied until we are in possession of the underlying rationale.</p>	
Aldeburgh Town Council	<p>While the level of the CIL to be applied to Aldeburgh (in common with much of the SCDC area) seems high, we would ask that assurances are given that the appropriate percentage of the fund charged on the town is returned to the town of Aldeburgh. As there are few other new large infrastructure projects currently required within the town, it is a priority that it should be returned for the provision of affordable housing as a high priority, together with assistance for the local Primary School. Accepting that it is desirable to attract developers and thus more inhabitants to the area, long term sustainability in terms of employment is still a big issue. The square meterage at which point the levy is triggered appears to be fairly set.</p> <p>It would be useful to have full definition nearer its implementation of 'self-build' for example to avoid confusion, and the point in planning process at which the CIL becomes due. Aldeburgh recognises that in order to benefit fully from CIL legislation the town requires a Neighbourhood Plan to be in place. Clarification of 'material' and 'non-material' considerations for planning applications is welcomed.</p>	<p>As detailed within the viability evidence, the town of Aldeburgh regularly shows the highest land values and property prices across the district and therefore the highest CIL charge is considered appropriate. Information relating to how the Council expects to spend CIL funds are to be published alongside the Draft Charging Schedule consultation document in the form of a Draft Regulation 123 List.</p> <p>Comments re: self-build noted and the Council will support all communities across the district who have an interest in developing a Neighbourhood Plan for their area.</p>
Alde & Ore Estuary Partnership	<p>Section 5: Implementation - Community Infrastructure Levy Preliminary Draft Charging Schedule</p> <p>Re 5.2 The Alde and Ore Estuary Partnership would like to ensure that CIL funds for flood defences could be used as part of the necessary "local contribution" to flood defence works to be paid via the Estuary Trust or the IDB as an outside body that delivers infrastructure works, as well as the</p>	<p>Information relating to how the Council expects to spend CIL funds is to be published alongside the Draft Charging Schedule consultation document in the form of a Draft Regulation 123 List.</p> <p>Any enabling development is considered to be residential in use and national guidance states that there can be no differential in charges for specific uses,</p>

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	<p>Environment Agency.</p> <p>Re 5.5 The Alde and Ore Estuary Partnership (and Alde and Ore Estuary Trust) aim to use the sale of enabling development sites with planning permission to fund flood defences and would like agreement that these <i>enabling development sites would be exempt from CIL.</i></p>	<p>therefore all residential developments including enabling development which fall within Use Class C3 and C4 will be required to pay CIL at the appropriate residential rate.</p> <p>National exemptions and relief apply to various uses as detailed in the CIL regulations but the Council do not consider that the enabling development proposed by the Alde and Ore Estuary Partnership falls within the bounds of these national exemptions and reliefs.</p>
Aldi Stores Ltd c/o Planning Potential	PLEASE SEE SEPARATE RESPONSE BELOW	PLEASE SEE SEPARATE RESPONSE BELOW
Anglian Water	<p>Thank you for the opportunity to comment on the CIL - draft charging schedule. I would not expect there to be provision within the CIL for used water infrastructure. We would be pleased to engage in further discussion should foul water network infrastructure be considered for inclusion. In general, used water treatment infrastructure upgrades to provide for residential growth are wholly funded by Anglian Water through our Asset Management Plan.</p> <p>Network improvements (on-site and off-site) are generally funded/part funded through developer contribution via the relevant sections of the Water Industry Act 1991. The cost and extent of the required network improvement are investigated and determined when we are approached by a developer and an appraisal is carried out. There are a number of payment options available to developers. Options include deducting the revenue that will be raised from the newly connected dwellings (through the household wastewater charges) over a period of twelve years off the capital cost of the network upgrades.</p> <p>The developer then pays the outstanding sum. Further information on paying for new or upgraded sewers can be found: http://www.ofwat.gov.uk/legacy/aptrix/ofwat/publish.nsf/AttachmentsByTitle/seflay_guidance_financial140504.pdf/\$FILE/selfflay_guidance_financial140504.pdf</p>	Comments noted,
Asda Stores Ltd c/o Thomas Egger	PLEASE SEE SEPARATE RESPONSE BELOW	PLEASE SEE SEPARATE RESPONSE BELOW
Mrs Carol Florey	<p>Section 3: Evidence and Rate Setting</p> <p>1. Felixstowe should not be within the low band of charges. This will encourage developers to flood our town with applications whether appropriate or not. Your document clearly says 'parts of Felixstowe' so why does the whole of Felixstowe have to come within this band? I am</p>	<p>Section 3: Evidence and Rate Setting</p> <p>Felixstowe Charging Band</p> <p>The differentiation and proposed CIL charges are based on viability evidence supported by consultation and analysis of sales values and patterns of</p>

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	<p>aware the Core Strategy states the need for housing in Felixstowe and as such surely a mid-range charge would provide better profit for the council!</p> <p>2. Comparison retail should not be zero rated. Businesses should be zero rated but comparison retail should not be any different to convenience retail.</p> <p>Changes to Plan:</p> <ol style="list-style-type: none"> 1. Felixstowe should be within the mid- range 2. Comparison retail should be charged the same as convenience retail 	<p>development.</p> <p>As per the CIL Regulations CIL cannot be set in order to fulfil planning functions i.e. to discourage developers against development. We would note that no evidence is offered by the respondent to counter the differentiations adopted in the Preliminary Draft Charging Schedule.</p> <p>The CIL Regulations and accompanying advice sets out that setting an overcomplicated CIL charge on the basis of a multi-banded structure is to be avoided unless: a) development is otherwise to be deemed unviable, or, b) adding additional complexity generates significant additional revenue. Our analysis indicates that it is appropriate for Felixstowe to be covered by a single charge and that the majority of development will not be negatively affected by the proposed CIL charges.</p> <p>Comparison Retail</p> <p>The methodology proposed by the respondent does not comply with the CIL Regulations that testing be done based on viability (and not, for example, on types of business).</p>
<p>Christchurch Property Ltd c/o Richard Brown MSc</p>	<p>We act for Christchurch Property Company Limited, who have land and property interests within the District.</p> <p>With regard to the Draft Charging Schedule, for looking at the infrastructure needs of the district, it is important that the sought Community Infrastructure Levy contributions do not make development unviable, therefore restricting the land supply and delivery of affordable housing.</p> <p>The Draft Charging Schedule proposes a range of different charges for different types and sizes of developments expected. For residential development, the Draft Charging Schedule proposes three charging zones, as the ability of residential schemes to make CIL contributions varies depending on the size and location of the potential development.</p> <p>Certainly, in the Felixstowe area, we seek clarification as to the extent of the "charging zones".</p> <p>We should be grateful if you would kindly acknowledge safe receipt of this submission on behalf of Christchurch Property Company Limited.</p>	<p>The proposed CIL charges are based on viability evidence supported by consultation and analysis of sales values and patterns of development with the specific intention that they do not make development unviable.</p> <p>Maps detailing the boundaries of the charging zones are included within the Viability Study which forms part of the evidence base. For clarity, these detailed maps will be included within the Draft Charging Schedule Consultation document when published.</p>
<p>David Hayhow</p>	<p>Section 3: Evidence and Rate Setting Limiting the rates to only 3 levels does not reflect the great variability in</p>	<p>Evidence and Rate Setting</p>

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	<p>Suffolk. In particular, the report identifies high value areas "such as Aldeburgh ..." but then includes the majority of the district in that "high value" group. Is Debach or Charsfield anything like Aldeburgh?</p> <p>Section 2: What is CIL? I can see that having a fixed rate is attractive since it will reduce the time and effort used in the present Section 106 negotiations for each individual project. It will also make it easier for developers to cost any particular development. However, if every individual planning authority has to develop its own rules, rates and procedures is this not bureaucracy gone mad! Surely we need a national framework and the only local issue should be the rates relevant to each area.</p>	<p>The proposed CIL charges are based on viability evidence supported by consultation and analysis of sales values and patterns of development with the specific intention that they do not make development unviable.</p> <p>As per the CIL Regulations CIL cannot be set in order to fulfil planning functions i.e. to discourage developers against development. We would note that no evidence is offered by the respondent to counter the differentiations adopted in the Preliminary Draft Charging Schedule.</p> <p>The CIL Regulations and accompanying advice sets out that setting an overcomplicated CIL charge on the basis of a multi-banded structure is to be avoided unless: a) development is otherwise to be deemed unviable, or, b) adding additional complexity generates significant additional revenue. Our analysis indicates that it is appropriate for Felixstowe to be covered by a single charge and that the majority of development will not be negatively affected by the proposed CIL charges.</p>
Deben Estuary Partnership	<p>Q1: Do you consider the proposed rates to be correct? Yes</p> <p>Q2 : Do the proposed rates strike the appropriate balance between collecting CIL and the potential effects of the imposition of CIL on economic viability across the district ? Applying CIL to residential enabling development where financial benefit from that development is necessary to fund coast and estuary flood defence schemes will serve to reduce the money going to provide flood protection. The present system of allocating Government funding for flood protection work, particularly in rural areas, is such that a high proportion of the required finance must be found locally by landowners and communities. Using the option of raising money through the donation of land which can be sold for development is becoming a necessity. Without this fund raising route it is likely that some defences will not be maintained or improved, flooding will occur with the attendant damage to property, agricultural land and the environment. Under these circumstances <i>development which contributes to enabling flood protection schemes should be exempt from CIL.</i></p> <p>Q3 : Do you have comments on the boundaries identified for residential development across the district ? No</p> <p>Q4 : Do you have comments on the site size thresholds identified and the different charges within the Preliminary Draft Charging Schedule ? No – other than to refer to the answer to Q2</p> <p>Q5 : Do you have any comments on the charges associated with</p>	<p>Comments Noted.</p> <p>Q2 : Do the proposed rates strike the appropriate balance between collecting CIL and the potential effects of the imposition of CIL on economic viability across the district ? Any enabling development is considered to be residential in use and national guidance states that there can be no differential in charges for specific uses, therefore all residential developments including enabling development which fall within Use Class C3 and C4 will be required to pay CIL at the appropriate residential rate.</p> <p>National exemptions and relief apply to various uses as detailed in the CIL regulations but the Council do not consider that the enabling development proposed by the Deben Estuary Partnership falls within the bounds of these national exemptions and reliefs.</p> <p>Q6 : Do you agree with the zero charge associated with Adastral Park ? CIL is intended to provide infrastructure to support the development of an area, rather than making individual planning applications acceptable in planning terms. As a result site specific impact mitigation may still be necessary in order for a development to be granted planning permission.</p> <p>As set out in the CIL Viability Report Adastral Park is a large scale scheme (the type of which is not typical of development in Suffolk Coastal, which generally sees much smaller scale development). It is expected to deliver circa 2,100 dwellings, and as set out in the PBA Suffolk Coastal CIL Viability Study the site has significant S106/S278 costs over and above the £1,000</p>

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	<p>retail developments ? No Q6 : Do you agree with the zero charge associated with Adastral Park ? No, unless the Section 106 agreement can deliver the same benefit. The DEP note that the scale of the Adastral Park proposals will require the developer to deliver a high percentage of site specific infrastructure but they draw attention to the impact that so many additional dwellings will have on the surrounding area (including the Deben Estuary) where elements of infrastructure will require improvement. Q7 :Do you agree with the zero charge associated with all other uses ? Please see the comments to Q2.– zero charge should be extended to include <i>residential enabling development</i> where such development will help pay for flood defence infrastructure, necessary to protect communities and businesses in a given area. Q8 : Do you have any other comments on the Preliminary Draft Charging Schedule ? In allocating CIL to elements of infrastructure particular attention should be paid to the need for flood defence. The damage caused by failing coast and estuary defences goes further than flooding private properties and road and rail links. Loss of flood defence infrastructure will have a serious impact on productive agricultural land and specific cropping patterns which are nationally important; it will damage tourist facilities and have a detrimental effect on marine business.</p>	<p>per unit assumed for S106/278 costs as part of the CIL viability testing. As such the draft S106 identifies a total of £29,247,000 of total costs which comply with the requirements of Regulation 122(2) of the CIL regulations 2010. This equates to £14,551 per dwelling.</p> <p>Paragraph 173 of the National planning Policy Framework (NPPF) sets out that the combined total impact of developer contribution requests (CIL/S106/S278) must not threaten the viability of a site or the scale of development identified in the development plan.</p> <p>Adastral Park has therefore been tested for viability assuming the developer contributions as set out in the Draft S106 Agreement. This is appropriate because CIL has not replaced S106 Agreements, and it is acknowledged by Government that the balance between the use of S106 and CIL will be different depending on the nature of the area and the type of development being undertaken. With strategic sites such as Adastral Park, the significant site-specific infrastructure requirements mean that is sometimes the case that the best approach is to use Section 106 contributions to address these site-specific infrastructure needs.</p> <p>At Adastral Park the requirements set out in the Draft S106 Agreement ultimately affect the viability of the site, meaning that only a £0psm CIL charge can (currently) be afforded once a viability buffer has been taken into account.</p> <p>Information relating to how the Council expects to spend CIL funds is to be published alongside the Draft Charging Schedule consultation document in the form of a Draft Regulation 123 List.</p>
English Heritage	<p>Community Infrastructure Levy English Heritage does not wish to make detailed comments on the level at which the Community Infrastructure Levy (CIL) charge is set for Suffolk Coastal District. We recognise, however, that it will be important to ensure that the charge does not have an adverse effect on the protection that the Council affords to designated and non-designated heritage assets and the historic environment within the district. Suffolk Coastal District's designated heritage assets include 2,242 listed buildings, 115 scheduled monuments and 34 conservation areas. The National Planning Policy Framework (NPPF) sets out a presumption in favour of sustainable development and clearly identifies the historic environment as a relevant matter for consideration in achieving this. In certain contexts, it may be appropriate to consider exemptions or discretionary relief from CIL, where the viable future of a heritage asset is at issue, or its significance is threatened by intrusive development.</p>	<p>Comments Noted</p> <p>Information relating to how the Council expects to spend CIL funds is to be published alongside the Draft Charging Schedule consultation document in the form of a Draft Regulation 123 List.</p>

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	<p>We note that there is no reference in the Infrastructure Delivery Plan to Heritage; the Infrastructure Delivery Plan and Charging Schedule should include confirmation that heritage assets in Suffolk Coastal District will continue, for the present, to be eligible for s106 contributions; the important issue will be to ensure that this aspect is not vulnerable to being sacrificed as the last call on a prospective developer's financial contributions.</p> <p>With regard to relief from CIL, we urge the Council to reserve the right to offer CIL relief for particular cases which affect heritage assets in order to avoid unintended harm to the historic environment through the application of CIL.</p> <p>For example, there may be instances where the requirement to pay CIL would threaten the viability of schemes designed to ensure the reuse of heritage assets identified as being 'at-risk' through enabling development. We do not wish to object to the draft schedule, but hope that there will be opportunities for discussion and flexibility in the future where significant heritage issues arise, to ensure heritage protection is sustained in accordance with the NPPF.</p> <p>We also strongly advise that local conservation staff are involved throughout the further preparation and implementation of the Draft Charging Schedule and the DPD as they are often best placed to advise on local historic environment issues.</p>	
Felixstowe Town Council	<p>Q3: Do you have any comments on the boundaries identified for residential development across the district? No evidence provided to support justification of Felixstowe as a low value area.</p> <p>Q5: Do you have any comments on the charges associated with retail developments? Yes – subject to zero rating of wholly or mainly comparison retail developments</p>	<p>Q3: Do you have any comments on the boundaries identified for residential development across the district? Evidence is provided in the viability study to justify the inclusion of Felixstowe in the low value area (please see Fig. 6.4 as well as supplementary evidence from discussions with local agents). No contradictory evidence is offered by the respondent.</p> <p>Q5: Do you have any comments on the charges associated with retail developments? The CIL regulations allow distinction between 'use' of buildings according to the broad meaning of that word. CIL Guidance confirms this is not restricted to 'use classes'. As set out in the evidence in PBA's viability report, "Convenience" and "comparison" are not just descriptors of types of goods. They are widely recognised and understood as categories of retail store use, employed for planning purposes, and within and outside the retail industry - for example, by industry analysts such as the Local Data Company and Colliers.</p> <p>The testing undertaken has shown that viability differs for both comparison</p>

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		<p>and convenience retail, hence the CIL rates proposed. In support of this we would comment that comparison retail is highly sensitive to location; hence there is a greater range of rents across the District. Convenience retail is still location dependent; however, when compared to comparison retail it is less so.</p>
<p>Guy Ackers</p>	<p>I fully support the concept of making a Levy as described in that the developers and or the owners of the development should be expected to pay a reasonable levy towards the costs of increased infrastructure demands. Unlike the Road Tax for vehicles where the tax does not go towards the cost of road maintenance and building but simply swells the Exchequer's coffers, I fully endorse the concept that the Levy would be directly raised for the appropriate infrastructure needed to support the development in hand.</p> <p>The concept that the payment of a levy would make the applicant's development more acceptable is sound bearing in mind that so many recent planning applications in the Coastal District would have made extraordinary demands upon the infrastructure which were partly responsible for the applications being refused. By making the levy it alone should focus the minds and budgets of future developers in order to make a more reasonable and responsible planning application.</p> <p>Section 106 is of course pertinent to existing applications but the CIL concept would be much more understandable and applicable for future applications, both to the applicant and the public.</p> <p>We have to take as read, that the total cost of infrastructure needed across the District will be in excess of £100m. I agree that the figure should be based on a scenario whereby growth levels should be in various market towns, since this is where the larger numbers of people reside, work and live out their retirement. That is not to say that the smaller villages should be totally free from development, on the contrary, but the level and size of development should be sympathetic to the scale of the village and not of such a size as to be unreasonable and of higher demand on the very limited infrastructure so frequently in existence in the more rural villages. Such a ridiculous example being for 180 dwellings adjacent to the village boundary of Melton, [DC/14/0991/OUT refers and current consultation for 150 dwellings in Yarmouth Road, Melton.]</p> <p>The funding gap of £80m identified by the IDP certainly justifies the introduction of the CIL and I think further thought should be given to a more firm and consistent drawing of the levy, leaning more towards ensuring rules for development rather than the 'desirability' of funding which as currently envisaged may leave a few doors and aspirations open</p>	<p>Different Rates for Different Areas / Cost of Infrastructure</p> <p>The different rates for different areas approach proposed in the Preliminary Draft Charging Schedule is based on development viability across the district as per the CIL Regulations. The CIL charges proposed have been drawn from viability evidence supported by consultation and analysis of sales values and patterns of development with the specific intention that they do not make development unviable.</p> <p>The CIL Viability study therefore takes account of the ability of development to contribute towards a CIL charge and not to the cost of the infrastructure need in an area, although CIL can help to balance areas of positive viability with areas of infrastructure need due to the nature of the levy (i.e. the pooling of contributions).</p> <p>Comparison Retail</p> <p>The CIL regulations allow distinction between 'use' of buildings according to the broad meaning of that word. CIL Guidance confirms this is not restricted to 'use classes'. As set out in the evidence in PBA's viability report, "Convenience" and "comparison" are not just descriptors of types of goods. They are widely recognised and understood as categories of retail store use, employed for planning purposes, and within and outside the retail industry - for example, by industry analysts such as the Local Data Company and Colliers.</p> <p>The testing undertaken has shown that viability differs for both comparison and convenience retail, hence the CIL rates proposed. In support of this we would comment that comparison retail is highly sensitive to location; hence there is a greater range of rents across the District. Convenience retail is still location dependent; however, when compared to comparison retail it is less so.</p> <p>Exemption of Public Service Developments</p> <p>Based on viability evidence of public service developments across the Country it is our professional opinion that developments such as fire stations,</p>

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	<p>for negotiation.</p> <p>I do not think 'discretion exercised by the Council Charging Authority' should be all that necessary, as again this hints of negotiation. A clear set of standards, rules of engagement and the clarity of what charges affect which development, would be much more preferable and simply to become the 'new era' in planning development circles.</p> <p>The concept of 'different rates for different areas' introduces a whole can of worms and opportunities for challenge by developers. Upon what criteria would the differences be based? Surely not on the levels of poverty or wealth in the community, nor the availability of getting work, affordability of the residents or appeal of the area for second home buyers, overspill, tourism, immigrants, or the numbers of young persons needing jobs and housing.</p> <p>I do not see the relevance or connection between demands for infrastructure and the relative 'expensive parts' such as Aldeburgh, Framlingham, Kesgrave, Saxmundham and Hollesley. The cost of new infrastructure depends upon totally different criteria and is surely not related to the 'cost of property' in an area, whether it be domestic, commercial or industrial. I can fully understand the need for different levy rates between the types of development but not to costs or wealth in the area in the District. The cost of the improved infrastructure is tied to the infrastructure needed not the cost of the development and obviously for new industrial and large commercial properties or new housing estates any new infrastructure work could be very large and costly, relative to that needed for a dozen new residential dwellings.</p> <p>Quite rightly, the levy should be clear for all to understand and should not be negotiable. I have made this point before but it is in my mind an important point. It should become a norm in the minds of developers, owners and architects and form part of the overall algebra in the costing and finance of their projects.</p> <p>I do not understand the categorising of private dwellings as I feel the levy should apply to any increase in floor area whether it be an extension to a house, a new house or additional floor space within the dwelling, such as an attic development. The levy should also apply to any 'windfall' build in someone's back garden, etc. This policy should equally apply to commercial and industrial expansion as well.</p> <p>I cannot really see any justification for allowing exemption to Comparison Retail and charging for Convenience Retail. If anything should differentiation be allowed, then exemption would be fairer for those</p>	<p>police facilities etc. do not provide a developer / landowner with such a profit that they could viably be subjected to any level of CIL. We consider that these uses would be exempt on a viability basis, rather than by justification of use. These type of public uses would fall into the "other uses" category as detailed within the Draft Charging Schedule and therefore be subject to a CIL charge of £0/sqm.</p>

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	<p>developments that serve the essentials for life in the community such as food, chemist, drink and charges by levy for the less essential and luxury goods developments.</p> <p>Preferably, it would be desirable to limit exemptions to the absolute minimum and clearly not for negotiation. Such new premises for the defence of the realm, fire, police, medical, education, gas, water, electricity and sewerage should be exempt, there is really no justification for charging a levy on the suppliers of the infrastructure who are the very people we need to support with funds.</p> <p>The dispensation suggested for parish councils with a parish plan is a good incentive for those that do not currently have a plan, to get the community together and produce a viable and acceptable plan as soon as possible. This in itself will focus their own minds on how they regard housing and other development in their own back yards.</p> <p>In so many applications, the provision of affordable housing is used as the sprat to catch the mackerel to obtain consent. In fact, affordable housing will need the infrastructure just as much as non affordable housing. In order to achieve a reasonable value to the provision of affordable housing, it may be a useful solution to ensure the levy cost is paid at the source and not passed on down the line so that the buyer is expected to pay the ante in the overall cost of purchase.</p> <p>Should the levy be introduced by April 2015, it will be an excellent landmark in the progress towards District Planning modus operandi and much recognised by the ratepayers as a real step forward.</p>	
Harry Pynn	<p>Section 3: Evidence and Rate Setting - Community Infrastructure Levy Preliminary Draft Charging Schedule</p> <p>The developers of Adastral Park stand to make substantial profits from any development at the expense of loss of amenity and increased use of local resources. It is only fair that Suffolk Coastal residents are adequately compensated for the impact and the CIL is the logical way to do this.</p> <p>Changes to Plan:</p> <p>Remove any mention of special treatment for development at Adastral Park.</p>	<p>CIL is intended to provide infrastructure to support the development of an area, rather than making individual planning applications acceptable in planning terms. As a result site specific impact mitigation may still be necessary in order for a development to be granted planning permission.</p> <p>As set out in the CIL Viability Report Adastral Park is a large scale scheme (the type of which is not typical of development in Suffolk Coastal, which generally sees much smaller scale development). It is expected to deliver circa 2,100 dwellings, and as set out in the PBA Suffolk Coastal CIL Viability Study the site has significant S106/S278 costs over and above the £1,000 per unit assumed for S106/278 costs as part of the CIL viability testing. As such the draft S106 identifies a total of £29,247,000 of total costs which comply with the requirements of Regulation 122(2) of the CIL regulations 2010. This equates to £14,551 per dwelling.</p> <p>Paragraph 173 of the National planning Policy Framework (NPPF) sets out</p>

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		<p>that the combined total impact of developer contribution requests (CIL/S106/S278) must not threaten the viability of a site or the scale of development identified in the development plan.</p> <p>Adastral Park has therefore been tested for viability assuming the developer contributions as set out in the Draft S106 Agreement. This is appropriate because CIL has not replaced S106 Agreements, and it is acknowledged by Government that the balance between the use of S106 and CIL will be different depending on the nature of the area and the type of development being undertaken. With strategic sites such as Adastral Park, the significant site-specific infrastructure requirements mean that is sometimes the case that the best approach is to use Section 106 contributions to address these site-specific infrastructure needs.</p> <p>At Adastral Park the requirements set out in the Draft S106 Agreement ultimately affect the viability of the site, meaning that only a £0psm CIL charge can be afforded once a viability buffer has been accounted for.</p>
House Builder & Developer Consortium c/o Savills	PLEASE SEE SEPARATE RESPONSE BELOW	PLEASE SEE SEPARATE RESPONSE BELOW
Janet Elliot on behalf of NANT	<p>SCDC is proposing that the Adastral Park development should be being singled out as the only development in the District that will not be subject to the CIL.</p> <p>SCDC does not try to argue that its proposal to give this dispensation to Adastral Park alone is because section 106 charges are to be applied to this development instead of the CIL, but argues instead that the “residual value” of the land would be below the threshold of “viability” described as “the benchmark land value” - Draft Charging Schedule 3.20.</p> <p>NANT does not agree that a sufficiently robust case has been put forward to justify such a proposal by SCDC. Broad assumptions have been relied upon rather than the specific and factual evidence that is available.</p> <p>The Viability study, 4.1.2 details what factors are included in the calculation to arrive at a “residual value, which in a well-functioning market should equal the value of the site with planning permission”</p> <p>However in 4.1.3 admits that the calculation includes a wide range of “assumptions” and in 4.1.4 concludes “Therefore our viability assessments are necessarily broad approximations, subject to a margin of uncertainty”. In 4.2.1 it states “Having estimated the residual value, we compare this residual value with the ‘benchmark land value’ or ‘land cost’, which is the minimum land value the landowner is likely to accept to release their land for the development specified” our emphasis. Further it states in 4.2.3 “Benchmark values will vary to reflect the landowner’s judgements” and in</p>	<p>The land value of £842,450 per hectare is a residual land value, i.e. it is the product of a residual development appraisal, rather than an assumed value of the land based on comparables. The residual land value has been reached based on the assumptions as set out in the report, including an allowance for £14,551 of S106 costs per dwelling. We understand that the respondent disagrees with the residual land value reached based on alternative valuations. We would request sight of the valuations so that we may come to a further, more informed view of them (although we note that they assume full planning permission).</p> <p>In addition we would refer to our response to Harry Pynn regarding the exemption at Adastral Park.</p> <p>Land Value Assumptions</p> <p>Assessment of land values is always fraught with difficulties because obtaining accurate data to make a like for like comparison is challenging. This is because no two land transactions are rarely the same and the availability of evidence is scarce. In recent years the assessment of land values has been further hindered due to the economic downturn which has resulted in fewer land transactions and some sites now only coming forward based on historic land deals.</p>

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	<p>5.2.3 “ It is important to appreciate that assumptions on benchmark land values can only be broad approximations, subject to a wide margin of uncertainty” So the benchmark figures used are not based on fact but rely on broad assumptions. Therefore both ends of the viability calculation rely on a number of assumptions and neither is based on the factual evidence that is actually available.</p> <p>In addition to the assumptions identified above, the study states in 5.2.5 “Over recent years there has been limited residential development within Suffolk Coastal District, and a dearth of land transactions. It was therefore necessary to supplement transactional information through consultation with local property agents and developers” 6.4.1 states that “ We talked to a range of sources on residential markets, including local agents and local housebuilders active in the area” It then gives various comments from these agents and housebuilders none of whom mention market conditions and prices in the areas surrounding Adastral Park ie Martlesham and surrounding areas.</p> <p>In the study fig 6.4 shows a map of the district indicating the average price band for houses sold between Jan 2012 and October 2013 within each ward. Fig 6.5 then uses a very blunt instrument to interpret this into a much more crude (from 8 to 3 price categories) across the whole district thereby eliminating price differences caused by postcode boundaries/main roads etc.</p> <p>All of the above might, just might, be appropriate if looking in broad general terms across the whole of the district. However, the planning consultants commissioned to conduct the viability study were instructed by SCDC to single out the site-specific strategic allocation at Adastral Park. Therefore the gathering of evidence should have also been site, or at the very least, area, specific in relation to the Adastral Park site. The general assumptions in the study simply do not reflect the evidence that is available in the local area.</p> <ol style="list-style-type: none"> 1. It is correct that there are no current or very recent large-scale land transactions. The most recent however is particularly relevant to Adastral Park and yet it has not been taken into account. This is the land for the Grange Farm development – I understand that with planning consent the value of that land was in excess of £1million per acre and this was back in the late 1980s/1990s. I am not aware of a significant reduction in land values since that date, quite the reverse. With little or no other hard evidence to hand it should have been included in the mix of evidence when calculating residual values at Adastral Park. 2. Independently of that, 2 surveyors with local knowledge have 	<p>The Grange Farm development is at least 15 years old, and we consider that its inclusion as comparable evidence would be contrary to The NPPF (paragraph 158) which states that each local planning authority should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area.</p> <p>In our assessment of land values we have drawn on a range of data sources to form an opinion of threshold land value values, including consultations with local property agents and developers. In support of this The Harman Report ‘Viability Testing Local Plans’ sets out that “In order to determine an appropriate ‘current use value’, planning authorities should take up-to-date advice from local agents and valuers”. In some instances the actual comparables we have used were provided in confidence and cannot be made public.</p> <p>It should also be appreciated that assumptions on threshold land values can only be broad approximations and subject to a margin of uncertainty. It is therefore acceptable and indeed good practice to consult with local property agents and developers in order to supplement land transaction evidence – particularly where there is little available.</p> <p>CIL vs. S106</p> <p>Further to the above we would like to make note that, should CIL be chargeable on the Adastral Park site (medium value zone) it would likely total some £16.2 million (based on 2,000 units and an average unit size of 90 sq m (assuming houses are built). This equates to c.£8,100 per dwelling. Flatted development would equate to less at c.£5,850 per dwelling. Assuming the S.106 costs as set out in the Draft S106 Agreement, developer contributions currently total £14,551 per dwelling – almost double that which would potentially be collected under CIL.</p>

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	<p>valued the land at Adastral Park, with planning consent, at between £1,440,000 per hectare and £1,920,000 per hectare. Both valuations are considerably greater than the figure assumed in the viability study of £842.450 per hectare.</p> <p>In conclusion NANT would suggest that a review is carried out to determine a more evidence based assessment of the residual land value at Adastral Park.</p> <p>The available evidence indicates that the revised residual value will be significantly in excess of the benchmark land value of £1m per hectare. If that is the case the CIL should be applied to the Adastral Park development in line with the policy proposed for the rest of the district. Failing to do so will simply drive an even deeper wedge between the Adastral Park development and the surrounding local communities - precisely the opposite intention of the CIL.</p>	
<p>Kirton & Falkenham Parish Council</p>	<p>Section 2: What is CIL?</p> <p>Although a percentage of money collected will be available to local councils, the PC does not see how it would be possible to ensure that money collected outside the scope of this grant is channelled to where it is most needed. As an example of this, if the houses on a new Greenfield in the village were to require a new classroom in the village school, would the necessary money be extracted from the developer and spent on that classroom?</p> <p>In the case of Kirton and Falkenham the fees proposed are higher than say for neighbouring Trimley St Mary whereas it has less infrastructure to begin with and is less likely to benefit from improvements.</p> <p>The CIL levy being proposed is partly based on a survey of what the market could stand and on the assumption that house prices will continue to rise. As house price inflation is likely to exceed inflation in general then logically the rate of the levy should reduce over time. Setting CIL on the basis proposed could also potentially exacerbate the problems caused by housing unaffordability. Small developments are often, though not exclusively, carried out by smaller builders, with fewer economies of scale and higher overheads, and the levy seems to unfairly penalise small developers in that they are larger per house for a scheme of a few houses than for one with many houses. Further to this, evidence would point to small developments usually resulting in little, if any, improvement to local services and facilities compared to larger developments.</p> <p>The PC welcomes recent changes in legislation proposed that mean that self-builders building single houses will not be subjected to the CIL, however SCDC could choose to go further and might consider it desirable to exempt all builds on infill plots or for just 1 or 2 houses and levy a much lower CIL on developments of up to 5 houses.</p>	<p>The CIL levy being proposed is based on viability across the District assuming current values and current costs.</p> <p>Exemptions apply at a national level for self-build housing as introduced by the amendments to the CIL Regulations in 2014.</p> <p>The CIL charge associated with Adastral Park is set at a zero rate due to the significant on-site infrastructure required to bring the large site forward. The evidence shows that once the significant site specific s106 costs are included there is no capacity to include a CIL charge on top of that established cost.</p> <p>The findings at Adastral Park are based on viability in line with the CIL Regulations, and not considerations with regard to setting precedents / with a view to CIL only being applied to smaller developments in the future.</p>

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	<p>By exempting Adastral Park zone from the CIL SCDC are in effect confirming that they do not think that this blanket change works in all cases and that CIL would make it this particular scheme unviable. This seems to set a precedent for other developers to claim exemption in the future which would then mean that eventually the CIL would eventually only be applied to smaller developments.</p>	
<p>Leiston-cum-Sizewell Town Council</p>	<p>The idea and ethos of the new Community Infrastructure Levy is welcomed, as is the proportion of that levy that will be coming to Parish and Town Councils, especially those with a Neighbourhood Plan in place. This will allow Leiston to implement some of the infrastructure proposals that have already appeared in their Emerging Plan.</p> <p>Leiston-cum-Sizewell however feels that there has to be some adjustment and revision of the proposed charging schedule to reflect a much fairer differential across the District. Without overanalysing the work that Peter Brett has done in evidence to support the suggested rates a clear indicator would be the relationship of Saxmundham and Leiston. Leiston has a very high proportion of terraced Victorian properties which are generally within 5% of similar properties in Saxmundham who have a higher proportion of 'Brook Farm' properties which are still only 10-15% up on prices in Leiston.</p> <p>The current Hopkins Homes development in Leiston would be a comparison to make with that in Saxmundham and, although prices are not yet published I would expect just a 10% (if that) differential. Proximity to Aldeburgh for any new development in Leiston is now producing a premium too.</p> <p>This all leads to, what for me, looks like a clear pointer to there being just a 10% different between the Low and Mid Value Zone and not 40% as suggested.</p> <p>I agree with the zones and can see that there is a need to have three 'value zones' and have no qualms that Leiston is in the low zone. We will be encouraging housing in Leiston in our plan (over 300 in the next 15 years) so feel that both town and district might agree that £90 per sq m would be a much more realistic charge if Saxmundham stays at £115. This is still a 20% differential but reflects the real world much better than the suggested rates.</p> <p>The viability study indicates that £90 would be 25% below the achievable figure. This will not deter development in the Town at all. The sites in Leiston are clearly earmarked with no significant or foreseeable abnormalities in their use. The £115 for the mid band would stay 32% below achievable and, in the countryside, £150 remains entirely viable and</p>	<p>The proposed CIL charges are based on viability evidence supported by consultation and analysis of sales values and patterns of development with the specific intention that they do not make development unviable. The figures are considered to be appropriate given the evidence that the Council has available at this time.</p>

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	<p>attractive at 48% below achievable.</p> <p>I would ask therefore that you kindly take our comments into your next stage and, if you leave the charges for Leiston at this level, then request you pass on our objections to the Inspector at the correct time.</p> <p>The only flaw I see is that I have not looked at Felixstowe which occupies the same Band. If this doesn't work there then we may need to put Leiston in the Mid band?</p>	
Marine Management Organisation	No Specific Comments	Noted.
Martlesham Parish Council	<p>Martlesham Parish Council has considered the proposals in the Community Infrastructure Levy Preliminary Draft Charging Schedule dated May 2014 and we strongly object to the proposal for a zero CIL for the Adastral Park site on the grounds that it would prevent local communities prioritising any spend, as has already been the case with the S106 agreement for that site.</p> <p>We have the following comments:</p> <ol style="list-style-type: none"> 1) We believe that the District Council proposal to set the CIL at zero is based on the assumption that any portion of the CIL which is prioritised by the local community is completely incremental spend and hence significantly increases the cost to the developer. 2) We do not think that is the case - most of the locally prioritised CIL spend would very probably align broadly with what is in the S106 so in reality there would be very little incremental spend relative to the total cost of the site's infrastructure. 3) Having a CIL in place which allows the local community to prioritise some spend would:- <ul style="list-style-type: none"> • help get the local community on board and increase the likelihood of a successfully integrated new community, which is already our jointly agreed objective; • go hand in hand with the discussions we are having about how the BT development would be dealt with in the context of a Neighbourhood Plan; • capture local experience and issues which planners from elsewhere might not be aware of; • help direct some spend towards mitigating the impact of the new development on the existing communities. BT's submission to the inspector concerning S106 (Matter Number 7/Lawrence Revill/Respondent Number 2444) seems to focus only on 	<p>CIL is intended to provide infrastructure to support the development of an area, rather than making individual planning applications acceptable in planning terms. As a result site specific impact mitigation may still be necessary in order for a development to be granted planning permission.</p> <p>As set out in the CIL Viability Report Adastral Park is a large scale scheme (the type of which is not typical of development in Suffolk Coastal, which generally sees much smaller scale development). It is expected to deliver circa 2,100 dwellings, and as set out in the PBA Suffolk Coastal CIL Viability Study the site has significant S106/S278 costs over and above the £1,000 per unit assumed for S106/278 costs as part of the CIL viability testing. As such the draft S106 identifies a total of £29,247,000 of total costs which comply with the requirements of Regulation 122(2) of the CIL regulations 2010. This equates to £14,551 per dwelling.</p> <p>Paragraph 173 of the National planning Policy Framework (NPPF) sets out that the combined total impact of developer contribution requests (CIL/S106/S278) must not threaten the viability of a site or the scale of development identified in the development plan.</p> <p>Adastral Park has therefore been tested for viability assuming the developer contributions as set out in the Draft S106 Agreement. This is appropriate because CIL has not replaced S106 Agreements, and it is acknowledged by Government that the balance between the use of S106 and CIL will be different depending on the nature of the area and the type of development being undertaken. With strategic sites such as Adastral Park, the significant site-specific infrastructure requirements mean that is sometimes the case that the best approach is to use Section 106 contributions to address these site-specific infrastructure needs.</p>

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	<p>mitigation of the sensitive wildlife areas.</p> <p>We find it difficult to believe that the NPPF intended that in such situations the local community would be "locked out" in this way. Not only would the original residents be excluded at the inception, but the residents of the new development would also be locked out for the complete duration of the development. We therefore strongly request that, before the CIL schedule is finalised, we meet to discuss alternative approaches.</p> <p>Our understanding is that it is lawful to have both a CIL and S106 in place for a specific site. This is not "double dipping" because the two streams of income would be used for different things – the sum total of which would be what is required to make the site as a whole sustainable. For example, having established that the Adastral site can have its own CIL level, rather than setting it at zero, would it be possible to set it a suitable low value which would allow a reasonable level of funds to be available for local priorities?</p>	<p>At Adastral Park the requirements set out in the Draft S106 Agreement ultimately affect the viability of the site, meaning that only a very low or even £0psm CIL charge could then be afforded.</p>
<p>McCarthy & Stone Retirement Lifestyles & Churchill Retirement Living c/o Planning Bureau Ltd.</p>	<p>PLEASE SEE SEPARATE RESPONSE BELOW</p>	<p>PLEASE SEE SEPARATE RESPONSE BELOW</p>
<p>Melton Parish Council</p>	<p>Q1: Taking into account the viability evidence used to inform the Preliminary Draft Charging Schedule do you consider the proposed rates to be correct?</p> <p>Para 3.18 states that the Viability Study suggests charges over £123/sqm (low), over £171/sqm (mid) & over £291/sqm could be achieved, but "these figures are considered unreasonable as they are maximums". The figures quoted in the table at 3.15 represent only 41% (low), 53% (mid) and 51% (high) of these values and thus appear unreasonable generous, given the continuing attractiveness of living in the district.</p> <p>Q2: Do the proposed rates based on viability and infrastructure evidence in the Preliminary Draft Charging Schedule strike the appropriate balance between the collecting of CIL and the potential effects of the imposition of CIL on economic viability across the district?</p> <p>Given that the Infrastructure Delivery Plan and Draft Charging Schedule both identify the funding gap (total cost less public body funding) at £80M,</p>	<p>Q1: Taking into account the viability evidence used to inform the Preliminary Draft Charging Schedule do you consider the proposed rates to be correct?</p> <p>Sections 2.3 and 4.3 of the Viability Study provide the justification as to why the charges are proposed at the level they are and why a uniform viability buffer is not considered to be appropriate.</p> <p>Q2: Do the proposed rates based on viability and infrastructure evidence in the Preliminary Draft Charging Schedule strike the appropriate balance between the collecting of CIL and the potential effects of the imposition of CIL on economic viability across the district?</p> <p>CIL is only intended to contribute towards the funding gap identified and not meet it completely. There will always be a need for further infrastructure and facilities to be funded through CIL. Funding from service providers and other stakeholders such as Anglian Water are expected to become available once</p>

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	<p>and the DCS at para 4.2 identifies the revenue likely to be raised by CIL on residential property at £15-£20M, there would appear to be an unfunded shortfall in the region of £60-£65M. Coupled with the apparently generous level at which the charge per dwelling has been proposed and NIL charge for all development types other than Convenience Retail, the balance appears to be inappropriately skewed towards the developer. Unless unfeasibly large amounts of public funding become available during the plan period, this suggests that much of the necessary infrastructure will not be provided.</p> <p>Q3: Do you have any comments on the boundaries identified for residential development across the district?</p> <p>The map provided in the Appendix is of very poor resolution, but it appears that Melton and Woodbridge are included in the 'High' charging zone. Based on knowledge of house prices in this area, the parish council believes this to be correct.</p> <p>Q4: Do you have any comments on the size thresholds identified and the different charges within the Preliminary Draft Charging Schedule?</p> <p>The arithmetic suggests that the proposed setting of the threshold at 6+ dwellings would probably encourage provision of small developments of 6 homes (triggering a requirement for 2 Affordable Homes) rather than 5 (with only 1 Affordable Home).</p> <p>Q5: Do you have any comments on the charges associated with retail developments?</p> <p>Whilst present market conditions might mean that construction of new Comparison Retail floorspace is stagnant, whilst Convenience Retail is proving more resilient, the situation might change radically in a few years. Comparison Retail development tends to be by larger businesses, on larger sites, often out of town, which generate pressure for improved public realm infrastructure, particularly transport. In comparison, Convenience Retail development tends to be, or is more amenable to, smaller businesses on smaller sites within town / village centres, which generate less pressure for improved public realm infrastructure. The proposed charging structure therefore appears perverse. The charge for Comparison Retail should be set at a higher level than £0 per sqm.</p> <p>Q6: Do you agree with the zero charge associated with Adastral Park?</p> <p>The logic appears to be that a larger developer contribution could be obtained by use of traditional s106 negotiations. However, as indicated at para 2.3 these agreements involve extensive negotiation and can be reduced or waived on viability grounds which any developer worth his salt would doubtless plead. Given the eventual size of the proposed Adastral Park development (aspirations are allegedly for 3,000 dwellings eventually), the Infrastructure Needs identified in Table 6.1 of the IDP appear inadequate, particularly when compared with similar sized</p>	<p>the Council has greater certainty regarding future site allocations as part of the Site Allocations document and the Felixstowe Peninsula Area Action Plan.</p> <p>Q3: Do you have any comments on the boundaries identified for residential development across the district?</p> <p>Comments noted – Melton and Woodbridge are found within the high charging zone. Maps detailing the charging boundaries are found within the viability study but will also be included within the Draft Charging Schedule consultation document.</p> <p>Q4: Do you have any comments on the size thresholds identified and the different charges within the Preliminary Draft Charging Schedule?</p> <p>Comments noted</p> <p>Q5: Do you have any comments on the charges associated with retail developments?</p> <p>The CIL regulations allow distinction between 'use' of buildings according to the broad meaning of that word. 2012 CIL Guidance confirms this is not restricted to 'use classes'. As set out in the evidence in PBA's viability report, "Convenience" and "comparison" are not just descriptors of types of goods. They are widely recognised and understood as categories of retail store use, employed for planning purposes, and within and outside the retail industry - for example, by industry analysts such as the Local Data Company and Colliers.</p> <p>The testing undertaken has shown that viability differs for both comparison and convenience retail, hence the CIL rates proposed. In support of this we would comment that comparison retail is highly sensitive to location; hence there is a greater range of rents across the District. Convenience retail is still location dependent; however, when compared to comparison retail it is less so.</p> <p>Q6: Do you agree with the zero charge associated with Adastral Park?</p> <p>The CIL charge associated with Adastral Park is set at a zero rate due to the significant on-site infrastructure required to bring the large site forward. Evidence shows that when significant s106 costs (approximately £30m) are included within the viability testing there is no capacity to charge CIL on top.</p> <p>Q7: Do you agree with the zero charge associated with all other uses?</p>

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	<p>developments in other commercially attractive parts of the country. Some of the proposals (particularly £10M of bus subsidies) appear to offer poor value for money, whilst the exclusion of any rail scheme (e.g. a new Martlesham Parkway station) seems a missed opportunity.</p> <p>For these reasons, and in order to ensure that the full development scheme (not just the pre 2027 part) is captured, Adastral Park should NOT be subject to a zero charge.</p> <p>Q7: Do you agree with the zero charge associated with all other uses?</p> <p>See response to Q2 re the apparent large unfunded shortfall. Applying a zero charge of all other uses (e.g. offices, hotels, care homes and industrial), all of which are intended to generate profit for the developer (initially) and operator (ongoing), and many of which will generate pressure for improved public realm infrastructure, particularly transport, appears unreasonable generous, unless unfeasibly large amounts of public funding become available during the plan period. These uses should NOT be subject to a NIL charge.</p> <p>Q8: Do you have any other comments on the Preliminary Draft Charging Schedule?</p> <p>A significant concern is the apparent lack of any local or community engagement in the preparation of the Infrastructure Deliver Plan, on which the whole CIL charging structure is based. Some issues which result from this inexplicable exclusion of the community from the development of the Community Infrastructure Levy are set out in the following additional comment box.</p>	<p>The viability testing shows that there is not enough of an allowance in the residual appraisal results to provide for both a CIL Charge and the requisite viability buffer for these uses.</p> <p>Q8: Do you have any other comments on the Preliminary Draft Charging Schedule?</p> <p>The Infrastructure Delivery Plan has been prepared in conjunction with a wide range of stakeholders, partners and service providers across the district. The Core Strategy provided the level of growth expected and the range of infrastructure required to support the development over the plan period. The Infrastructure Delivery Plan is a technical document which details the infrastructure required and identifies a funding gap across the district – the approach taken with regards to the preparation of this document is justified and follows best practice seen across the country.</p>
Natural England	No Specific Comments	Noted.
NHS England c/o Lawson Planning Partnership Ltd	<p>Q6: Do you agree with the zero charge associated with Adastral Park?</p> <p>On the understanding that the healthcare infrastructure and funding required to meet the needs arising from the proposed development at Adastral Park (as set out in the NHS letter to Suffolk Coastal District Council, dated 19th October 2012), NHS England would have no objection to a zero charge associated with Adastral Park. A copy of the NHS letter is attached to the Evidence Base submitted together with this consultation form.</p> <p>Q7: Do you agree with the zero charge associated with all other uses?</p> <p>NHS England notes that Class C2 nursing, residential and care home developments would be exempt from paying a CIL charge. In order to comply with NPPF and development plan policy objectives for securing sustainable development, it would be 'necessary' for such Class C2 developments to demonstrate that their impacts can be reasonably mitigated through a financial contribution, otherwise a reason for refusal</p>	<p>Q6: Do you agree with the zero charge associated with Adastral Park?</p> <p>The Council is committed to delivering Adastral Park through site specific s106 planning obligations due to the significant on-site infrastructure that is required. Healthcare infrastructure is to be included alongside other facilities as development on the site comes forward.</p> <p>Q7: Do you agree with the zero charge associated with all other uses?</p> <p>The proposed CIL charges are based on viability testing and, based on our extensive experience of undertaking CIL viability studies across the country, C2 developments including nursing, residential and care home developments do not provide sufficient viability to provide for a CIL charge and associated viability buffer. C2 developments are therefore 'CIL liable' but at a proposed £0 CIL charge.</p> <p>Information relating to how the Council expects to spend CIL funds across the rest of the district is to be published alongside the Draft Charging Schedule consultation document in the form of a Draft Regulation 123 List.</p>

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	may arise. Such developments should, therefore, be included as being 'CIL liable'.	
Notcutts Ltd	<p>Section 3: Evidence and Rate Setting - Community Infrastructure Levy Preliminary Draft Charging Schedule In a climate where the Government are trying to promote growth in housing supply, the proposed CIL rate of £150/sqm seems excessive in particular when compared to rates proposed for residential development within some of the Home Counties where residential values are considerably higher than the whole of the Suffolk Coastal area.</p> <p>Changes to Plan: Reduction in CIL rate and sufficient flexibility in the event that it renders development unviable.</p> <p>Section 3: Evidence and Rate Setting - Community Infrastructure Levy Preliminary Draft Charging Schedule In response to the retail proposals we support a proposal to apply a nil CIL rate to comparison or mainly comparison retail development.</p>	<p>The viability testing carried out by PBA has been undertaken in accordance with DCLG's CIL guidance. This involved an assessment of market values throughout the district as well as reviewing the development costs for different types and sizes of schemes. The data was gathered from a variety of sources to inform the viability model.</p> <p>The proposed charging rates are the result of this detailed assessment.</p>
Robert Cutts	<p>I am writing in my personal capacity and not as Clerk to Bromeswell Parish Council. I wish to register my objection to the proposals made for the Preliminary Draft Charging Schedule.</p> <p>In July 2013 SCDC adopted a planning hierarchy for towns and villages aimed at ensuring that development take place in the most sustainable locations. This should continue to be adopted in the CIL charging proposal rather than the proposal to arbitrarily use house prices linking groups of villages which fall in different categories in the planning hierarchy.</p> <p>The proposal therefore affects my village of Bromeswell by sending very mixed messages – the Local Plan says you should not develop here because it is unsustainable, the CIL charging proposal says to a developer to try to develop here because it is cheaper than doing so in the next door village (Melton & Ufford – higher in the planning hierarchy) or Woodbridge (where ALL of our services are situated).</p> <p>I can understand exceptions such as nil banding places such as Adastral Park where you WANT development, but those areas, such as Bromeswell, where your policy clearly states that development is unsustainable MUST be protected by the highest possible levels of CIL charge.</p>	<p>The viability testing carried out by PBA has been undertaken in accordance with DCLG's CIL guidance. This involved an assessment of market values throughout the district as well as reviewing the development costs for different types and sizes of schemes. The data was gathered from a variety of sources to inform the viability model.</p> <p>The proposed charging rates are the result of this detailed assessment. As per the CIL Regulations CIL cannot be set in order to fulfil planning functions i.e. to protect small town centres. The location of future growth across the district will be guided solely by the Core Strategy Policies and the Settlement Hierarchy within it.</p> <p>The introduction of a CIL Charging Schedule does not promote development in specific area or location. Further we would note that the CIL charge, whether in the low, medium or high area, totals less than other considerations (such as site preparation or professional fees), so is therefore unlikely to be the factor which dictates developer interest in an area.</p>
Rosa Waller	<p>Charging Authorities are clearly allowed discretion in how they set the CIL. SCDC indicate that they have to strike a balance between the desirability of funding infrastructure to support development from the CIL and the economic viability of developments. SCDC are clearly dependent on the Adastral Park development for the deliverability of its Core Strategy as the only strategic site. The Adastral Park development is assessed at £0 CIL</p>	<p>First and foremost we would note that if the respondent disagrees with the residual land value reached we would request alternative development appraisals as evidence to illustrate the contrary.</p> <p>We would also note that the land value of £842,450 per hectare is a residual land value, i.e. it is the product of a residual development appraisal, rather</p>

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	<p>based on the finding that the residual land value is lower than the benchmark land value. The formula for calculations is based on 'assumptions' and approximations' with 'margins of uncertainty' etc. The assumptions about land values seem very low, the valuing of land at Adastral Park at £842,450 per hectare seems designed to pave the way for £0 CIL. There is little evidence to indicate that the land values used for this calculation are in any way accurate.</p> <p>Much is made of the site specific infrastructure requirements at Adastral Park and their impact on the viability of the development. However this does not appear to have dampened BT's determination to strenuously pursue this development in any way, presumably being aware from the outset of the likely infrastructure requirements of such a large development.</p> <p>The argument is put that the S.106 agreement is a more satisfactory way of funding infrastructure for the Adastral Park development because much of it is site specific. However the S.106 process excludes the local community from having any involvement in the process or gaining any benefit from it as negotiations take place in secret between the developer and the Council. The CIL and S.106 are not mutually exclusive and so infrastructure for Adastral Park could be part funded by CIL – a more transparent levy which would allow the local community some involvement in the process which seems in part to be the intention of the CIL – helping communities to accommodate to new development.</p>	<p>than an assumed value of the land based on comparables. The residual land value has been reached based on the assumptions as set out in the report, including an allowance for £14,551 of S106 costs per dwelling.</p> <p>In addition we would comment that with regard to the benchmark land value the assessment of land values is always fraught with difficulties because obtaining accurate data to make a like for like comparison is challenging. This is because no two land transactions are rarely the same and the availability of evidence is scarce. In recent years the assessment of land values has been further hindered due to the economic downturn which has resulted in fewer land transactions and some sites now only coming forward based on historic land deals.</p> <p>In our assessment of benchmark land values we have therefore drawn on a range of data sources, including consultations with local property agents and developers. In some instances the actual comparables we have used were provided in confidence and cannot be made public.</p> <p>It should also be appreciated that assumptions on benchmark land values can only be broad approximations, subject to a margin of uncertainty. It is therefore acceptable and indeed good practice to consult with local property agents and developers in order to supplement land transaction evidence – particularly where there is little available.</p>
Sport England	<p>Thank you for the opportunity to comment on the above document. Sport England supports the development of a framework to collect Community Infrastructure Levy (CIL), provided sport and recreation facilities are included within the type of facilities to benefit from such payments and priorities are identified in the Infrastructure Delivery Plan (IDP). With regard to the documents published by Suffolk Coastal District Council, Sport England would like to make the following representations:</p> <ul style="list-style-type: none"> • Sport England supports the proposal by SCDC not to charge on CIL on developments outside residential and retail proposals. This means that new community sports facilities (both indoor and outdoor) will be exempt from CIL payments. • We support the proposed review of the Infrastructure Delivery Plan (IDP) once the current needs assessments for indoor and outdoor sport have been completed. This will mean that the priority facility provision identified in the IDP will be fully up to date in relation to sport. 	<p>Comments noted.</p> <p>Information relating to how the Council expects to spend CIL funds is to be published alongside the Draft Charging Schedule consultation document in the form of a Draft Regulation 123 List.</p>

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	<ul style="list-style-type: none"> We note that the IDP does not currently contain any priorities for community indoor sport (e.g. for new sports halls and/or swimming pools). However, we would hope that this will change once the evidence base for indoor sports facilities has been updated through the current studies. Sport England is disappointed to see that the provision of sports facilities/playing fields has only been identified as 'desirable' infrastructure within the IDP. We consider that ranking infrastructure provision in this way severely compromises the opportunity to deliver sports facilities through CIL, as priority will be given to infrastructure identified as 'critical' or 'essential'. It is considered that all infrastructure needs identified within the IDP should be seen as either critical or essential as planning policy requires them to be delivered to support new housing developments. 	
Suffolk County Council	<p>Thank you for consulting Suffolk County Council on the above matter. The services which the County Council provides are fundamental components of sustainable communities and, as recognised by national policy, it is vital that our authorities work together to ensure that they are delivered through different planning obligation mechanisms. Suffolk County Council has already contributed to the Infrastructure Delivery Plan and will continue to co-operate in the production of the evidence to support this process.</p> <p>This response is based on the most recent local development scheme and the understanding that Suffolk Coastal is moving toward site allocations. The County Council will continue to work with the District, regardless of the approach to planning obligations which it chooses to apply, as a collaborative approach is essential. Whilst we are able to consider likely scenarios, the absence of site allocations reduces our ability to determine where new infrastructure should be provided.</p> <p>Some infrastructure, such as schools, require long lead-in times. The County Council encourages and supports the District Council in its efforts to allocate sites. When the Regulation 123 list is produced it will need to consider the relationship between strategic transport improvements and site specific measures, such as Section 278 agreements.</p> <p>Detailed comments are as follows. 3.20 - The County Council supports applying a zero charge to the Adastral Park development given that this will indeed be necessary for ensuring that proper infrastructure provision is made through a Section 106</p>	<p>Comments noted.</p> <p>Following the adoption of the Core Strategy, the Council is working towards the Site Allocations document and the Felixstowe Peninsula Area Action Plan with will provide more certainty and clarity with regards to sites that will be developed over the plan period.</p> <p>The Council will ensure that regular engagement with the County Council is undertaken as the CIL project progresses. Information relating to how the Council expects to spend CIL funds is to be published alongside the Draft Charging Schedule consultation document in the form of a Draft Regulation 123 List.</p> <p>Any enabling development is considered to be residential in use and national guidance states that there can be no differential in the charges for specific uses, therefore all residential developments including enabling development which fall within Use Class C3 and C4 will be required to pay CIL at the appropriate rate.</p> <p>National exemptions and reliefs do apply to certain types of development as detailed within the CIL Regulations but the proposed enabling development on the Alde and Ore Estuary and the Deben Estuary are not considered to meet the necessary criteria.</p>

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	<p>agreement. This paragraph notes that 'care homes' will not be able to contribute toward CIL and remain viable. Given the different economics and the pressing need to deliver additional supported housing to cope with Suffolk Coastal's ageing population, the consideration given to the viability of care homes is welcomed. However, supported housing types form a spectrum, from sheltered housing to nursing care. Some types, such as Extra Care Housing, do not necessarily always fall into Class C2.1 For this reason, the District Council should clarify the term 'care home' and the County Council would be happy to assist in this matter.</p> <p>5.2 - The reference to the County Council is welcomed. Our authorities will need to develop robust, objective and policy-compliant mechanisms for ensuring that CIL monies are spent properly.</p> <p>5.6 - This paragraph notes that no locally specific exemptions are expected to be introduced. This approach needs to be considered against the provisions of Policy SP30 of the Core Strategy, and the emerging Deben and Alde/Ore Estuary Plans. If further exemptions are to be applied, anywhere in the district, the County Council would wish to have confidence that relevant infrastructure can be delivered through another mechanism.</p>	
Taylor Wimpey c/o Pegasus Group	PLEASE SEE SEPARATE RESPONSE BELOW	PLEASE SEE SEPARATE RESPONSE BELOW
The Theatres Trust	<p>Thank you for your email of 21 May consulting The Theatres Trust on the CIL preliminary draft charging schedule.</p> <p>We support a nil charge for 'All other uses' as stated in para.3.28. D1, D2 and some sui generis uses (e.g. theatres) often do not generate sufficient income streams to cover their costs.</p> <p>Consequently, they require some form of subsidy to operate and this type of facility is very unlikely to be built by the private sector.</p> <p>The Theatres Trust is The National Advisory Public Body for Theatres. The Theatres Trust Act 1976 states that 'The Theatres Trust exists to promote the better protection of theatres. It currently delivers statutory planning advice on theatre buildings and theatre use through the Town & Country Planning (General Development Procedure) (England) Order 2010 (DMPO), Articles 16 & 17, Schedule 5, para.(w) that requires the Trust to be consulted by local authorities on planning applications which include 'development involving any land on which there is a theatre.'</p>	Comments noted.
Trinity College	Q1: Taking into account the viability evidence used to inform the	Comments noted.

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Cambridge c/o Bidwells	<p>Preliminary Draft Charging Schedule do you consider the proposed rates to be correct?</p> <p>We have reviewed the Community Infrastructure Levy Viability Study prepared by Peter Brett Associates ("PBA") dated May 2014. We agree with the basis of calculating the inputs to the residential development appraisals and note PBA's comments that the appraisals can only provide generic views on scheme viability and are subject to a margin of uncertainty (paragraph 4.1.4). In paragraph 4.2.4 PBA state that "it is important to bear in mind that these calculations are no more than approximations surrounded by margins of uncertainty but are based on best available evidence and judgement." We agree with this statement and the implied conclusion that scheme viability must ultimately be considered having regard to the specific circumstances of the scheme at the time at which the particular scheme comes forward as a planning application. Whilst a broad-brush viability testing report such as that published by PBA provides a useful guide to scheme viability in general, it cannot determine absolute viability of specific schemes. Therefore whilst the CIL rates suggested as viable within the PBA report are supported by the appraisal assumption used, it must be noted that this evidence is not comprehensive and not scheme specific and therefore the viability of actual schemes to be delivered within Suffolk Coastal may be such that full policy compliant levels of CIL and other planning gain are not deliverable. The Planning Authority will need to recognise and accept this and take account of this when considering planning applications and levels of affordable housing and planning gain for each site as they come forward. In our view, the most significant factor likely to cause non-viability at the levels of CIL and other planning gain proposed by PBA is the impact of individual site abnormalities which can be significant, whether on brownfield or greenfield sites. The level and scope of abnormal costs in schemes will only become apparent as the schemes come forward to be considered for planning, and their presence will reduce the viability of schemes from the levels shown in the PBA report. This will therefore mean that the levels of CIL, affordable housing and planning gain identified as deliverable in the PBA report may not ultimately be deliverable on every scheme.</p> <p>We note that following the consultation ending, the Council will look to revise the Charging Schedule accordingly and undertake a further period of public consultation expected in the Autumn 2014, before subsequent submission to the Planning Inspectorate and Examination in winter 2014/15. In light of this context, we reserve the right to comment further on the specific proposed rates of CIL across the various land uses and development types.</p> <p>Q2: Do the proposed rates based on viability and infrastructure evidence in the Preliminary Draft Charging Schedule strike the appropriate balance between the collecting of CIL and the potential</p>	<p>Q1: Taking into account the viability evidence used to inform the Preliminary Draft Charging Schedule do you consider the proposed rates to be correct?</p> <p>We would note that the viability report and appraisals assume both a site externals allowance of 10% of build costs and a developer's contingency of 5% of build costs in order to try to mitigate for any unknown abnormalities. In addition we would comment that in a well functioning market known abnormalities will be reflected in the purchase price of a site, rather than costed through the planning process.</p> <p>CIL charges are deliberately set at a lower level than the theoretical maximum shown to ensure that every site is deliverable and that the introduction of CIL does not delay or stop sites coming forward due to viability issues.</p> <p>Q2: Do the proposed rates based on viability and infrastructure evidence in the Preliminary Draft Charging Schedule strike the appropriate balance between the collecting of CIL and the potential effects of the imposition of CIL on economic viability across the district?</p> <p>No evidence at this stage has been provided to demonstrate these abnormal or peculiar viability circumstances as detailed in the representation. The Council is confident that the Peter Brett Associates Viability Study provides a sound and robust evidence base on which to set CIL rates. The CIL rates proposed do not undermine the overall viability of the Core Strategy.</p>

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	<p>effects of the imposition of CIL on economic viability across the district? The study carried out by PBA identifies a mix of affordable housing, Section 106 and CIL payments that in their view is sustainable and in line with the Council's policy position. In reality, as schemes come forward, they will have specific and peculiar viability circumstances and the overall levels planning gain must be adjusted to take account of this. If CIL is adopted by a Local Authority, it must be applied to every chargeable development. Therefore, the CIL has first call on the planning obligation pot, before delivery of other planning obligations including affordable housing can be considered. In the event, therefore, that abnormal costs (which are not considered by PBA's report) cause a site to be unviable, whilst it may be able to deliver CIL payments in line with the requirements of the Charging Schedule, it will certainly not be able to deliver Section 106 and affordable housing planning gain mitigation, which could be considered as a failure to strike an appropriate balance between competing planning gain priorities. The Council should recognise that in adopting CIL, they create an inability to determine for themselves an appropriate balance of development mitigation in the event that a scheme cannot deliver planning gain at the target set out in their policy. The Council will be aware of the importance of maintaining sufficient housing supply against the adopted Core strategy target, that should be the absolute minimum when taking account of the Inspector's Report. An unrealistic CIL rate risks viability of sites and will slow or prevent the delivery of the housing/planning objectives for the District, which the Council is already struggling to achieve. Ultimately the eventual CIL rate must ensure that the plan remains deliverable, with the scale of development identified within the plan not subject to such a scale of obligations and policy burdens that the ability to develop sites viably is threatened (para.173, NPPF).</p>	
Waldringfield Parish Council	<p>Waldringfield Parish Council agrees generally with the introduction of the CIL in Suffolk Coastal District for the reasons given in 2.2 and 2.3 of the Draft Charging Schedule. However, we strongly disagree with the proposal to set the CIL rate for the Adastral Park development to £0/sqm, as described in 3.20. Our reasons for this are given below.</p> <p>Local communities are being sidelined The National Planning Policy Framework says: "The Community Infrastructure Levy should support and incentivise new development, particularly by placing control over a meaningful proportion of the funds raised with the neighbourhoods where development takes place." (NPPF, s.40, our emphasis) The S106 agreement for the Adastral Park development has been negotiated in secret between BT and SCDC, with no involvement of local communities. Having a meaningful CIL rate would give local communities</p>	<p>CIL is intended to provide infrastructure to support the development of an area, rather than making individual planning applications acceptable in planning terms. As a result site specific impact mitigation may still be necessary in order for a development to be granted planning permission.</p> <p>As set out in the CIL Viability Report Adastral Park is a large scale scheme (the type of which is not typical of development in Suffolk Coastal, which generally sees much smaller scale development). It is expected to deliver circa 2,100 dwellings, and as set out in the PBA Suffolk Coastal CIL Viability Study the site has significant S106/S278 costs over and above the £1,000 per unit assumed for S106/278 costs as part of the CIL viability testing. As such the draft S106 identifies a total of £29,247,000 of total costs which comply with the requirements of Regulation 122(2) of the CIL regulations 2010. This equates to £14,551 per dwelling.</p>

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	<p>some measure of control over how part of the money is spent, as envisaged in the NPPF. It would encourage local people to feel more involved in the process, more positive towards the development, and increase the likelihood of successfully integrating the new development with the existing communities. It is also possible that if local people were involved, they would bring to the table experiences and issues which the more remote planners from elsewhere might not be aware of.</p> <p>It seems that to lock out the local communities in this way goes completely against the spirit of 'localism' that the CIL is designed to encourage.</p> <p>There is no direct benefit for local communities Within the IPA, Area 4 (land to the south and east of Adastral Park) was chosen for the development of 2,000 houses (Core Strategy, SP20). The alternative sites (Areas 1-3 and 5), as well as the option to disperse the housing over several sites, were dismissed even though it was clear that the infrastructure requirements associated with the Adastral Park site was far greater than the alternatives. In particular, the proximity of Adastral Park to the Deben Estuary SSSI/SPA/Ramsar site required a higher level of mitigation. This increased the costs, which were largely to mitigate the damage caused by such a large development in such a sensitive area and to make the development 'sustainable'. So the S106 agreement had to provide a higher level of funding than would have been the case if the 2,000 houses had been located elsewhere, or more widely dispersed.</p> <p>It is also necessary to provide extra infrastructure as a direct result of the new development, such as the road 'improvements' on the A12. This brings no direct benefit to local communities, it is simply to prevent gridlock on the roads resulting from the extra traffic generated by 2,000 householders.</p> <p>These large costs are being met by the S106 agreement, and are now being used as a justification for withholding CIL funds from local communities to spend in ways they see fit. So the largest, most intrusive and disruptive development in the District in living memory will provide no direct financial benefits to the local communities most affected.</p> <p>The calculation of the CIL rate is flawed A basic requirement for the soundness of the Core Strategy is that developments should be deliverable, and therefore viable. SCDC and BT (via David Lock Associates) both argued strongly at the External Examination that the Adastral Park development was viable.</p> <p>In the National Planning Policy Guidance notes on viability and plan making it says: "All development costs should be taken into account</p>	<p>Paragraph 173 of the National planning Policy Framework (NPPF) sets out that the combined total impact of developer contribution requests (CIL/S106/S278) must not threaten the viability of a site or the scale of development identified in the development plan.</p> <p>Adastral Park has therefore been tested for viability assuming the developer contributions as set out in the Draft S106 Agreement. This is appropriate because CIL has not replaced S106 Agreements, and it is acknowledged by Government that the balance between the use of S106 and CIL will be different depending on the nature of the area and the type of development being undertaken. With strategic sites such as Adastral Park, the significant site-specific infrastructure requirements mean that is sometimes the case that the best approach is to use Section 106 contributions to address these site-specific infrastructure needs.</p> <p>At Adastral Park the requirements set out in the Draft S106 Agreement ultimately affect the viability of the site, meaning that only a £0psm CIL charge can be afforded once a viability buffer has been accounted for.</p>

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	<p>including:</p> <ul style="list-style-type: none"> • infrastructure costs, which might include roads, sustainable drainage systems, and other green infrastructure, connection to utilities and decentralised energy, and provision of social and cultural infrastructure; • the potential cumulative costs of emerging policy requirements and standards, emerging planning obligations policy and Community Infrastructure Levy charges;" (Para: 013, Reference ID: 10-013- 20140306, our emphasis) <p>In other words, when SCDC and BT said at the External Examination that the Adastral Park development was viable, that assessment took into account the CIL charges (or should have done) as well as other infrastructure costs. How can SCDC now say that including CIL charges would make the development unviable? ("once site specific costs have been taken into account, the introduction of a CIL charge would make the development unviable." Draft Charging Schedule 3.20).</p> <p>The assessment of the capacity for a CIL charge at Adastral Park in the Viability Report, 12.4.7, depends on the benchmark value of the land, which is claimed to be £1m per ha. This is an unrealistically low figure, which appears to have no supporting evidence or indeed any indication of where it came from. We believe it should be at least doubled to make it realistic.</p> <p>We appreciate that S106 is the better mechanism for funding most of the specific infrastructure requirements for a large site such as Adastral Park. However, the CIL and S106 are not mutually exclusive. The CIL payment and S106 obligations could (and should) cover different things, and the developers would not be charged for the same items of infrastructure through both S106 and the CIL. We urge SCDC to re-calculate the viability of the Adastral Park development using more realistic figures, particularly land values. A CIL rate should be set which would allow a reasonable level of funds to be made available for local priorities, which we believe is possible without jeopardising viability.</p>	
Woodbridge Town Council	Woodbridge Town Council wishes to say they have considered the report and are in favour of charging and are happy that Woodbridge is in the high level, however Councillors feel the level is set too low considering the infrastructure deficit.	<p>The viability testing carried out by PBA has been undertaken in accordance with DCLG's CIL guidance. This involved an assessment of market values throughout the district as well as reviewing the development costs for different types and sizes of schemes. The data was gathered from a variety of sources to inform the viability model.</p> <p>The proposed charging rates are the result of this detailed assessment and are deliberately set at a lower level than the theoretical maximum shown to</p>

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		ensure that every site is deliverable and that the introduction of CIL does not delay or stop sites coming forward due to viability issues.

Suffolk Coastal CIL Preliminary Draft Charging Schedule Consultation Responses from ALDI & ASDA

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<p>ALDI c/o Leigh Thomas, Planning Potential</p>	<p>We write on behalf of our client, ALDI Stores Limited (ALDI) in respect of the Community Infrastructure Levy Preliminary Draft Charging Schedule (PDCS), which is open for public consultation until 2nd July 2014.</p> <p>ALDI foodstores are a predominantly convenience retail destination and provide valuable choice and competition within the UK main food (i.e. 'weekly shopping') market. ALDI have a future requirement for the Suffolk Coastal area and are keen to Invest in the District, creating considerable new job opportunities.</p> <p>The PDCS suggests that new convenience retail would be subject of £100 per sqm and £0 per sqm for comparison retail development. ALDI are concerned the suggested Levy is unreasonable and potentially in conflict with guidance for setting charging thresholds and, if pursued, could prevent future beneficial development from progressing.</p> <p>It is noted that the draft rates referred to both below and within the PDCS are subject to change following analysis of comments received and we urge the Council to review accordingly.</p> <p>ALDI Stores Limited</p> <p>It is useful to set out a background to ALDI in order to understand the context of the representations. ALDI first entered the UK food retail market in 1990 and over the past 23 years has opened more than 500 'discount' foodstores, which serve communities throughout the country. ALDI currently employs over 13,000 people, with many more as part of its wider supply chain. ALDI is committed to continuing its strong investment in the UK economy and is currently undertaking a nationwide floorspace expansion programme, which will secure new stores, improve and enhance the existing portfolio, as well as many more new jobs. Accordingly, it can be seen that ALDI is an important employer at a national level and a significant investor in the UK economy.</p> <p>In retailing terms, ALDI's philosophy is to provide high quality products at discounted prices and within a pleasant shopping environment. Discounted prices are achieved through considerable bulk buying power, specialisation in the number of lines offered and maximising efficiency within the operation of the stores. ALDI does not necessarily sell goods at the lowest possible prices, but rather retail the highest quality goods at the lowest possible prices. Stores are medium sized, typically 900sqm - 1,300sqm (net) and stock only a limited range of predominantly own-branded products. ALDI have only a</p>	

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	<p>limited amount of non-food floorspace (15%-20%), which mostly contains weekly specials. This is a significant difference to larger 'Big 4' supermarkets, which can have between 30%-50% comparison floorspace. On this basis ALDI complements, rather than competes with, existing local traders and generates considerable propensity for linked trips and associated spin-off trade.</p> <p>However, crucial to this is a tried and tested business model to ensure efficient and effective operation. This is recognised by the Competition Commission, which categorises ALDI as a Limited Assortment Discounter and indeed the concept is recognised within the planning process and appeal decision. In light of ALDI's growth strategy, the comments put forward in these representations relate to the proposed CIL rates and the evidence base used to calculate the proposed rates. This is a particularly important issue for ALDI, given future aspirations within the District.</p> <p>Representations</p> <p>We note the PDCS has been derived following a Viability Study (Peter Brett Associates, May 2014), which we have reviewed accordingly.</p> <p>We also note that no retailers (convenience or comparison) were consulted prior to the production of the PDCS, which is somewhat concerning given the proposed CIL charge for convenience retail development is high in comparison to other uses. Indeed, paragraph 37 of the April 2013 CIL Guidance states that '... charging authorities should consider the views of developers at an early stage'.</p> <p>We acknowledge the Council's approach in setting variable rates for CIL, which is in line with The Community Infrastructure Levy Regulations (As Amended). However, we consider the proposed rate for convenience retail floorspace to be excessive at £100 per sq m, especially when levied on discount food store development. Indeed, discount operators' business model, such as ALDI, is designed to deliver discounted goods for a localised catchment. ALDI in particular operate on low profit margins; their model is based on high levels of efficiency and lower overheads to enable cost savings to be passed onto their customers. In this context, it is welcomed that the Council's Viability Study considers scenarios for three different sizes of store; 465sqm, 2,000sqm and 4,000 sqm (gross floorspace). Of the three scenarios, a store of 2,000sqm best represents discount formats, albeit is slightly larger than an ALDI store. The appraisals for each of the three scenarios are based on comparable evidence for convenience retail, which is included at Appendix C of the Viability Study. It is confirmed that the appraisals are based on four existing Tesco stores of between 2,600-5,063sqm and two Sainsbury's stores of 4,951-13,657sqm.</p> <p>It is therefore unclear how 465sqm and 2,000sqm stores can be modelled on the basis of this information, as no stores under 2,600sqm have been used to inform the assessment. Furthermore, these operator formats are markedly different to ALDI's and a like for like comparison is simply not possible. This is</p>	<p>As can be seen from the comparables at Appendix C and our retail appraisal assumptions table (Table 9.1 of the Viability Study) we have been cautious in our value assumptions, both in terms of rents and yields. In addition to this we have also allowed for a buffer between the proposed CIL charge and the potential maximum allowing for variations in yield / rent etc.</p> <p>We have not been provided with evidence from Aldi that the rents and yields of their stores are significantly different to those of other supermarket operators, or are lower than those assumed in the viability testing.</p> <p>We have also not been provided with any appraisal evidence that 2,500 sq m would be an appropriate size at which to differentiate CIL charges (and as per the CIL Regulations it should not be based on the NPPF Retail Impact size).</p> <p>As per the CIL Regulations viability testing has been undertaken as 'high level' testing – we have not tested specific retail sites where specific operators with specialist business models are known to be coming forward as this would conflict with State Aid Regulations. A range of sites and store sizes have been tested which indicate that in all convenience scenarios there is theoretically the opportunity to introduce a CIL charge on these types of developments. The CIL charge proposed for convenience retail developments has been set well below the theoretical maximum for all scenarios tested and therefore is justified.</p> <p>The Council believe that the viability testing provides a robust and</p>

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	<p>a significant flaw when assessing financial viability, with a generalised approach having been adopted. It is therefore unreasonable to expect discount operators to pay a CIL charge, which is based on a business model materially different from their own. Consequently, it is clear that deriving chargeable rates based on average costs is entirely unreasonable.</p> <p>Notwithstanding and without prejudice to our concerns regarding differentiation, this approach may have relevance if, in every instance, the site in question was able to deliver a retailer's optimum requirements and was able to achieve a 'standard' business model. This would include, for example, optimum car parking levels, retail floor area, accessibility of the site, build costs etc. However, the instances where all of these can be achieved are few and far between. Firstly, the 'average' approach fails to recognise the price a retailer would be prepared to pay given the above constraints, whilst, increasingly, many LPAs are not prepared to accept 'standard' models, which significantly increase development costs and, necessarily, profitability.</p> <p>It is recognised by the Government that viability is influenced by the size of the development, and the amendments to the CIL Regulations that came into force in February 2014 allow charging authorities to set a differential rate within use classes by reference to the intended gross internal floorspace of development. Given that the NPPF sets a threshold of 2,500sqm for assessing potential retail impacts, this may make sense to provide an upper level of CIL charge, with commensurately lower figures being derived as floorspace reduces. This approach would take account of differing levels of viability, with larger formats with greater turnover potential exceeding the threshold and discount operators falling within it.</p> <p>We therefore request that the Council considers the introduction of a 2,500sqm threshold, above which will be an upper charging level, with commensurately lower figures derived as floorspace reduces. This approach would take account of differing levels of viability, with larger formats with greater turnover potential exceeding the threshold, and discount operators falling within it.</p> <p>We therefore request that the Council considers the introduction of a 2,500sqm threshold, above which will be an upper charging level, with commensurately lower figures derived as floorspace reduces. This approach would take account of differing levels of viability, with larger formats with greater turnover potential exceeding the threshold, and discount operators falling within it. As set out above, discounters comprise a notable proportion of the convenience retail market and it is important to consider the viability of this type of convenience retailer in accommodating CIL. Indeed, the CIL Guidance, states at paragraph 37 that 'charging schedules should not impact disproportionately on particular sectors or specialist forms of development...'. Furthermore, paragraph 35 of the Guidance states that charging authorities</p>	<p>credible evidence base on which to introduce CIL charges for convenience retail developments.</p> <p>We would anticipate that individual site constraints would be reflected in the site purchase price for the type of development proposed by Aldi across the district.</p>

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	<p>can articulate different rates by reference to intended uses where this is justified on the grounds of economic viability. For these purposes 'use' does not tie to the classes of development in the Town and Country Planning Act (Use Classes) Order 1987, and therefore our proposals for a floorspace threshold are in accordance with the Guidance. We therefore remind the Council that in setting differential rates, a charging authority may set supplementary charges, nil rates, increased rates or reductions (paragraph 13(2) of the CIL Regulations 2010).</p> <p>We also note that a number of Councils have placed plans to introduce CIL on hold amid concerns about the impact the charges will have on viability. This includes one of the 'front runner' Councils picked by the government in 2011 to demonstrate the benefits of the levy. This serves as a stark warning that in the absence of careful consideration on CIL, unjustifiable rates are counterproductive and dangerous, preventing any development from coming forward, which is not in anyone's interests. It is therefore essential that the introduction of a CIL charge will not prevent development from coming forward. Furthermore, in considering the Draft Charging Schedule for Trafford Council, the Examiner concluded that the risks to viability were such that supermarket development in the defined town centres should be exempt from CIL charges. Indeed, it was recommended the rate should be reduced from the proposed £225 to £0. This therefore demonstrates the importance of a thorough review of the evidence base in order to ensure that the viability of development in designated centres is not prejudiced.</p> <p>We also note that, as a result of the recent amendments to the CIL Regulations, authorities are now required to strike an appropriate balance between desirability of funding infrastructure through CIL and impacting development viability. The previous regulations had only said that Councils 'must aim' to strike this balance, and in light of this it is necessary for Councils to ensure a robust viability assessment has been undertaken. This is supported by the NPPF, which states at paragraph 173 that "to ensure viability, the costs of any requirement likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions, should, when taking account of the normal costs of development and mitigation, provide competitive returns to a willing landowner and a willing developer to enable development to be deliverable".</p> <p>Summary ALDI have an active interest in delivering investment in the Suffolk Coastal area; however, if the current high CIL rate for convenience retail is pursued, we are extremely concerned this will severely prejudice delivery of future schemes and, indeed, appetite for investment in the District. Without revision and amendment, this will simply discourage investors, such as ALDI, from locating within the area, and prevent the benefits associated with their</p>	

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	<p>developments from being realised. We do not consider this to be in anyone's interests. Again, we realise the suggested Levy Is at present only in draft form, with scope for review in light of representations received. It is respectfully requested that the Council carefully consider responses and adopt CIL that is more commercially realistic.</p>	
<p>ASDA c/o Mr Carl Dyer , Thomas Eggar</p>	<p>We act for Asda Stores Limited ("Asda") and are writing on behalf of Asda to make representations in respect of the Council's Draft Charging Schedule.</p> <p>Under Regulation 14 of the Community Infrastructure Levy Regulations 2010 ("CIL Regulations") the Council's primary duty when setting the level of Community Infrastructure Levy ("CIL") charge is to strike an appropriate balance between the desirability of funding the cost of infrastructure required to support development from CIL and its potential effects on the economic viability of development.</p> <p>In our view, the approach taken to assessing the Charging Schedule does not achieve an appropriate balance between these two objectives.</p> <p>We wish to object the approach taken to assessing the Charging Schedule on the following grounds:</p> <ol style="list-style-type: none"> 1. The impact on policies enhancing economic performance; 2. The financial assumptions and viability assessments contained in the Council's Viability Study; 3. The proposal to split convenience and comparison retail development; 4. Issues relating to State Aid; and 5. Concerns about the Council's approach to setting CIL charges generally. <p>1: The impact on policies enhancing economic performance.</p> <p>We will not repeat the Council's strategic objectives contained in its Local Plan in full here, but in order to achieve its Vision and Overall Objectives, it will be important for the Council to set an appropriate CIL charge to encourage new development to come forward. An appropriate CIL charge will encourage new development and promote redevelopment to create employment and ensure a range of shopping choices for consumers and enhance the vitality and viability in district and local centres.</p> <p>The proposed retail CIL rates would discourage larger retail developments and would not ensure that the relevant retail and employment aims of the Vision and Overall Objectives are met. This could have the effect of reducing the range, variety and choice of retail shopping and, if no redevelopment or regeneration schemes are put forward, then existing buildings are unlikely to</p>	<p>The CIL Regulations require that the only criteria to be taken into account in setting CIL rates are the need to fund infrastructure to support the development of the area and the viability of development across the area.</p> <p>As a result, some development uses can be subject to a higher charge per square metre than others, irrespective of their individual infrastructure needs. It would not be lawful for Suffolk Coastal to take factors other than viability into account when setting rates for different uses of development.</p> <p>We disagree that the proposed CIL rate would discourage larger convenience retail development. Viability evidence has shown that development of both small and large convenience stores is viable with</p>

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	<p>The Viability Study assumes rather low allowances for residual section 106 and section 278 agreements, in addition to CIL, that may be borne by retail developers. For convenience supermarkets £10,000 is permitted. For the example of a 4,000 sq m convenience store, this is a low allowance.</p> <p>Although the Council will not be able to pool section 106 contributions once CIL is adopted, the types of commonly pooled contributions tend not to make up a large proportion of the contributions sought from commercial schemes – which are usually focussed on site specific highways and access works, employment and training contributions, environmental mitigation works and other, site specific requirements. We note that the Council has not yet produced a draft Regulation 123 list. We would urge the Council to do this now as without this we are unable to make any meaningful comment on the level of residual funds needed via s106.</p> <p>Taking the example of a 4,000 sq m convenience supermarket used in the Viability Report, this sized store would be expected to bear a CIL payment of £400,000 and building costs of £4,792,000 (£1,198 per sq m). In addition it would potentially fund all of the following potential costs:</p> <ul style="list-style-type: none"> • Demolition, remediation and on site highways works • The cost of any off-site highways works required to make the development acceptable in planning terms including junction improvements road widening schemes, new access roads, diversion orders and other highways works; • The cost of extending the Council's CCTV or public transport network to include the scheme (including the costs of crating new bus stops, real time information and providing new bus services to serve the site); • Monitoring costs of compliance with employment / apprenticeship schemes and travel plans; • Environmental off-set contributions to mitigate the loss of habitat or greenery caused by the scheme; • The cost of any remediation and contamination works to be carried out by the Council on the developer's behalf; • Payments or town centre improvements intended to mitigate the impact of the development on the town centre or neighbouring areas; • And the costs incurred by the Council of maintaining any site specific infrastructure required by the development. <p>To put this in context:</p> <ul style="list-style-type: none"> • The section 106 contributions incurred in relation to a c.3,000 sq m food store in Ware, Hertfordshire amounted to £871,800. These sums related to bus service contributions, development of a community centre, nursery, education contributions, various highway safety improvements, 	<p>We do not consider that the Study assumes low allowances for residual section 106/278 agreements. Asda's consultant sets out that as well as CIL developments could potentially pay for additional costs. Information relating to how the Council expects to spend CIL funds is to be published alongside the Draft Charging Schedule consultation document in the form of a Draft Regulation 123 List which shows that a significant majority of planning obligation requirements will be delivered through CIL rather than remain as s.106 items.</p> <p>From the examples given, therefore, the proposed CIL would equate to a charge of £100 per sq m, with a further s106 allowance of £10,000 (so a total 'planning obligations' charge of £102.50 per sq m). The examples given by Asda's consultant show that much higher amounts have been deemed viable through the s106 process – for example the 3,000 sq m food store in Ware equates to £290 per sq m and the 6,700 sq m foodstore in Sussex equates to £200 per sq m. We consider that this supports our argument that the proposed CIL charge has been set at an appropriate discount to allow for a viability buffer and that it will not impact on development viability.</p> <p>Changes in the legislation make clear that all future S106 costs are to be immediately related to development in question. As such, strategic infrastructure costs will be dealt with through CIL in future. Relatively modest amounts can therefore be allocated to S106/S278 costs in future.</p> <p>It is conceivable that larger S106/278 costs will be charged (or, equally, lower costs will be charged) than those used in the appraisals.</p> <p>If higher S106 /278 costs are charged, then there is a considerable 'buffer' built into the CIL setting process that can support these higher than expected costs. Furthermore, there is a 5% contingency built into the appraisal.</p>

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	<p>youth service contribution, residents parking schemes and open space contribution. In addition to these contributions green travel plan contributions, monitoring fees and architectural lighting on pedestrian routes between the store and city centre were also incurred.</p> <ul style="list-style-type: none"> The s106 contributions incurred in relation to a c.6,700 sq m food store in Newhaven, East Sussex amounted to £1,345,544. These sums related to contributions for improvements to and an extension of the local bus network; economic initiatives, contributions for relocating local habitats, improvements of recreational space, recycling contributions, residential and retail travel plan auditing, transportation and town centre contributions. <p>With this in mind we again suggest that the Council has significantly underestimated the impact of CIL on the viability of such developments and request that the underlying viability evidence be revised accordingly.</p> <p>3: The proposal to split convenience and comparison retail development It is our view that the Council's proposal to apply differing CIL rates to 'comparison' and 'convenience' retail falls outside of the scope of the rate differentials permitted in the CIL regulations.</p> <p>Clause 13(1) of the CIL Regulations states that a charging authority may set different rates for different zone in which development would be situated; and/or by reference to different intended uses of development within those zones and/or by reference to the size of those schemes.</p> <p>While the CIL Regulations do not expressly define 'use', they regularly adopt definitions from the planning system and other planning legislation (in particular the Town and Country Planning Act 1990 (as amended) and the Planning Act 2008). As the Use Classes Order is widely accepted to be the starting point for definitions of Use within the planning system, it is reasonable to expect that the CIL Regulations reflects those definitions.</p> <p>It should be noted that Poole, Mid Devon and Elmbridge Councils have withdrawn their proposals to charge large supermarkets a higher CIL rate than other retail development, on the grounds that this approach is potentially unlawful.</p> <p>In addition, the Council's proposal to distinguish 'comparison' and 'convenience' retail also poses practical problems for retail developers and the Council themselves in assessing the charge, as most supermarkets and superstores contain a mix of convenience and comparison floorspace. The Council's current proposals will potentially result in two different CIL rates being charged for floorspace within the same building or development. Such an approach adds undue complexity to the CIL calculations.</p>	<p>The regulations allow charge distinctions between the intended 'use' of buildings according to the broad meaning of that word (subject to there also being viability differences). 2013 CIL Guidance confirms this is not restricted to 'use classes'. The deliberately broad definition in the legislation is clearly intended to give authorities wide discretion to identify intended uses of buildings in a range of ways. This can clearly include whether the building is intended to be used primarily for the sale of "convenience" goods or "comparison" goods.</p> <p>As set out in the evidence in the viability report, "convenience" and "comparison" are not just descriptors of types of goods. They are widely recognised and understood as categories of retail store use, employed for planning purposes and within and outside the retail industry - for example, by industry analysts such as the Local Data Company and Colliers.</p> <p>Setting a charge according to the intended use of the building for "wholly or mainly" convenience or comparison retail use does not depend on the imposition of conditions. However, where conditions are used, they provide a clear way to do so.</p> <p>There are no state aid implications for charging different retail uses at different rates, or for charging different rates in different zones, as long as the differences are based on robust and credible viability evidence in line with the requirements of the CIL regulations. The Government has</p>

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	<p>4: State Aid We wish to bring I to your attention that there will be EU State Aid issues arising out of the setting of differential rates for different types of commercial entity within the same use class. Introducing such differential rates confers a selective economic advantage on certain retailers depending on the size of the shop they operate out of, or their type of business. For example, setting the levy for comparison retail schemes at a lower rate than an equivalent convenience retail scheme provides an economic advantage to comparison retailers. Alternatively, basing rate differentials on the size of a store favours smaller retailers over their larger competitors.</p> <p>As far as we are aware, the UK government has not applied for a block exemption for CIL. CIL charges do not form part of the UK's taxation system and there does not appear to be an exemption in place to cover any State Aid issues that may arise. With this in mind, we would be grateful if the Council adopted a flat levy rate for comparable sectors of the economy/use classes or, if it is not prepared to do so, providing an explanation as to why State Aid issues are not engaged by the setting of differential rates within use classes to the Inspector at the Inquiry.</p> <p>5: Concerns about the Council's approach to setting CIL charges generally The stated purpose of CIL is to raise revenue for infrastructure necessary to serve development. CIL is intended to address the imbalance of raising funds for infrastructure under the section 106 route, where larger schemes have effectively subsidised minor developments. However, CIL does not replace the section 106 revenue stream – it will simply provide additional revenue for infrastructure.</p> <p>In light of this, we have some further concerns: Concerns relating to change of use and conversion projects The Council appears only to have taken the economics of regeneration projects into account when considering the strategic development areas as otherwise the viability assessments do not appear to have given any weight to this consideration (particularly for retail developments).</p> <p>As you will be aware, Regulation 40 of the CIL Regulations only permits developers to deduct pre-existing floor space from the CIL calculation if it is 'in lawful use' Lawful use is defined in Regulation 40 (10) and essentially requires part of a building to have been in use for a six month continuous period in the three years before the date of the planning permission permitting the development.</p> <p>However, many regeneration projects on brownfield land or town centres involve demolishing, converting or redeveloping buildings that have lain vacant</p>	<p>issued advice via the Planning Advisory Service that it took appropriate advice and paid careful attention to design CIL so that following the statutory framework would result in a 'state aid compliant' charging schedule. Accordingly, in line with the point at paragraph 40 of the statutory CIL guidance, the Council as the Charging Authority has taken care to ensure that the draft charging schedule, including the differential rate distinctions, has been compiled in compliance with the requirements of the regulations and guidance.</p> <p>CIL guidance links to the NPPF and requires the focus of viability testing to be on development identified in the plan. As such the scenarios have been undertaken on this basis. With regard to demolition, the benchmark land value assumes a cleared site; such abnormal costs should be reflected in a reduced land value through market mechanisms.</p>

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	<p>for some time. This is particularly true of schemes which involve changes of use from employment land, where the fact that a unit has been vacant for a considerable time is often a key factor in the Council's decision to grant planning permission for the scheme.</p> <p>The Viability Study does not acknowledge that the economics of conversion schemes are very different to those of new build schemes. It is difficult to see how the Council can assess whether the imposition of CIL will put the majority of these schemes at risk without having considered its impact on their viability.</p> <p>ASDA's SUGGESTIONS</p> <p>1.Instalment Policy We note that the Council has not specified whether it intends on publishing a draft instalments policy for CIL. We would encourage the Council to introduce an instalment policy, as managing cash flow during development is often key in determining whether a scheme will be successfully delivered.</p> <p>2.Exceptional Circumstances Relief We note that the Council has indicated that it may offer some exemptions from CIL.</p> <p>We would also encourage the Council to adopt an Exceptional Circumstances Relief Policy, the Council will have the flexibility to allow strategic or desirable, but unprofitable, development schemes to come forward by exempting them from the CIL charge or reducing it in certain circumstances.</p> <p>3.Flat Rate Levy Accepting for the purpose of this argument that CIL is necessary for the purpose of funding Borough-wide infrastructure, a much fairer solution would be to divide the Council's estimate of total infrastructure costs over the charging period (and in this connection, it is important to remember that the Government's guidance as recorded in the National planning Policy Framework is that only deliverable infrastructure should be included) by the total expected development floor space and apply a flat rate levy across the Borough and across all forms of development. That will have the least possible adverse effect upon the market for land and for development, and yet the greatest possible opportunity for the economy to prosper and thrive and for jobs to be created.</p> <p>The potential impact of a flat rate levy on the viability of those types of development which are not currently identified as viable could be balanced by the Council's implementation of Exceptional Circumstances Relief, as mentioned above.</p> <p>Consequently reducing the levy proposed per square metre on retail and</p>	<p>ASDA's SUGGESTIONS</p> <p>1. Instalment Policy The Council has prepared a Draft Instalments Policy which is to be published alongside the Draft Charging Schedule Consultation document. The Draft Instalments Policy sets out the Council's approach to paying CIL charges through Instalments and is considered to follow the regulations and examples of best practice.</p> <p>2. Exceptional Circumstances Relief The Draft Charging Schedule consultation document details that the exemptions and reliefs available under the CIL regulations are to be introduced across the district – there will be no locally specific exemptions or reliefs available. Development will have to meet specific criteria as detailed in the regulations. When the Council is in a position to implement the CIL Charging Schedule the necessary forms for exemptions and relief will be made available.</p> <p>3. Flat Rate Levy. This would not be appropriate. The proposed CIL charges have been based upon robust and credible viability evidence. It has been shown that some forms of development can accommodate a higher level of CIL whilst other development can only accommodate a lower or nil charge. Given the need to consider development viability, It would not be lawful to approach rate-setting in the manner suggested. In particular, the adoption or otherwise of a policy to accept claims for exceptional circumstances relief cannot be taken into account in setting the rates. This is because such policies may be changed by an authority from time to time and so do not form part of the charging schedule and its examination.</p> <p>4. Provision of Infrastructure as Payment in Kind Noted. The CIL Regulations detail that local authorities may accept payment in kind and the Council will use these regulations as and when considered appropriate.</p>

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	<p>residential floor space would not result in a proportionate increase in the levy required on other forms of commercial or other development. However, applying the current proposed levy could run the risk of diminishing substantially the number of such retail stores built, with a consequential loss of employment opportunities and investment.</p> <p>4.Provision of Infrastructure as Payment in Kind As stated above, the latest set of amendments to the CIL Regulations have now made it lawful for authorities CIL contributions to be paid by the provision of infrastructure in certain circumstances. Given that the provision of infrastructure is often key to unlocking unimplemented planning permission and enabling developments, we would urge the Council seriously to consider adopting a policy to allow payment in kind in this manner.</p>	

Suffolk Coastal CIL Preliminary Draft Charging Schedule Consultation Responses from Savills on behalf of the Developer Consortium

Item	Savills Comments	Officer / PBA Response
Appropriate Available Evidence	<p>4.11 In the absence of a Site Allocations Document, we would recommend that a larger range of scenarios are tested. It is particularly important that larger strategic sites are tested as these sites are subject to large up-front costs including promotion and infrastructure costs.</p> <p>4.12 We would therefore recommend that the following additional scenarios are tested, incorporating the appropriate assumptions as discussed below:</p> <ul style="list-style-type: none"> • 100 units • 250 units • 500 units 	<p>PBA has tested generic schemes which, in collaboration with the Council, it considers would be likely to come forward across the District. This is consistent with other CIL Studies carried out across the country.</p> <p>Larger allocated schemes have been tested individually – please see Table 12.1 of the Viability Study. This includes testing schemes of between 70 and 2,100 dwellings. We consider this to be a comprehensive approach.</p> <p>We would note that Savills has not provided any evidence of where hypothetical schemes of 100, 250 or 500 units might come forward outside of the aforementioned specific sites.</p>
Affordable Housing	<p>4.13 SCDC's Core Strategy states that their affordable housing policy on new housing development is as follows:</p> <p><i>'1 in 3 new homes provided will be required to be an affordable one. The threshold at which the policy comes into lay is: 3 new homes in Key Service Centres, Local Service Centres; and 6 new homes in Major Centres and Market Towns'</i></p> <p>4.14 It is unclear whether these policy thresholds have been applied to the residential scenario testing of the sites. In particular, we ask that SCDC clarify the testing of scenario 2 for 5 Houses. In some settlements (Major Centres and market Towns) Affordable Housing would be triggered for this Scenario, in other settlements (Key Service Centres and Local Service Centres), it would not.</p>	<p>All of the appropriate policy requirements have been reflected (including geographically sensitive ones) in the viability study testing which provides a robust and credible evidence base.</p>
Benchmark Land Values	<p>4.16(i) The BLVs are based on both serviced land sales with planning consent, and disposals of land (exiting use) without the benefit of planning permission. Land with planning will vastly differ in value to land without planning. It is therefore unclear how the BLVs have been calculated from these comparables.</p> <p>4.166(ii) The Viability Study states that the comparable evidence collected to inform the BLVs relates to 'urban and edge of urban sites, which are mainly serviced with roads and major utilities to the site boundary'. The Study goes on to state that 'this is reflective of residential sites coming forward in the plan period'. In light of SCDC not having a Site Allocations Document this statement is questionable as the Council is unable to guarantee that all of the sites that come forward will be of this nature.</p>	<p>Assessment of land values is always fraught with difficulties because obtaining accurate data to make a like for like comparison is challenging. This is because no two land transactions are rarely the same and the availability of evidence is scarce. In recent years the assessment of land values has been further hindered due to the economic downturn which has resulted in fewer land transactions and some sites now only coming forward based on historic land deals.</p> <p>In our assessment of land values we have therefore drawn on a range of data sources to form an opinion of threshold land value values, including consultations with local property agents and developers. In support of this The Harman Report 'Viability Testing Local Plans' sets out that "In order to determine an appropriate 'current use value', planning authorities should</p>

	<p>4.16(iii) It is unclear whether the BLVs are per gross or net developable acre.</p> <p>4.16(iv) It is unclear if all of these assume serviced land</p> <p>4.17 It is concerning that there is no comparable evidence provided to support these figures. The Viability Study states that there has been 'limited residential development within Suffolk Coastal District, and a dearth of land transactions', therefore the transactional information was supplemented by consultation with local agents and developers. We would therefore ask that SCDC provide more evidence to justify these values.</p>	<p>take up-to-date advice from local agents and valuers". In some instances the actual comparables we have used were provided in confidence and cannot be made public.</p> <p>It should also be appreciated that assumptions on threshold land values can only be broad approximations, subject to a margin of uncertainty. It is therefore acceptable and indeed good practice to consult with local property agents and developers in order to supplement land transaction evidence – particularly where there is little available. Details of those consulted can be found in Appendix B of the Viability Study, which includes Crest Nicholson, Persimmon Homes and Savills.</p> <p>We always welcome additional comparable evidence to ensure our viability testing is as accurate as possible.</p>
Gross to Net	<p>4.23 We have looked at PBA's residential summary table which suggests that PBA have compared the RLV results to the BLVs. As discussed above it is unclear whether the BLVs are on a gross or net basis...We would therefore ask that this is confirmed.</p>	<p>BLVs are based on net areas for fully serviced land.</p>
Section 106 Contributions	<p>4.26 The current assumption within the PBA viability appraisals is a Section 106 and 278 allowance of £1,000 per unit across all typologies (excluding affordable housing). With the exception of Adastral Park which has been modelled at £14,551 per dwelling for Section 106. However, it is unclear how either of these figures were determined.</p> <p>4.28 In the absence of historic Section 106 information from the Council, we have undertaken analysis in Table 3 on a number of sites that members of the Consortium have been recently involved in. This looks at historically delivered Section 106 agreements and compares them against the residual Section 106 allowance in the Viability Study of £1,000 per dwelling.</p> <p><Average Section 106 per dwelling £2,153. Source: Consortium></p> <p>4.29 Table 3 highlights that the Section 106 contributions vary greatly between sites, however, the average Section 106 contribution is double what PBA have assumed within their appraisals.</p> <p>4.30 In accordance with the Regulations 'appropriate available evidence' should be used in order to formulate the rates, therefore we ask that SCDC provide historic Section 106 payments on a per unit basis in order to determine a suitable provision of obligation.</p>	<p>As set out in the Viability Study the S.106 assumption was adopted in agreement with the client team (taking into account the Council's extensive experience of negotiating S.106 agreements).</p> <p>We would note that the analysis provided by Savills is based only on evidence provided by the Consortium on behalf of whom the Responses have been submitted. We would also note that these are historic figures, which take no account of the fact that some infrastructure would now be covered by CIL, rather than all by S.106.</p> <p>An assumption of £1,000 per dwelling is also consistent with CIL viability appraisals done in other districts around the country.</p> <p>The Viability Study sets out that the assumption of £14,551 per dwelling for Adastral Park is based on the Draft S.106 Agreement.</p>
Professional Fees	<p>4.31 The Consortium are concerned that the level of professional fees adopted is too low (8% across all typologies). In our experience, the level of professional fees do not vary across location or market areas, but depend on the size and complexity of the site in question. We would therefore advocate that large greenfield and brownfield sites are likely to attract higher</p>	<p>No evidence has been provided to support Savills's claim for 12% professional fees.</p> <p>Professional fees typically fall within a range of 8% to 12 % we have use 8% which is in the reasonable range.</p>

	<p>professional fees on account of enabling works/infrastructure and additional abnormal costs (i.e. remediation, demolition).</p> <p>4.32 We would therefore request that a minimum allowance of 12% for professional fees be adopted across all typologies to reflect the nature of the five year land supply coming forward.</p>	
Abnormal Costs	<p>4.33 We are concerned that the Viability Study has only factored in abnormal costs for one of the tested sites, Land at Fairfield Crescent. PBA have not factored any abnormal costs for the other tested specific sites despite the flood risk and ground conditions affecting a significant proportion of the District. SCDC's PDCS document recognises the potential for abnormal costs and states that, <i>'in some circumstances site specific issues can also affect development costs and values. Some development sites will involve significant abnormal costs which need to be factored into the setting of the CIL across the district'</i>.</p> <p>4.34 The Consortium also highlights that the majority of sites in Suffolk Coastal require non-standard foundations (on account of floor risk and / or ground conditions). In light of this, we would expect 10% of build costs to be applied to eh appraisals for the allowance of abnormals.</p>	<p>5% of build costs has been allowed for archaeology and ecological works. As identified through the consultation process this was evident as an on-going abnormal cost.</p>
Build Costs	<p>The Viability Study has applied construction costs from BCIS Online rebased to December 2013. We would highlight that Build costs have increased rapidly in the past twelve months and would therefore recommend that these figures be reviewed prior to the publication of the DCS.</p> <p>4.37 It is therefore imperative that SCDC update their Viability Study to use current build cost estimates.</p>	<p>Although build costs have increased house prices have also increased in the intervening period since the viability testing was undertaken.</p> <p>In addition to the above we would note that the viability buffer applied to the CIL charge rates allows for these levels of build cost increases, whilst still leaving a margin for viability. The Viability Study is up to date and provides a robust and credible evidence base on which to progress CIL within Suffolk Coastal.</p>
Developer's Profit	<p>4.38 PBA have adopted a profit of 20% on GDV for private and 6% for affordable, reflecting a blended rate of approximately 17% on GDV. The minimum profit margin that the lending institutions are currently prepared to accept, on residential development, is 20% on GDV. This profit level was endorsed via the Manor appeal decision in Shinfield.</p> <p>4.39 ...The Consortium would therefore ask that a blended profit of 20% on GDV be adopted across all viability appraisals.</p>	<p>It is reasonable (indeed standard) practice to assume a lower profit level on affordable housing units.</p> <p>In addition no direct developer evidence has been provided to substantiate the claim for a blended profit margin of 20% on GDV.</p>
Sales Values	<p>4.41 We are concerned, from our own market investigations, that PBA have based their assumptions on aspirational asking prices, rather than achieved historic values. Furthermore, PBA have not outlined the timescales that they have assumed in terms of sales rates or sales periods...We therefore ask that more detail is provided in respect of the assumptions for sales values, anticipated sales timescales and rates.</p>	<p>PBA's sales values are based on historic transactions for schemes which include those developed by members of the Consortium (for example Castle Mount, Abbotts Grange, The Martellos and Martello Park – all developed by Hopkins Homes and Bloor Homes).</p> <p>The Viability Study assumes that houses are built to be sold in line with the standard assumptions of major house builders.</p>

Are the CIL rates informed by and consistent with the evidence	4.44 We would therefore ask PBA and SCDC to confirm the methodology used in determining the proposed CIL rates in the PDCS.	The methodology for determining the CIL rates is set out in Section 4.3 of the Viability Study – ‘Recommending a CIL Charge’ which provides a robust and credible evidence base.
Site Specific Testing	4.46 The Consortium would suggest that these sites should be tested through a hypothetical site of 100, 250 and 500 units respectively as there is no guarantee that these individual sites would come forward for development. It is further concerning that these larger sites were chosen to be tested as the smaller residential development scenario sites were stated to be ‘a representative but focussed profile of residential development likely to come forward in the area for the foreseeable future.’	PBA has tested generic schemes which, in collaboration with the Council, it considers would be likely to come forward across the District. This is consistent with other CIL Studies carried out across the country. Larger allocated schemes have been tested individually – please see Table 12.1 of the Viability Study. This includes testing schemes of between 70 and 2,100 dwellings. We consider this to be a comprehensive approach.
Application of Different Rates	4.49...It is unclear how the three zones have been determined. It is extremely concerning that the three CIL zones do not correlate to the Average House Price map included within the Viability Study. 4.50 In particular, the Consortium are concerned that a number of low value areas on the AHP map fall within the highest CIL rate zone which entirely contradicts the purpose of adopting a differential rate based on market value areas. 4.51 The Consortium subsequently thinks it is imperative that the CIL Charging Zones map is revised to reflect the market value areas in the District, particularly given the uncertainty of the location of future housing sites. 4.52...We recommend that SCDC produce more detailed maps of the boundaries and clearly outline the scale applied.	The different rates for different areas approach proposed in the Preliminary Draft Charging Schedule is based on development viability across the district as per the CIL Regulations. The CIL charges proposed have been drawn from viability evidence supported by consultation and analysis of sales values and patterns of development with the specific intention that they do not make development unviable. We would note that the CIL rates are based on <i>viability</i> , not on the methodology of directly translating house prices into a CIL Charge. Again we would comment that Savills has not provided any evidence to support its claim that low value areas fall within the highest CIL zone. We would highlight that due to a lack of recent comparable evidence in rural areas some areas might be perceived as low value when the reality is that they are not.
Application of a Viability Cushion	4.60 [However] it is unclear how the buffer has been applied to the proposed rates to ensure that the charge is set under the viability ceiling. We would therefore ask that this is clarified. 4.61 In our experience a minimum viability cushion of 40% should be adopted to minimise risk to the housing supply, particularly when SCDC has such a significant history of under delivery.	No evidence has been provided to support why a 40% viability cushion should be adopted (we note that in previous responses to other CIL studies Savills has suggested a 30% viability cushion). Please also refer to sections 2.3 and 4.3 of the Viability Study which explain why we do not adopt a uniform viability buffer.
Savills Research	4.63-4.65... This [Savills Research] indicates that the lowest proposed CIL rate for SCDC combined with the current affordable housing policy (33%) would render a significant proportion of schemes unviable. A trade-off between CIL and affordable housing will therefore be needed if the delivery of these large greenfield sites is not to be threatened.	The Savills research is in relation to ‘large Greenfield site’. Savills has applied its model to sites of 5 or more dwellings. This does not equate to large greenfield sites. We are therefore of the opinion that the Savills research has been incorrectly applied.

Suffolk Coastal CIL Preliminary Draft Charging Schedule Consultation Responses from Taylor Wimpey on behalf of Pegasus Planning

Item	Taylor Wimpey / Pegasus Comments	Officer / PBA Response
<p>Q1: Taking into account the viability evidence used to inform the Preliminary Draft Charging Schedule do you consider the proposed rates to be correct? If you disagree, please provide evidence to support your view.</p>	<p>Concern is raised about the robustness and transparency of the assumptions made in the Peter Brett viability appraisal assessments of particular sites as set out on pages 18, 19 and 20 of the report. Strategic Housing Land Availability Assessment Site 'Land at Fairfield Crescent' has been subject to a viability appraisal. The way tables 12.7 and 12.8 of the Peter Brett Viability Assessment are illustrated it implies that the site has been tested on the basis of 200 dwellings (assuming a density of 45 dwellings per hectare); however feasibility work has been carried out on this site and it is considered a density in the region of 35-40 dwellings per hectare is more appropriate. This assumption of 37 dwellings per hectare is also made by Peter Brett on pages 130 and 131 of their report which sets out their detailed calculation of viability on the basis of 167 units. It is considered that the information presentation could be misinterpreted by those who are not forensically reading the documentation.</p>	<p>We accept this comment and have revised Tables 12.7 and 12.8 to show that 167 units tested as per the appraisals at page 130 and 131 of the report. The revised tables will be published alongside the Draft Charging Schedule consultation document.</p> <p>Once adopted the Council is committed to reviewing the CIL charging schedule as and when required to ensure that the evidence is up to date and fit for purpose. It is likely that the Council will review the CIL Charging Schedule within 3 years from adoption or alongside a future review of the Core Strategy.</p>
<p>Q2: Do the proposed rates based on viability and infrastructure evidence in the Preliminary Draft Charging Schedule strike the appropriate balance between the collecting of CIL and the potential effects of the imposition of CIL on economic viability across the district? If you disagree please provide evidence to support your view?</p>	<p>Given the Suffolk Coastal have not yet produced their Site Allocations DPD the Infrastructure Delivery Plan produced by Navigus Planning (May 2014) considers the cost of two scenarios of growth across the district which is summarised at 12.1 in the report. The more expensive scenario estimated the cost to deliver the infrastructure required to support the adopted Core Strategy to be over £105 million. The Council has also illustrated a limited amount of funding streams available to deliver the infrastructure. On the basis of the information provided it is clear that there is a funding gap which will need to be met through the appropriate use of CIL and S106 contributions.</p> <p>Whilst the proposed charging rate for the High Value Residential Area has been viability tested and found to be acceptable, the CIL rate should be based upon a clear understanding of the infrastructure requirements. Flexibility should be provided within the CIL charging rate to ensure the cost of infrastructure and the viability of development schemes are kept up to date.</p> <p>Paragraph 175 of the National Planning Policy Framework states "Where practical, Community Infrastructure Levy charges should be worked up and tested alongside the Local Plan." Crucially it states "The Community Infrastructure Levy should support and incentivise new development, particularly by placing control over a meaningful proportion of the funds raised with the neighbourhoods where development takes place."</p> <p>As the Site Allocations DPD has not been produced for Suffolk Coastal, it is</p>	<p>CIL is only intended to contribute towards the funding gap identified and not meet it completely. There will always be a need for further infrastructure and facilities and funds raised through CIL will help deliver what is required in a timely fashion. The Council will work with stakeholders and service providers (such as Anglian Water and Suffolk County Council) to ensure that all funding opportunities are explored and taken up when they become available from partners.</p> <p>The Council is confident that the introduction of CIL based on the level of growth identified within the Core Strategy is appropriate and in accordance with the regulations and best practice. It is not necessary to have a site allocations document in place prior to the introduction of CIL. The Infrastructure Delivery Plan and the Viability Study have both been developed by taking into account the growth identified within the Core Strategy. As a result there is no sound basis for delaying the introduction of CIL until after the site allocations document has been prepared.</p> <p>The introduction of CIL across the district is a priority for the Council to ensure that the required infrastructure and services and provided across the district to support the growth proposed.</p>

	<p>requested that the Council does not progress the CIL charge until it confirms the level of growth expected at each settlement through the Site Allocations DPD. The Council itself acknowledges the requirement for review of the infrastructure requirements on the basis of certainty established through the adoption of the Site Allocations DPD and Neighbourhood Plans.</p> <p>It will be necessary to ensure an appropriate level of funding is secured to support the amount of growth allocated rather than on the basis of the level of currently speculated. By implementing the approach based upon certainty the Council should also avoid any unnecessary double counting of infrastructure requirements (and as such the associated costs). This approach will also provide additional time to source additional funding streams to support the delivery of infrastructure.</p>	
<p>Q8: Do you have any other comments on the Preliminary Draft Charging Schedule? If so please identify the paragraph your comments relate to?</p>	<p>It is welcomed that the Council makes reference to the Exemptions currently included in the regulations (paragraph 5.5 of the preliminary Draft Charging Schedule) and mentions at paragraph 5.6 that the Council will update the local exemptions in accordance with the CIL Regulations. It is however requested that the Council should clearly state their position regarding discretionary relief particularly regarding: social housing and exceptional circumstances relief.</p> <p>It is requested that the Council inserts a commitment to review the CIL charging rate on an annual basis to reflect the updated assessment of infrastructure required as identified in the updated infrastructure delivery plan. Additionally this annual review will also incorporate updated information about viability to ensure the cost of infrastructure and the viability of development schemes are kept up to date to inform the Council's decision regarding any future local discretionary rate.</p> <p>It is noted that the Council makes no reference to the proposed instalment policy for payment of CIL. It is noted that the Council will need to complete additional work to progress CIL but it is requested that an instalment policy is consulted upon at the next round of consultation upon the Draft Charging Schedule.</p> <p>The National Planning Policy Framework seeks to boost significantly the supply of housing through various measures. It is noted that the cost of development including CIL is a consideration for house builders. It should be noted that other Local Planning Authorities in the East of England are proposing/ have adopted the following rates for residential development. By way of comparison, the Suffolk Coastal High Zone proposes a charge for residential development of £150 per m2 which is much higher than those rates in the surrounding area. The rate of CIL could make your District less attractive to developers and have an impact upon the delivery of housing development as a result.</p> <ul style="list-style-type: none"> • Chelmsford City Council (adopted) - £125 per m2 • Cambridge City Council (proposed) - £125 per m2 	<p>Although the Suffolk Coastal 'High' CIL Charge Zone covers a notable geographical area of the Suffolk Coastal district, the vast majority of the area it covers is rural, with little current or anticipated development likely to come forward. Our market research shows that values in these rural locations are generally higher than in the surrounding areas, hence the viability appraisal analysis showing that a CIL of £150 per sq m can be afforded.</p>

	<ul style="list-style-type: none">• South Cambridgeshire District Council (proposed) – Various rates:<ul style="list-style-type: none">○ Area 1 (with the majority of development) £100 per m2,○ Area 2: (strategic sites) £0 per m2,○ Area 3: £125 per m2. • Mid Suffolk District Council (proposed) – Various rates:<ul style="list-style-type: none">○ Low zone: £75/£50 per m2,○ High zone: £115 per m2○ Strategic area: £0 per m2 • Babergh District Council (proposed) – Various rates:<ul style="list-style-type: none">○ Low zone: £90/£50 per m2,○ High zone: £115 per m2○ Babergh Ipswich Fringe: £40 per m2○ Strategic area: £0 per m2	
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SUFFOLK COASTAL DISTRICT COUNCIL

PBA COMMUNITY INFRASTRUCTURE LEVY

ADDENDUM: Housing for older people: viability and policy

On behalf of **Suffolk Coastal District Council**



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Retirement Housing & Suffolk Coastal CIL

Introduction

We have been provided within an examination statement on behalf of McCarthy & Stone and Churchill Retirement Living (referred to hereinafter as 'the Respondent') which comments on Suffolk Coastal (the Council)'s planning policy for housing for older people and the residential CIL charges proposed in the Suffolk Coastal Preliminary Draft Charging Schedule (PDCS).

The purpose of this Addendum is to respond to comments made on behalf of the Respondent which are based upon the CIL Viability Study produced by PBA. As such it should be read in conjunction with and as an addendum to the PBA report '**Suffolk Coastal Community Infrastructure Levy Viability Study [Final Report]**' dated May 2014 ('The Study').

The Role of Housing for Older People in the Local Plan

The Respondents have drawn attention to the following passage in the Suffolk Coastal Local Plan (2013):

'The strategy will be to increase the stock of housing to provide for the full range of size, type and tenure of accommodation to meet the needs of the existing and future population, including Gypsies, Travellers and Travelling Showpeople. This includes providing housing that will encourage and enable younger people to remain in the district, but also addresses the needs of what is currently an ageing population.'

Both PBA and the Council in agreement that the provision of specialist accommodation for the elderly is important in an area of ageing population and should be addressed as set out in the Local Plan above. We have taken this into further consideration as part of this addendum advice.

Re-Assessment of Development Viability

The statement from the Respondent discusses the uniform CIL levy rate which has been adopted by the PDCS, which does not currently differentiate between houses/flats and specialist accommodation for the elderly (including sheltered/retirement housing and Extra Care accommodation).

PBA has reviewed the results of its viability testing and has revised some of the residential viability appraisals to more accurately reflect specialist elderly accommodation development in the Suffolk Coastal context. Further to this PBA has made additional allowances for the following:

- We have made revised allowances for more generous gross to net ratios in order to take account of the additional space required in elderly accommodation for (for example) communal areas and health / warden areas as well as potentially visitor accommodation;
- We have allowed for additional empty property running costs; and
- We have taken into account that the vast majority of elderly accommodation in the Suffolk Coastal context will be flatted accommodation.

Viability Conclusion

Taking the above into account our viability analysis shows that development viability for specialist elderly flatted accommodation (assuming current values and current costs) is constrained, and that – currently – there is not enough viability to allow for both a CIL charge and a viability buffer of a size which we would deem appropriate based on our market knowledge.

Recommendation

PBA recommends that the Council revise its PDCS to include a nil CIL Charge for retirement / sheltered housing across the Suffolk Coastal area.