7 March 2013 L130307 - Feeney (CIL Statement).docx

Mrs A Feeney Programme Officer Waveney District Council Town Hall High Street Lowestoft Suffolk NR32 1HS



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Dear Mrs Feeney

Waveney District Council Community Infrastructure Levy Charging Schedule Examination Statement for the Examination Statement submitted on behalf of Brookhouse Group Limited

Introduction

We write further to your recent e-mail to Matthew Sobic of this office in relation to the above. This letter provides our Statement for the upcoming Examination into Waveney District Council Community Infrastructure Levy (CIL) Charging Schedule on 22 March 2013.

The Statement is submitted on behalf of our client, Brookhouse Group Limited. Brookhouse is the owner of North Quay Retail Park on Peto Way in Lowestoft. The Retail Park is an established retail destination providing retail warehouse floorspace for national multiple retailers.

Our Statement focuses on the following point:

1. Whether there is sufficient flexibility in the CIL rates proposed?

It is not considered that the appropriate balance between the desirability of funding infrastructure from CIL and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development has been taken. In order to do so, it is essential that (within the scope of the parent Regulations) the charging authority retain the ability to reduce CIL liability on qualifying schemes. The economic background to development is still challenging and will remain so for the foreseeable future. Although the charging authority will be mindful of the need to meet the Regulation 14 balance, it will be the lower value areas where development viability is already marginal (or indeed non-existent) where CIL will potentially impact most. Accordingly, it is considered that flexibility should be built into the Charging Schedule to permit negotiations on the CIL rate to be charged, where this can be supported by sound viability evidence. For example, where an otherwise acceptable economic generating development would become unviable as a consequence of a flat rate CIL level, it is considered that scope should be made within the Charging Schedule to permit flexibility for that rate to be discounted.

It is also considered that the timing of CIL payments in the context of a development project cashflow is often as important as the total amount payable. The CIL liability for larger projects could have a significant detrimental effect on viability, especially if it is all levied at the outset of a development project. Planning obligations are routinely phased to correspond with phases on larger developments and similar mechanisms can be adopted in relation to CIL payments. It is therefore considered that the Charging Schedule should establish clear phasing triggers for each development type.





Summary and Conclusion

We trust that the above commentary is taken into account at the Examination. Given that the needs of the UK economy are considered to be extremely important and that any new economic generating development should be supported without delay, it is considered that without the amendment to the Charging Schedule to provide the flexibility set out above, there are the prospects that the CIL rates could make otherwise viable schemes unviable.

In advance of the Examination, if you have any further questions, please contact Matthew Sobic or Peter Whittingham.

Yours sincerely

Savills (UK) Limited Retail Planning

cc. T Whitehead – Brookhouse Group Limited

From:	Matthew Sobic
To:	"'Annette Feeney'" <annette.feeney@waveney.gov.uk></annette.feeney@waveney.gov.uk>
CC:	"Tom Whitehead" Peter Whittingh
Date:	07/03/2013 11:45
Subject:	RE: Waveney CIL examination briefing notes and questions
Attachments:	L130307 - Feeney (CIL Statement).pdf; Part.002

Dear Mrs Feeney,

Please see attached a copy of our CIL Statement in relation to the above.

Yours sincerely

Matthew Sobic Associate Director Planning (Retail Division)

Tel:

Email: Website:www.savills.co.uk

-----Original Message-----From: Annette Feeney [mailto:Annette.Feeney@waveney.gov.uk] Sent: 07 February 2013 16:22 Subject: Waveney CIL examination briefing notes and questions

Please find attached briefing notes and Examiner questions for the Waveney CIL. I would like to highlight the new CIL guidance response from the Council, provided on 28 Jan, as in Para 7 of the briefing notes you are welcome to submit comments.

Key dates:

Confirm wish to appear deadline for those who have already requested - 5pm 21 Feb Further statements on new evidence (Jan 28 letter) - 5pm 7 March Statements for examiners questions - 5pm 7 March Hearing - 10.30am 22 March

Regards Annette Feeney

Mrs Annette Feeney Programme Officer Please consider the environment: think before you print this email

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