

Community Infrastructure Levy

Raising funds for infrastructure delivery:

Preliminary Draft Charging Schedule Consultation

Consultation period Friday 30th March to 5pm Friday 11th May 2012

Schedule of Comments Received and the Council's Response



Waveney District Council
Serving the Community



Purpose of this document

This document details all the comments received during the consultation on the Preliminary Draft Charging Schedule. It also details the Council's response to each comment made. In total 25 people/organisations responded to the consultation. These responses are listed in alphabetical order in this document.

The comments detailed in this document have been structured around the questions asked by the Council as part of the consultation. The questions are found in grey boxes in bold for each respondent. The comment made by the respondent follows in *italics*. The Council's response to each comment is in a labelled box immediately following the comment. Where no comment was made against a question this has been left blank.

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Anglian Water

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

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I would not expect there to be provision within the CIL for wastewater infrastructure. We would be pleased to engage in further discussion should you want to give further consideration to wastewater infrastructure inclusion.

In general, wastewater treatment infrastructure upgrades to provide for residential growth are wholly funded by Anglian Water through our Asset Management Plan (subject to approval by OFWAT).

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. There are a number of options to pay that can 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. 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/selfflay_guidance_financial140504.pdf/\\$FILE/selfflay_guidance_financial140504.pdf](http://www.ofwat.gov.uk/legacy/aptrix/ofwat/publish.nsf/AttachmentsByTitle/selfflay_guidance_financial140504.pdf/$FILE/selfflay_guidance_financial140504.pdf)

Response: Comments noted. Agree that CIL is not the most appropriate mechanism for

funding wastewater infrastructure. The relevant water industry legislation will continue to be suitable for developer contributions towards wastewater infrastructure.

BA Crockford

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

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Other Comments

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Like all sane people, I am aware that money has to be raised to finance additional infrastructure required by a growing population. I still maintain that the referred answer is population control but no one is interested in that idea.

If the extra funds are needed, I question why this proposal comes from Waveney District Council. Surely water and sewerage are the domain of Anglian Water or Essex and Suffolk Water, roads are East Suffolk County Council and schools are national government? Presumably this will be a country-wide fiasco, I mean scheme, so why has Waveney District Council had to employ a consultation company at vast expense to prove the obvious? If every District Council in the country has done the same, then we need ever more resources just to pay for the consultation.

If such a scheme has to be implemented it needs national, not local, agreement and the fee scale should be based on building plot prices not a 'per square metre' basis. The very expensive pamphlet gives an example of likely tax on a new build in Halesworth. If this were transferred to a similar property in Tyneside the cost would be disproportionate.

At a time when governments, both local and national, are calling for more development, this will be another retrograde step by increasing the cost of every property. It will either be borne

by developers (who are already reluctant to start building again) or it will be passed on to the customers (who are finding it difficult enough to obtain mortgages at the present prices).

Response: Comments noted. The Government has decided that Local Planning Authorities, who have the responsibility of permitting new development are best placed to operate a charge on development to pay for infrastructure. The Government did originally consider a national scheme but it was later dropped in favour of a local scheme to ensure funding was targeted at local needs, and to ensure that local people get more of a say where developer contributions are spent. The proposed charging rates are required to be based on viability and therefore the charge per sqm in higher value areas will be higher than in lower value areas.

It is unlikely that the developer or the homebuyer will bear the cost of CIL. Developers have to make a certain level of profits, and they can't rise the price of homes as the price is dictated by the market which consists mainly of second-hand homes (which have not paid CIL). Therefore the option left to developers is to pay less for the land. Therefore the effect of CIL may reduce the return to landowners. It is agreed that more development is needed. Therefore the proposed charges have been set at a rate which is only a very small percentage of the overall cost of development and therefore should not reduce land value below the point which would deter a landowner from releasing land for development.

Badger Building

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

Table 2.1 sets out market areas and relates charges to these. The same areas are used in Table 3.1. These market areas are, we presume based on perceived price differentials over the district to an extent that the market can support a range of CIL charges. We would ask that the market information used to support this assumption is made available as we do not recognise the market differentials which are identified here. If some functional relationship between CIL charges and property values has been used to create these differential rates then properties in Bungay would be 20% dearer than Beccles and properties in Halesworth double the Beccles price. This is obviously not the case. A snap shot review of the market on the 8th May reveals the following:-

In all three towns individual 4 bed properties of character or in grounds sell in the range £350 - £450k.

4 bed estate houses are in the range £230-£250k, 3 bed bungalows are in the range £180-£250k, 3 bed semi's in the range £135k Halesworth! - £175k Beccles.

Ex Council house of identical design in Beccles and Bungay are £165k each whilst the smaller ex council houses in Halesworth can be had for as little as £135k.

As a rule the bottom end of the market, due to its remoteness and lack of employment opportunities, is more depressed in Halesworth than it is in either Beccles or Bungay with their proximity to Norwich.

It is our view that Beccles, Bungay and Halesworth are for the most part a single market and the differentials perceived in this document are non-existent. We expect this aspect of the document to be re-examined with care as it is in our view so obviously incorrect. If this is not re-examined we will bring evidence to the inquiry to support our objection on this point.

We note at para 2.7 that lower rates may be set for identified sites and we reiterate our earlier point on subsidy. We will challenge any attempt to subsidise unviable sites using the CIL process where this might lead to a market advantage.

Response: There is a functional relationship between sales values and residual land values (and therefore potential CIL charges). However, small increases in sales values have a disproportionate effect on land values. However, BNP Paribas Real Estate have advised that looking at the price differentials between Halesworth, Bungay and Beccles, it could be argued that all three areas could fall into the same CIL charging zone. Although they would question the extent to which the Council should have regard to re-sales of ex-Council houses. Presumably not many developers will be building such property types and they are not reflective of the quality of new stock being brought forward for sale by developers.

BNP Paribas Real Estate also advise that there may be differences between the areas immediately outside market towns and values inside market towns that have skewed the figures slightly. On a closer look at comparables it is apparent that in the case of Halesworth and Bungay, higher sales values in the rural hinterlands have skewed averages

and the values used in the CIL Viability Study (BNP Paribas Real Estate, 2012). As most development in these locations will take place in the towns it is more justifiable to put a greater weight on the sales values in the towns. It is apparent from relooking at the evidence that the actual towns of Beccles, Bungay and Halesworth all have similar sales values of around £2,000 per square metre. The evidence submitted by Savills on sales values for a scheme they acted as agents on supports this.

The CIL Viability Study showed that sales values of approximately £2,000 per square metre as modelled for Beccles and Outer Lowestoft could accommodate CIL charges of £60 per square metre in most circumstances. As such the zones covering Halesworth, Bungay and Beccles will be combined into a single zone with a charge of £60 per square meter. This will achieve a more simplistic charging schedule that will be easier to administer.

Residential Rates

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

We note at para 3.7 that a rate of £65 sq m has been proposed for care homes. This seems opportunistic and bears no relation to the call on local infrastructure from such establishments. Care homes make no demand on education, little or no demand on roads, libraries, open space etc. To be equitable should the charging rate not bear some relationship to the need for infrastructure rather than value and opportunity, otherwise the scheme becomes nothing more than a thinly disguised and poorly justified property tax.

Response: CIL is designed to apply to all development regardless of the particular infrastructure need a particular type of development creates. It is likely that most types of development liable to pay CIL under the regulations will have some form of impact on infrastructure. However, the regulations do give Charging Authorities the ability to set differential rates (which could include a zero rate). Differential CIL rates must be informed by viability evidence alone. The CIL Viability Study (BNP Paribas Real Estate, 2012). Looked at the viability of most different types of uses, the majority of non-residential uses could not support any CIL rate. However, supermarkets, retail warehouses, holiday lets and residential care homes could. The viability study suggested that care homes could support a rate of £65 per sqm.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Para 1.4 of the document states:-

"By paying a contribution, developers will help fund the infrastructure that is needed to make their (our emphasis) development acceptable and sustainable."

This of course was the fundamental principle behind Section 106 payments. They had to be necessary in relation to the site from which they were levied. That link remains where site specific agreements are required but has been swept away in relation to pooled infrastructure contributions under CIL and this leaves us with some practical concerns. Where pooled contributions are now to be collected it seems that there is to be no mechanism in place to ensure that they are used to meet the local, but non site specific needs arising from a development. We remain concerned that the subsequent use of contributions is not guaranteed to be for the purpose of funding the infrastructure needed to make a development from which the payments have been made, "acceptable and sustainable" but could, on a political whim, be used to provide infrastructure for development some distance away. This is not equitable. To avoid this any money received needs accounting for on a more localised, rather than a district wide basis

Our concerns go further. The Council has previously suggested that CIL contributions may be used to underwrite infrastructure on sites which might otherwise be unviable. We have sought assurances that this will not be the case, but none have so far been received. We make the point again, CIL contributions from viable development should not be used as a way of supporting otherwise unviable development. This is a subsidy to the land value and is not fair in the market place, as it bestows an advantage on the recipient. We believe this approach to be contrary to European competition law.

Given the extent of the infrastructure deficit this approach of "robbing Peter to pay Paul" leaves donor sites short changed. Residents have a right to access to the infrastructure which their developments have paid for and an expectation that it will be delivered in an acceptable time. The solution to this problem intended by the CIL process was the use of providential borrowing against fees to fund larger schemes, rather than the use of the fees them selves as funding.

Paras 1.11 to 1.13 - We are confused by the explanation here. Paragraph 1.11 says that after April 2014 or when a charging schedule is in place (if earlier) no more pooled funds for Section 106 contributions will be permitted for open space. We see the same criteria being applied to schools where education contributions have been levied on a number of sites in recent years. If no more pooled contributions can be levied, then we fail to see how both education and open space (there may be other topics this affects) can appear on both sides of Table 1.1. If we understand the figures correctly then the CIL charge has been calculated taking in to account the infrastructure deficit set out in the document published on 29th July Infrastructure Study 2011-2025. This identifies the total funding gap requirement for education as £9.69m. If all the education cost have been identified to calculate this figure and it has been used as an input in to the CIL calculation then we fail to see how there might be any circumstances where education could be a site specific requirement without the site being charged twice; the same will apply for open space. Clarification is required.

Response: CIL intentionally breaks the link between a specific development and a specific piece of infrastructure. It gives the Council flexibility to focus and prioritise pooled contributions to help deliver the objectives of the Council's Local Development Framework. The Council has not yet finalised arrangements as to how CIL funds will be prioritised, but there will be a need to ensure localised impacts of development are mitigated in the absence of a Section 106 planning obligation. There are some safeguards that will be introduced shortly. The Government will require the District Council to pass back a meaningful proportion of CIL funds raised from development in a locality to the Parish Council responsible for that locality. This will ensure some localised accounting. Ultimately the spending decisions of the Council will be held to account by the electorate.

A main purpose of the CIL is to help deliver new development in a timely fashion that is supported by infrastructure. Therefore it is justified to spend funds on infrastructure to deliver new development. Similar to HCA funding, the CIL funds will not be used to subsidise

developers to give them a commercial advantage. CIL will not be used to fund infrastructure where it will deliver developer profits above normal levels or where it will support historic or higher than normal residual land values for landowners. However, CIL similar to other public funding could be used to help unlock development sites early where viability is a problem and where infrastructure on or near those sites brings wider benefits to other developments. CIL intentionally breaks the link between a development and specific infrastructure provision to enable Council's to apply the funds flexibly to deliver current priorities. The Council will need to ensure that a balanced approach is taken to ensure that infrastructure across the District is funded and delivered. Again, the spending decisions of the Council will be held to account by the local electorate.

Unfortunately, the Government has not legislated yet to allow Council's to borrow against future CIL rates. However, CIL receipts could be used to match fund and reimburse expenditure already made on infrastructure.

The restrictions imposed by Regulation 123 apply to all types of infrastructure. Open space was just used as an example. The funding gap in the infrastructure study has taken into account where schools or open space may be delivered on-site. Therefore, the funding gap for CIL only represents the off-site need.

Barton Willmore (on behalf of Sanyo Industries (UK) Ltd)

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

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Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

On behalf of our client Sanyo Industries (UK) Limited we wish to endorse a joint response to the CIL Draft Charging Schedule by Savills. That response is being submitted by the Council's website and the associated online questionnaire.

This joint response was instructed and made on behalf of Sanyo, SCA, Jeld-Wen, Brooke Marine, Rentokil and Persimmon, who all have significant landholdings in the area and / or are actively developing land. Sanyo, SCA, Jeld-Wen, Brooke Marine and Rentokil have significant landholdings in the Sustainable Urban Neighbourhood (SUN).

Together with Sanyo's neighbouring landowners, we have been working with the Council over many years to bring development forward within the SUN and have through the AAP process and the development brief expressed concerns over deliverability and viability.

One of the main points arising from our joint response is that we consider that more work is required from the Council and its advisors in terms of presenting an evidence base which is detailed and sufficient enough to support and justify the Charging Proposals.

The CIL charging schedule clearly demonstrates that there are serious and significant issues in relation to the level of infrastructure which can be supported by the SUN. We would wish to continue to explore with the LPA the infrastructure which is necessary to make the SUN a sustainable community and how infrastructure might be delivered.

To progress the draft Charging Schedule and the delivery of the SUN - in order to ensure that the overall development proposals are viable - we as a group would like to meet with the Council and its advisors to discuss issues around delivery in the District and with the CIL.

Response: Comments noted. A full response is provided under the Savills representation. With respect to the Sustainable Urban Neighbourhood and Kirkley Waterfront site, the whole site will now be placed in Zone 1 to properly reflect the likely Section 106 costs that will be experienced in this area.

Bourne Leisure

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

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Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

On behalf of Bourne Leisure Ltd, we comment below on the Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule, currently out to consultation until 11 May 2012.

By way of background to these comments, Bourne Leisure is the UK's leading operator of holiday centres, with more than 50 holiday sites in the UK, in the form of hotels, family entertainment resorts and holiday parks. These are managed by a number of subsidiary companies which include Warner, Haven and Butlins. Within Waveney, Bourne Leisure operates the Corton and Gunton Hall Coastal Villages.

General Comments

Bourne Leisure notes that despite the Waveney District Council Core Strategy (adopted in January 2009) pre-dating the introduction of CIL Regulations, Para 5.17 of the Core Strategy recognises the forthcoming introduction of the CIL to address local infrastructure deficits in order to help make growing communities more sustainable.

Methodology to setting CIL charges

Bourne Leisure considers that one of the fundamental issues with regard to imposing charges under CIL, or entering into planning obligations, is the legitimacy of the charges / obligations sought and the subsequent impact that they can have on the viability of development. In this context, the Company notes the statement made at paragraph 2.1 of the preliminary draft Charging Schedule, which states:

"The rates of CIL set out in a Charging Schedule aim to strike an appropriate balance between the desirability of funding infrastructure through CIL and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across the area".

We consider this approach to be in compliance with CIL Regulation 14, which seeks to strike an appropriate balance between the desirability of funding infrastructure whilst not undermining the economic viability of development across an area.

The methodology followed by the Council then responds appropriately to CIL Regulation 14 by identifying the total infrastructure funding gap that the levy is intended to support, taking into account other sources of funding. The potential CIL rates identified through the infrastructure funding gap exercise are subsequently tested through a viability assessment for various land uses across 7 market areas in Waveney.

Proposed CIL Charging Rates

Viability Study (March 2012)

Bourne Leisure endorses the preparation of the viability assessment, prepared by BNP Paribas, to test the imposition of the potential CIL rates on the economic viability of development. Bourne Leisure agrees with the need for robust evidence to underpin the detailed consideration of CIL rates.

Commercial viability

Table 2.2 of the consultation document states the consultants' recommended rates as including a zero rate for hotels and for sui generis uses. Their Viability Study refers to a zero rate being recommended to be applied to hotel development as they are unlikely to be viable 'at the current time', given the level of capital value and construction costs (para 6.32). Considerable increases in capital values or a fall in build costs below average BCIS levels for hotels would be required to make hotel schemes viable in Waveney. Bourne Leisure strongly agrees with the Council accepting this approach to the recommended zero rate for all hotel developments.

As regards sui generis uses, the consultants refer to these as being car showrooms (para 6.46); for clarity, the charging schedule should likewise explain what such uses are, for the purposes of CIL.

Bourne Leisure considers that the zero rate that is proposed to be applied to hotel development should not be presented as arising simply and seemingly in the short terms from current market conditions. Instead, market conditions should be recognised as being a longer term, structural issue for the area, such that the zero rate for hotels is very likely to be carried forward into the longer term future as a standard mechanism to ensure that any improvement in the viability of hotel development is not undermined. Such an approach would help to ensure that if the hotel market were to improve, a balanced and positive approach to encouraging a range of hotel development proposals would be in place.

Other rates

Bourne Leisure notes that from Table 3.2 - Other Rates, the category of 'Holiday Lets' is proposed to have a CIL rate of £40 per sqm. Para 3.8 defines 'Holiday Lets' as follows:

"Holiday lets, for the purposes of the charging schedule, are permanent buildings for the purposes of tourist accommodation, restricted for permanent residential use by condition..."

The consultants' viability report (paras 6.33 to 6.35) makes it clear that the term 'Holiday Lets' applies to properties that are comparable to second homes in that they are rented out to different holiday-makers, "rather than used as second homes for sole occupation". The viability report makes it clear that such lets are in buildings with similar build costs to, "residential units designed for owner occupation", saying too that, "...the availability of mortgages may be more restricted than would be the case for a residential unit".

In these circumstances, the charging schedule should make it clear that 'Holiday Lets' do not include other types of visitor accommodation that are provided in different forms / types of

buildings that can be clearly differentiated from residential buildings e.g. the chalets and caravans sited in holiday villages and resorts. It should be clearly explained in the charging schedule that such accommodation falls instead within the category of 'All other development' in Table 3.2 and thereby has a zero CIL rate.

As stated above with regard to hotel development, Bourne Leisure considers that the zero rate that is proposed to be applied to 'All other development' in Table 3.2 should be recognised as potentially being applied in the longer term, due to the structural economic issues in the area. Such an approach would help to ensure that if the market in Waveney were to improve, a balanced and positive approach to CIL would be in place that would not discourage development proposals from being brought forward.

Exemptions

Bourne Leisure notes that the Preliminary Draft Charging Schedule currently makes broad brush assumptions about viability which take no account of a specific scheme's circumstances or location. It is accepted by Bourne Leisure that the Council does not have to progress or include proposals for exceptional circumstances relief in the charging schedule but considers that it is essential that the Council considers such relief alongside the emerging charging schedule. Our client considers that the Council should have such a policy in place for when, for example, a specific regeneration scheme cannot be made viable if it has to pay the full CIL levy. By allowing for exceptional circumstances relief, which takes into account development costs (i.e. s106 obligations) and development viability, the unacceptable prospect of CIL preventing development needs being met would be reduced.

How should CIL be spent?

Bourne Leisure considers that whilst flood defences should be a priority for funding, this should not preclude existing tourism operators from funding and implementing works to protect their interests, particularly where relating directly to specific development proposals which provide significant economic benefits.

Conclusion

We trust that these comments will be taken into account and used in finalising the draft CIL Charging Schedule which is to be published for consultation later in the year. Please do not hesitate to contact my colleague Frances Young, or me, if you have any queries in regard to these representations.

Response: Comments noted. The only sui generis use tested was car showrooms. This will be clarified in future CIL background documentation.

The CIL Charging Schedule will likely be reviewed every three years. The viability of hotels and other tourist uses will be reviewed then. If the market has remained unchanged then there will be no scope to introduce a higher rate for these uses. CIL will only be levied in future schedules where there is enough uplift in land value from a development over existing use values. It is not considered appropriate to make any assumptions in this charging schedule about likely rates in future charging schedules.

The £40 per sqm metre rate for holiday lets will not apply to caravans or other temporary and moveable structures. The regulations dictate that CIL can only apply to structures considered to be 'buildings' that people would normally go in. It is considered that the footnote to 'Holiday Lets' in the Charging Schedule is sufficiently clear as it states 'permanent buildings'.

The CIL will not preclude tourism operators from funding or implementing flood protection works.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Councillor Norman Brooks

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

No I think the rates are far to high and will deter developers from coming to Waveney. It is unfair to charge home owners these vast extra sums when they are working flat out to buy their own home.

Response: The rates proposed have been set at a level which will ensure development remains viable and attractive for investors.

It is unlikely that the developer or the homebuyer will bear the cost of CIL. Developers have to make a certain level of profits, and they can't rise the price of homes as the price is dictated by the market which consists mainly of second-hand homes (which have not paid CIL). Therefore the option left to developers when faced with extra costs is to pay less for the land. Therefore the effect of CIL may reduce the return to landowners. The proposed charges have been set at a rate which is only a very small percentage of the overall cost of development and therefore should not reduce land value below the point which would deter a landowner from releasing land for development.

Residential Rates

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

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No Tourist area so lets clobber the tourist trade with excessive fees for holiday lets, and whilst we are about it we have care facilities for the elderly and disabled coming out of our ears, not, so lets charge them top rate as well.

Response: The rates proposed for holiday lets and care homes have been set at a level which will ensure development remains viable and attractive for investors.

The CIL Viability Study (BNP Paribas Real Estate) shows that due to the value of these

developments there is a significant increase in land value from the typical existing use value of land. Therefore, there is scope for a developer to pay less for land to cover the extra costs of CIL. The proposed charges have been set at a rate which is only a very small percentage of the overall cost of development and therefore should not reduce land value below the point which would deter a landowner from releasing land for development.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

I was under the impression we wanted Waveney to grow and develop jobs this does not seem the way to achieve it.

Response: It is agreed that more development is needed. Therefore the proposed charges have been set at a rate which is only a very small percentage of the overall cost of development and therefore should not reduce land value below the point which would deter a landowner from releasing land for development.

The CIL should have a positive economic effect as it will raise funds to unlock development and deliver infrastructure that supports development. It will ensure that the infrastructure costs associated with development are not just borne by larger developments but are spread across all developments. It will also reduce the impact of new development on public funds. The CIL will also largely replace Section 106 planning obligations, which sometimes involve long negotiations and do not give certainty to developers.

Environment Agency

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

I have had a quick look at the document and the supporting evidence and we don't have any particular issues with the document at this stage.

We are pleased to see that flood risk is being considered (where appropriate) and would support the reduction/removal of CIL contribution in the SUN area if it ensures that remediation of the land occurs and appropriate flood risk mitigation is incorporated to the developments.

Response: Comments noted.

Michael Leedham

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

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If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

I fully support the use of this levy as a sensible and cost effective way of raising money to be used for the provision of appropriate infrastructure as needed.

I believe all developers should pay towards the cost of this provision and consider this to be fair and reasonable charge.

Response: Comments noted.

Gisleham Parish Council

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Councillors discussed the above document at their meeting on Tuesday 8 May and I apologise for the late reply.

In have been instructed to respond to this document as follows:

The proposal will stifle development

The structured pricing will make the cost of building in outlying towns prohibitive

How will developers be able to raise the necessary funds

Response: The proposed charges have been set at a rate which is only a very small percentage of the overall cost of development. Developers will normally pass this cost on to the landowner in the form of a reduced offer for the land. The CIL Viability Study (BNP Paribas Real Estate, 2012) shows that the proposed charges should not reduce land value below the point which would deter a landowner from releasing land for development.

The CIL should have a positive economic effect as it will raise funds to unlock development and deliver infrastructure that supports development. It will ensure that the infrastructure costs associated with development are not just borne by larger developments but are spread

across all developments. It will also reduce the impact of new development on public funds. The CIL will also largely replace Section 106 planning obligations, which sometimes involve long negotiations and do not give certainty to developers.

Henham Park/Hektors Brewery

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

I do not agree with the significantly higher CIL rates recommended for Zone 5 and do not believe these are justified within the report. I believe that the rates proposed - £9,000 for a 60 m2 property will be prohibitive and act as a barrier to the development of low cost housing which is a significant market in Zone 5

Response: The rates proposed for Zone 5 reflect the much higher market values of properties in this location. Affordable housing provision has been taken into account in the CIL Viability Study (BNP Paribas Real Estate, 2012) and the proposed rates will still ensure a proportion of affordable housing on a site in accordance with adopted policies is viable. The proposed charges have been set at a rate which is only a very small percentage of the overall cost of development. Developers will normally pass this cost on to the landowner in the form of a reduced offer for the land. They cannot add the extra cost to the price of a home as the price of new homes is set by the market which includes a greater proportion of second-hand homes (which have not had to pay CIL). The CIL Viability Study shows that the proposed charges should not reduce land value below the point which would deter a landowner from releasing land for development.

It should be noted that following evidence submitted by Savills and Badger Building and a re-look at evidence collated to inform sales values for the CIL Viability Study it is apparent that the towns of Halesworth, Bungay and Beccles all have similar sales values of around £2,000 per sqm. As such Halesworth will be grouped with Beccles and Bungay in a zone with a charge of £60 per square metre. All rural parishes will also be included in this zone. The Southwold and Reydon parishes will remain at £150 per square metre.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

I believe that the rate should be consistent at £45 or less across the district as effectively development on either side of the arbitrary zoned lines will be greatly supported and others prevented.

Response: As developers will normally pass the cost of CIL (and other planning policy requirements) on to the landowner in the form of a reduced offer for the land, it is effectively the landowner who pays CIL. Unless the same landowner own lands across the District, the differential rates will not favour one area over another.

Do you have any comments on the boundaries of the Charging Zones for residential development?

The boundaries have been arbitrarily formed - creating an additional layer of administration. Not enough justification has been made for the 300% increase in the CIL from Lowestoft to Southwold

Response: The zones are broadly based on evidence of market sales values which vary considerably across the District. Sales values have a disproportionate impact on residual land values for development and therefore higher values increase the scope for CIL significantly. Values in Southwold and Reydon are at least double what they are in Inner Lowestoft, hence the justification for a higher CIL charge in the Southwold/Reydon area.

It is appreciated that housing markets will merge into each other rather than shifting when you cross from one side of a boundary to another. It is agreed that in the rural areas the boundaries are largely arbitrary as there is a general lack of comparative transactional evidence. There may be areas of the rural area that can support £150 per square metre and other areas that cannot. Given this concern, the Charging Schedule will be amended so that boundary of Southwold and Reydon area will be drawn tightly around the Parish boundaries where there is plenty of evidence of higher sales values. The remaining rural area will fall into Zone 3 with a charge of £60 per sqm. This will ensure the limited development that does occur in the rural area is not made unviable by CIL.

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

I do not agree with the CIL rates proposed for Holiday Lets which are an important economic factor in the regeneration of the district. Changes to the HMRC rules on Holiday Lets now act as a preventative measure to people claiming holiday let allowances and encourage active marketing and use of the properties and therefore they should be encouraged as part of the accommodation offering to visitors. Never an easy investment decision I fear this CIL on what is a positive generator of jobs and income will be prohibitive

Response: The rates proposed for holiday lets have been set at a level which will ensure development remains viable and attractive for investors.

The CIL Viability Study (BNP Paribas Real Estate) shows that due to the value of these developments there is a significant increase in land value from the typical existing use value of land. Therefore, there is scope for a developer to pay less for land to cover the extra costs of CIL. The proposed charges have been set at a rate which is only a very small percentage of the overall cost of development and therefore should not reduce land value below the point which would deter a landowner from releasing land for development.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

I believe Holiday Lets should attract the same CIL as Hotels - £0

Response: No evidence has been submitted to demonstrate why holiday lets would not be viable at the proposed rate.

The CIL Viability Study (BNP Paribas Real Estate) shows that due to the value of these developments there is a significant increase in land value from the typical existing use value of land. Therefore, there is scope for a developer to pay less for land to cover the extra costs of CIL. The proposed charges have been set at a rate which is only a very small percentage of the overall cost of development and therefore should not reduce land value below the point which would deter a landowner from releasing land for development.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Highways Agency

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

I have noted the district council's response in Appendix 2 of the document "Waveney Community Infrastructure Levy - Infrastructure Study 2012 - 2025 (March 2012)" to the Highways Agency's comments made on 19 August 2011 in respect of paragraph 3.1.8 of the draft infrastructure study.

Response: Comments noted.

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

The Agency has no comment on the current consultation document.

Response: Comments noted.

Homes and Communities Agency

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

We have the following specific comments with regard to the Community Infrastructure Levy Viability Study:

Paragraph 4.32 refers to work by Cyrill Sweet for the DCLG, this has now been superseded by <http://www.communities.gov.uk/publications/planningandbuilding/codeupdatedcostreview>, the 'uplift percentages' are generally marginally reduced however we would not anticipate any change to findings.

At paragraph 4.44 the study stated RP charges a rent of 2% on the retained equity. Unless it is based on evidence of local RPs charges, this could be misleading. Therefore it is recommended that this paragraph to be crossed reference with evidence of local RPs rent charges on retained equity.

Paragraph 4.46 seeks to test phasing of CIL payment at 3 points of the development. HCA welcomes this testing policy. If actual CIL payment was to differ from the testing policy, it could then be significant to the development's viability. In such case, we recommend for the CIL payment procedures to be implemented within reasonable timescale and in transparent manner.

Chart 6.6.1 has the x axis text 'per ha' missing (compare 6.6.2). This is momentarily confusing. It is recommended that this chart to be compatible with charts 6.6.2, 6.6.3, 6.8.1 and 6.9.1 etc.

Response: The rent on the retained equity was based on the advice from a local housing consultant who works with local Registered Providers. Notwithstanding this, the results would not be significantly different if the rent was reduced from 2%.

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

We have reviewed the document and can confirm that the HCA supports the general approach outlined.

This Draft Charging Schedule document clearly sets out the Council's methodology about how the charging policy has been formed.

The resulting CIL charges for each zone is broadly in the range of emerging comparatives, at both the higher and lower ends. The rates adopted do allow a 'buffer' of viability according to the viability report, which is appropriate. We note that RICS draft on viability does not support use of 'Existing use plus incentive premium', but until this & the Harman review are published it remains a reasonable basis to use.

The building costs are taken from RICS BCIS, which is higher than we have seen from recent tenders on public land from volume housebuilders, but has the advantage of being a 'publicly available' benchmark.

Response: Comments noted. Whilst it is noted that the RICS draft guidance is against EUV plus a premium, their guidance is for development control purposes rather than policy setting. It is important to note that the document is not in its final form and is creating significant debate within the industry. It is far from a settled position. The Harman Review guidance (which has been drafted specifically for viability testing for planning policy and CIL) very clearly supports EUV plus premium. However, one of the CIL Viability Study's benchmarks is the 'residential land' which is effectively a market value benchmark rather than a EUV.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Kessingland Parish Council

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Para 2.4 This identifies the funding gap that the CIL will need to address and note is made that most of the funding shortfall will be related to Lowestoft, where most growth is proposed in the LDF. Para. 3.5 states that a zero rate CIL will be applied to Inner Lowestoft, meaning that the remainder of WDC area for CIL will be subsidising Lowestoft yet again. When is there going to be parity across the District?

Table 2.1/3.1 What is the rationale behind charging CIL at two - two and a half times the figure for Southwold/Reydon/Halesworth compared to other zones - is this to deter developers away from those areas and into areas where the CIL is lower?

Table 2.2 Why are Hotels and Offices zero rated, it is felt they should be at least on par with Supermarkets.

Response: A zero rate has only been set for the flood zone of Lake Lothing, where higher costs associated with development means that it will not be viable. Development in this area will still make a contribution towards infrastructure, just not through CIL.

The rates proposed for Zone 5 reflect the much higher market values of properties in this location. As developers will normally pass the cost of CIL (and other planning policy requirements) on to the landowner in the form of a reduced offer for the land, it is effectively the landowner who pays CIL. Unless the same landowner own lands across the District, the differential rates will not favour one area over another.

It should be noted that following evidence submitted by Savills and Badger Building and a re-look at evidence collated to inform sales values for the CIL Viability Study it is apparent that the towns of Halesworth, Bungay and Beccles all have similar sales values of around £2,000 per sqm. As such Halesworth will be grouped with Beccles and Bungay in a zone with a charge of £60 per square metre. All rural parishes will also be included in this zone. The Southwold and Reydon parishes will remain at £150 per square metre.

The CIL Viability Study (BNP Paribas Real Estate, 2012) shows that it is not viable to charge Hotels and Offices any rate of CIL. Supermarkets have a far greater value and result in a much larger increase in land value and therefore can viably pay a rate of CIL.

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

Table 2.2/3.2 What is the explanation for setting different CIL rates for Residential Homes - surely it should reflect the housing rate for the area where built - or they be should be treated in the same way as social housing and be zero rated.

Para 3.8 There is a marked difference in the CIL rate for hotels and holiday let premises. Again there is no explanation given

Para 3.10 This is totally confusing, this deals with exemptions from CIL - The draft document states :-

"Firstly development up to 100 sqm will be exempt. For example an extension to a residential property will not pay a CIL charge if it is less than 100sqm. This exemption does not apply if a new dwelling is being created by the development. For example a new 60sqm house in Halesworth would have to pay a CIL of £9000."

How can development up to 100sqm on one hand be free of CIL, but a house smaller than 100sqm attract a CIL of £9000. In addition what happens to an extension over 100sqm - how is the CIL calculated.

Response: Care homes have different value characteristics to residential dwellings. The CIL Viability Study has shown that these types of developments could accommodate a charge of £65 per square metre.

The CIL Viability Study shows that hotel developments cannot viably pay CIL at the present time. Hotels have a similar value to holiday lets but the costs are much greater.

The CIL regulations state that development up to a threshold of 100sqm is exempt from CIL. However, the regulations also state that this threshold does not apply if a new dwelling is being created as part of the dwelling. Therefore, most extensions to a dwelling house will not be liable to pay CIL but a new dwelling of any size will be liable to pay CIL. If a new development is over 100sqm and is liable to pay CIL, the CIL will be calculated on the entire area of new build (e.g. a 110sqm extension to a supermarket will be liable to pay CIL on 110sqm of development). This section will be made clearer.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Kessingland Parish Council have the following comments to make re the above consultation, which are a combination of questions and comments.

Para 1.9 refers to the Government requiring WDC to hand a proportion of CIL funds back to Parish and Town Councils when development occurs in their area

(a) What proportionate figure in percentage terms will come to Town and Parish Councils?

(b) As the current LDF stands at this time, Kessingland does not feature as a location within WDC suitable for development - basically its agreed there is no available space and there are well documented flooding and sewerage issues

Does this mean Kessingland Parish Council will see no CIL funding coming their way for future infrastructure projects?

Para 1.11 More clarification is required about the wording of this paragraph - can it be explained more clearly in respect of CIL in relation to S106

Para 1.13 No Mention is made here about infill development - (small site 3 houses) - what contribution would there be towards s106 or CIL for the benefit/improvement of play areas?

Finally on Page 11 which sets out the residential charging zones, what is the significance of the area outside the yellow band to the North & West?

Response: It is currently not clear what percentage of CIL funds the District Council will have to pass back to Town and Parish Councils where development occurs. The Government are expected to publish regulations by October 2012.

Unless new development (that is liable to pay CIL under the proposed schedule) comes forward in Kessingland, there will be no CIL funds passed back to the Parish Council. Even though there is no positive development allocations in Kessingland, in reality, there is still likely to be a level of residential windfall development in Kessingland.

In addition, the Council may wish to use all funds raised within Kessingland for infrastructure in Kessingland. The Council has not yet finalised arrangements as to how CIL funds will be prioritised, but there will be a need to ensure localised impacts of development are mitigated in the absence of a Section 106 planning obligation.

Paragraphs 1.10, 1.11 and 1.12 explain how the use of Section 106 planning obligations are being restricted by legislation in such a way that it will not be possible to continue to use them in the current way post 2014. It is appreciated that due to the use of different terminology in these paragraphs confusion could be caused. This section will be clarified in future CIL background documentation.

Once a CIL is in place, section 106 contributions for off-site play area improvements will not be required. CIL will be expected to fund them instead. Infill residential development will be liable to pay CIL.

The yellow band is part of the Ordnance Survey base map and denotes the area covered by the Broads Authority. The Waveney CIL Charging Schedule does not apply to the Broads Authority area. The Broads Authority are responsible for developing their own Charging Schedule if they choose to do so.

Lowestoft Harbour Maritime Businesses Group

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

I welcome this charge, and my main comment is that it is thirty years too late as far as Lowestoft is concerned!

A secondary point is that it should not be frittered away on community facilities when the main issue is to try to attract employment to Lowestoft. Jobs require Transport Infrastructure, particularly to serve the old industrial heartland of Lowestoft around Lake Lothing. This area was served by numerous railway sidings that have never been replaced with adequate roads. I note that the Core Strategy calls for another 5000 jobs. There is no hope of attracting this level of employment without solving Lowestoft's internal traffic circulation problems.

The Core Strategy also calls for nearly 7000 dwellings. It follows that 2000 of these dwellings are to be occupied by non productive benefit or pension dependent households that require a higher level of social service infrastructure. This ridiculous mix is again a recipe for investing precious resources in people who consume wealth rather than those who create it.

Response: Comment noted. Please note that although the Core Strategy proposed nearly 7000 new dwellings, this was in the time period 2001 to 2025. The majority of these dwelling have already been built or permitted. There are approximately 2,300 dwelling left to be

permitted and built over this period in the District.

Name: Mr A Harvey

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Again, the Council is NOT encouraging small local business, and individuals in the development of homes in the Waveney area. Fees being charged is only encouraging small "Boxes" for single occupation and increasing housing suitable for renting.

There is no encouragement for family homes of 3-5 bedrooms, this will destroy the development of new homes except for large housing development firms.

Response: No evidence is provided to support these claims. The Council has planning policies which require a mix of housing on all development sites, including 3-5 bedroom homes.

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

No, the balance favours the Lowestoft area, and fees should be more equal across all areas. Fees should be higher for large developments, as this has a bigger impact on the environment. Individual housing or smaller development of up to 5 houses have very little impact and should have a lower, or no fee.

Response: The differential rates of CIL reflect the differences in sales values across the District. Differential rates have to be supported by viability evidence alone. As developers will normally pass the cost of CIL (and other planning policy requirements) on to the landowner in the form of a reduced offer for the land, it is effectively the landowner who pays CIL. Unless the same landowner own lands across the District, the differential rates will not favour one area over another.

Charges will be proportionally higher for larger developments as they are based on square metres. Cumulatively, smaller developments can have a significant impact on infrastructure capacity.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

I do not believe that this strikes an appropriate balance. Larger developments have a bigger impact on resources and there is no encouragement for local small business and small and individual development, and as such a sliding scale should be used.

It seem also that the further you are away from Lowestoft, the more you are subsidising Lowestoft. We are Waveney District and as such the fees asked for should be going to the local community, not trying to find other ways of generating income to subsidise council and business tax.

Response: Charges will be proportionally higher for larger developments as they are based on square metres.

The differential rates of CIL reflect the differences in sales values across the District. Differential rates have to be supported by viability evidence alone. As developers will normally pass the cost of CIL (and other planning policy requirements) on to the landowner in the form of a reduced offer for the land, it is effectively the landowner who pays CIL. Unless the same landowner own lands across the District, the differential rates will not favour one area over another.

New regulations are being introduced by the Government which will ensure a meaningful proportion of CIL funds will be handed back to the local community (Parish and Town Councils) for spending on infrastructure of their choice (providing it supports or mitigates development).

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Natural England

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

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Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Natural England is the Government agency that works to conserve and enhance biodiversity and landscapes, promote access to the natural environment, and contribute to the way natural resources are managed so that they can be enjoyed now and by future generations.

We are generally satisfied with the content of the draft charging schedule and would like to take this opportunity to reiterate the important role that the CIL should play in funding green infrastructure in the district. The CIL offers an opportunity to secure funding for green infrastructure in advance of development and it is crucial that this funding is robustly ring-fenced. The monies raised can be shared between the costs of creating new greenspaces and securing their long-term management, and managing existing green infrastructure. Natural England's Analysis of Accessible Natural Greenspace Provision for Suffolk identifies deficiencies in accessible greenspace provision for Lowestoft. New green infrastructure should seek to achieve the objectives and aspirations of the local green infrastructure strategy.

I hope these comments are helpful. Please do not hesitate to contact me should you wish to discuss these in more detail.

Response: Comments noted.

Norfolk County Council

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Preface

The officer-level comments below are made on a without prejudice basis and the County Council reserves the right to make further comments at the next consultation stage.

Comments

Strategic Cross-boundary Infrastructure Issues - In terms of where the CIL will be spent (i.e. Reg 123 list), it would be helpful if the Charging Schedule referred to the possibility that CIL contributions could potentially be used to provide funding for infrastructure outside the District. This may be relevant where planned growth in Waveney has an impact on Norfolk infrastructure, for example:

** Transport - junction improvements, potential maintenance of highway, and/or public transport;*

** Education - extension/improvements to pre-school; primary and high schools;*

** Libraries - extension/improvement of library building and new stock including books and information technology;*

** Fire service provision - this might include fire hydrants as well as sprinkler protection with all new homes.*

This could be referred to in Section 1 of the Charging Schedule and would be consistent with Regulation 123.

The above issues were raised when the County Council responded to the Waveney Infrastructure Plan in September 2011 particularly in relation to education.

Such an approach would demonstrate Waveney District Council's commitment, under the Localism Act, of taking forward the "duty to cooperate" in the context of wider infrastructure planning.

Response: Comments noted. At present there are no known cross boundary infrastructure requirements to support development in Waveney. The Charging Schedule does not need to set out the Regulation 123 list. In preparing any Regulation 123 list in the future, the Council will have regard to cross-boundary infrastructure needs if they arise.

Peacock & Smith Ltd

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

On behalf of our clients, Wm Morrison Supermarkets Plc, we strongly object to the proposed CIL rate of £130/sq.m m for (inter alia) Class A1 retail development (supermarkets, superstores and retail warehouses (>=280sq.m) as set out in Table 3.2 of the emerging Community Infrastructure Levy (CIL) - Preliminary Draft Charging Schedule (March 2012).

Whilst we acknowledge that the draft Charging Schedule has been informed by viability assessment prepared by BNP Paribas Real Estate, our client is concerned that the suggested allowance of £1,000 per unit to address any residual Section 106 and Section 278 costs is significantly below the likely actual costs for these items associated with large food retail developments, and that the proposed high CIL charge level will have a significant adverse impact on the overall viability of future (large) convenience retail development in the District. A balance has not been found between infrastructure funding requirements and viability.

Our client raises concerns that the viability analysis does not take into account all likely costs associated with developing a new foodstore. For example, in addition to the costs of s106 requirements identified above, the potential costs associated with developing a brownfield site (e.g. site remediation and preparation) can also be significant.

The draft charge will put undue additional risk on the delivery of foodstore proposals and will be an unrealistic financial burden. This, in turn, poses a significant threat to potential new investment and job creation in the District, especially in regeneration areas, at a time of economic recession and low levels of development activity.

Furthermore, it is important to note that the proposed £130/sq.m levy for Class A1 retail development (supermarkets, superstores and retail warehouses (>=280sq.m) development is significantly higher than those being proposed by other LPA's. By way of example, the Districts of Shropshire, Huntingdonshire and Plymouth have adopted rates of between £0 and £100/sq.m m which are significantly lower than the charge being proposed by Waveney.

We would be grateful if you could take into account the above comments in progressing the CIL Charging Schedule.

We would be grateful if you could keep us informed of the Council's response to this objection and the progress of this document towards adoption.

Response: There is no evidence presented in the representation that supports the claim that a £130 per sqm charge will put an undue additional risk on the delivery of foodstore proposals, and that it may therefore place a significant threat to future investment and job creation. The CIL Viability Study (BNP Paribas Real Estate, 2012) demonstrates that supermarkets could viably pay a CIL of £200 per square metre. This has been reduced to £130 per square metre to allow for any site specific issues.

The £1000 per unit section 106/278 allowance has not been applied to commercial calculations. It is expected that CIL will be the main source of funding for infrastructure requirements associated with a supermarket development. Additionally, the appraisals in Appendix 4 of the CIL Viability Study show that even with a CIL of £130 per square metre, there is still an uplift in land value of over £350,000 over the existing use value plus a 20% premium. This essentially gives scope for additional section 106/278 contributions if needed or scope to cover additional unforeseen costs.

As stated in Paragraph 4.33 of the CIL Viability Study, with many sites coming forward on previously developed land the BCIS tender prices which the costs in the study are based on will include an average cost for decontamination and site clearance. Nevertheless, as stated above the CIL has been set at a level where there is still a considerable buffer between the residual land value and an existing use value plus premium which will ensure where unforeseen, abnormal costs arise they can still be paid for without affecting viability.

It is noted that there are some Charging Authorities proposing lower rates for supermarket development, however, there are many others proposing a much higher charge. The charge proposed in Waveney is based upon local evidence.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Sainsburys (c/o Indigo Planning Limited)

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

We write on behalf of our client, Sainsbury's Supermarkets Ltd, in respect of the Preliminary Draft CIL Charging Schedule for Waveney. Sainsbury's currently don't have any stores within Waveney but are always interested in pursuing future opportunities, for both main and convenience stores, to establish a retail offer in the District.

The implementation of CIL in Waveney and its implications for retail proposals is, therefore, of interest to Sainsbury's and they are keen to ensure that the CIL is implemented appropriately.

The Preliminary Draft Charging Schedule

Having reviewed the Preliminary Draft Charging Schedule, we wish to focus on the proposed levy of £130 per m² for supermarkets, superstores and retail warehouses. This proposed charging rate schedule, as set out, is at best ambiguous in terms of the type of retail development that will be charged and, at worst, discriminates against larger food retail proposals. The CIL Regulations do not permit discrimination against certain elements of retail uses in this way and, therefore, the proposed charge is unjustified and unreasonable.

In addition, significant charges such as the proposed retail charge will be a significant deterrent to development and regeneration in Waveney and may lead to decisions to invest in, and provide jobs in, lower charge areas.

In light of the Government's clear promotion of sustainable economic development through the NPPF, the imposition of this levy will conflict with key national policy aims. One of the key messages from 'Planning for Growth' is that LPA's should "ensure that they do not impose unnecessary burdens on development". This theme is carried forward through the NPPF which states at Paragraph 153:

"Supplementary planning documents should be used where they can help applicants make successful applications or aid infrastructure delivery, and should not be used to add unnecessarily to the financial burdens on development."

Furthermore, Paragraph 173 recognises the importance of ensuring viability, it states:

"Pursuing sustainable development requires careful

attention to viability and costs in plan-making and decision taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened."

The imposition of the proposed levy rate will place a substantial burden on retail development which will be harmful to investment and job creation, contrary to national policy. Retail development is recognised as economic development that generates employment. In the current economic climate, retail development is an important contributor to economic growth, and therefore, obstacles such as the proposed levy rate should not be imposed.

Other Matters

Moving forward, and once CIL comes into effect within the District, we consider that it is will be important for the Council to accept Regulation 55 exceptions applications. As such, we take this opportunity to request that the Council takes the required measures to allow for these applications to be made and accepted once CIL is implemented.

Furthermore, we would request that the Council agrees to introduce, and make provision for, a CIL payment instalments policy. The introduction of this policy will be crucial in allowing developers to meet the additional financial demands that the CIL charge will place on development. This approach will add considerable flexibility to the process, thereby, still allowing for development to come forward in a timely manner.

Response: There is no evidence presented in the representation that supports the claim that a £130 per sqm charge will act as a significant deterrent to development and regeneration in Waveney. The CIL Viability Study (BNP Paribas Real Estate, 2012) demonstrates that supermarkets could viably pay a CIL of £200 per square metre. This has been reduced to £130 per square metre to allow for any site specific issues. Supermarket developers can pass the cost of CIL (and other planning policy requirements) on to the landowner in the form of a reduced offer for the land. The CIL Viability Study show that even with a CIL of £130 per square metre, there is still an uplift in land value of over £350,000 over the existing use value plus a 20% premium. Therefore it is likely that landowners will still release land for supermarket development in Waveney at an affordable price for supermarket developers. Therefore, contrary to what is suggested in the representation the rates proposed will not favour one area over another.

It is considered that the schedule is sufficiently clear about the types of retail development that will be liable to pay CIL. The definitions were based on those contained in Planning Policy Statement 4. Although this is now cancelled, the definitions are considered to still be suitable for the purposes of this Charging Schedule. The CIL Regulations give scope to vary rates by the use of development. These differential rates do not have to be confined to the classification of the Use Classes Order. The CIL Viability Study has shown large differences between the viability of different types of retail use. Therefore it is considered justified to differentiate retail uses in the way proposed.

The CIL Charging Schedule is not a Supplementary Planning Document, and its preparation requirements are governed by the CIL Regulations and the "Charge Setting and Charging Schedule Procedures" statutory guidance rather than policy in the National Planning Policy Framework as suggested by this representation. A £130 per square metre rate will not render supermarket development unviable and therefore is not contrary to the aim of local economic

development.

As the Council progresses with CIL it will give consideration to an exemptions policy and an instalment policy. Although these will not form part of the Charging Schedule.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Savills on behalf of Sanyo, SCA, Jeld-Wen, Brooke Marine, Rentokil and Persimmon Homes Central

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

PRELIMINARY DRAFT CHARGING SCHEDULE

Table 1.1 of the Schedule sets out the mechanisms, both current and future, for Section 106 and CIL contributions. It clearly shows that specific on site costs, including schools, can continue to be dealt with through Section 106. This confirms our understanding of the legislation and guidelines.

The Schedule does not set out details of the Council's Instalment Policy, as set out in Section 69B of the Community Infrastructure Levy (Amendment) Regulations 2011. We consider the draft instalments policy should be consulted on as soon as possible as this could have significant implications on viability, particularly on the larger sites.

Response: The Council is not required to provide details of an instalments policy at this stage. The Council is working on an instalments policy and will publish it prior to the introduction of CIL locally. The instalments policy will be informed by the CIL Viability Study.

BNP PARIBAS CIL VIABILITY STUDY (MARCH 2012)

General Comments

BNP Paribas have given no indication of the agents and housebuilders that they have spoken to in order to prepare their viability study. We are aware that there have been Developer Forums held, where CIL has been one of the topics under discussion but there have been no open meetings for other interested parties.

Further the Viability Study was released at the same time as the Preliminary Draft Charging Schedule, thus giving no opportunity for comment on it or for the Council to adjust their levels of CIL based on compelling third party evidence/commentary. The Study gives no indication of the level of CIL they anticipate coming forward as a result of their findings and recommendations. Whilst it is appreciated that CIL is based on viability rather than the funding gap, it would have been useful to assess the amount and timing of the tax.

Finally, from the evidence and approach, it is clear that BNP Paribas are not attuned to the geographic nuances of the district. There are pockets of high values but they are very location specific and tend not to filter out to the surrounding areas.

We focus, below, on the housing data as CIL, for the majority of commercial development is at £0, with which we agree.

Response: Housebuilders, developers and agents who sit on the Waveney Developer Forum were invited to attend a workshop on CIL. Savills are not on the forum and therefore did not attend. However, one of their clients is on the forum and their other clients were invited to attend.

The regulations do not require the Council or its advisors to undertake any consultation prior to the consultation on the PDCS. However, the Council invited housebuilders, developers who site on the Waveney Developer Forum to attend the stakeholders workshop. In addition,

BNP Paribas Real Estate consulted widely with local agents. A draft of the CIL Viability Study was also discussed at a Developer Forum Meeting in February. One of Savills clients was present at that meeting. Local developers and agents at that meeting broadly welcomed the study.

The consultation process is structured so that the Council has an opportunity to review its rates in response to representations received on the PDCS. There is no requirement for 'pre-consultation consultation', as there are two rounds of formal consultation and an examination. At each three stages, the proposed rates can be modified.

BNP Paribas Real Estate consulted widely with local agents who are very familiar the nuances of the market.

Housing Market/Economics

The study has been carried out against a positive backdrop, ostensibly taken from Savills' Residential Property Focus November 2011. This research sets out a general commentary relating to the East of England and, therefore, allows for locations such as Cambridge, where the growth will be considerably higher and quicker and Lowestoft, where recovery will take longer. Indeed, this very point was made by Sanyo and their advisor, Aldreds, at the AAP Examination.

The generality of the Savills' research should not therefore be taken and applied to specific areas. We would also point out that there is rather a variance of growth predictions. For example the "This is Money" website sets out the following views for 2012:

Rightmove: +2%

RICS: -3%

Nationwide: 0%

Halifax: -2% to +2%

Hometrack: -3%

Over the longer term, whilst CEBR forecasts mirror the Savills' research, Knight Frank are predicting a 5% fall in values this year with recovery in circa 2018. We therefore consider it imprudent to assume that there will be house price growth, particularly with the recent hike in mortgage rates and the curbing of interest only mortgages.

Response: Paragraph 2.14 of the CIL Viability Study which states Savills predictions for UK house prices over the next five years, which show cumulative growth of 14.1%, was reported as background information only. No weight was placed upon this prediction in terms of recommended rates of CIL, as the base case is current values, not future values. Savills may not have noted that BNP Paribas Real Estate also modelled a sensitivity with a fall in house prices of 5%.

Methodology

Benchmarking

The base land value appears to be an adjusted VOA figure without any sold comparables provided. This is a very inaccurate approach as, whilst Norwich and the Waveney District are relatively close geographically, values can differ substantially, as they can within the District itself. A sound viability approach would have provided analysed comparables and given details of discussions with local agents. Whilst we do not necessarily disagree with some base land values for some areas, to have applied them generally across the area in order to prove viability is a flawed approach. What a landowner may be prepared to accept in Lowestoft will be significantly different from one in, say, Southwold.

The base land values assume the sites are suitable for development but do not have consent. There are no detailed appraisals in the BNP Paribas Study but, unless they have allowed for

planning fees and promotional costs in these, they are effectively comparing residual land values that assume planning has been granted against a non planning permission benchmark. The whole Study could therefore be flawed and we would like to see some further information on this.

Response: BNP Paribas Real Estate have advised that other CIL examinations have considered this point and concluded that the use of Market Value or historical transactions is of limited value when attempting to determine the viability of a policy that has not yet been introduced. Using historical land values will automatically limit the scope of any CIL to the current policy 'ask'. The London Mayoral CIL examiner noted that a reduction in land values is 'an inherent aspect of the CIL process'.

The study uses a range of land value benchmarks from £200,000 to £800,000 per hectare, reflecting the variations across the District. BNP Paribas Real Estate have not, as Savills suggested, used a single benchmark across the District.

Paragraphs 4.16 to 4.19 of the CIL Viability Study set out BNP Paribas Real Estate's approach to arriving at the benchmark land values used in the study. BNP Paribas Real Estate have advised that they have not arrived at land values using a residual approach, as this would result in a circular situation, where the inputs to the 'benchmark land value' appraisal would determine the ability of the residual land values to absorb certain levels of CIL.

Residential Sales Values

It is correct to note that there is a wide variance of values across the district but it is important to note that the upper end of the range relates to very specific locations, namely Southwold and Walberswick. The surrounding areas, including Reydon, do not achieve premium prices. Savills were selling agents on two schemes in Southwold during 2007/2008 and can confirm that rates of £4,660 per sq m were achieved. This market, whilst detrimentally affected in 2008/2009, appears to have recovered. We are also selling agents on schemes in Reydon and Halesworth. In relation to these rates, we consider that Reydon is too high by about 20% and Halesworth by about 11%. We attach a schedule (Upload 1) showing up to date sales evidence in these two locations. Please note that we have not provided full details due to client confidentiality but would be happy to discuss these further, in private, with the Council if they so wish. We have no data for inner Lowestoft but consider the rate adopted for outer Lowestoft is reasonable, as are those for Beccles and Bungay.

Response: BNP Paribas Real Estate have advised that local agents who are active in the market advised us that properties in Reydon sell for a 20% to 25% discount to values achieved in Southwold. The values assumed in their appraisals reflect this discount. They have reviewed data available on the market at the current time, which does continue to underpin a higher sales value for Reydon, in line with advice they received from local agents. Properties being marketed by Durrants and Flick & Son are currently averaging £3,785 per sqm (compared to £3,495 per sq m in our report).

BNP Paribas Real Estate have advised that looking at the price differentials between Halesworth, Bungay and Beccles, it could be argued that all three areas could fall into the same CIL charging zone.

With respect to Halesworth, BNP Paribas Real Estate have advised that there may be differences between the areas immediately outside the town and values inside the town that have skewed the figures slightly. On a closer look at comparables it is apparent that in the case of Halesworth and Bungay, higher sales values in the rural hinterlands have skewed averages and the values used in the CIL Viability Study (BNP Paribas Real Estate, 2012). As most development in these locations will take place in the towns it is more justifiable to put a greater weight on the sales values in the towns. It is apparent from relooking at the evidence that the actual towns of Beccles, Bungay and Halesworth all have similar sales values of around £2,000 per square metre. The evidence submitted by Savills on sales values for a

scheme they acted as agents on in Halesworth supports this.

Residential Development Types, Density and Mix

Strategic land has not been considered in general but we note that specific sites have been appraised. This appears suitable as, looking at the housing trajectory to 2025, other than the land within the Lake Lothing and Outer Harbour AAP, there are no large sites coming forward. The only exception to this is the land at Woods Meadow, Oulton which will have a permission prior to CIL being adopted.

Response: Comments noted.

Build Costs

We are in agreement with the build costs adopted as generic figures but do not agree that this reflects the Code for Sustainable Homes (CfSH) Level 3 as the BCIS data comes from sets of housebuilders, the majority of which are not building their open market houses to Code 3 yet.

We attach an extract from the Code Cost Analysis (Upload 2) of building at the six levels and this shows the best, medium and worst case scenarios. Taking the middle ground, the additional costs per unit are estimated at:

Code Level	Additional Build Cost (£/unit)	
	Terraced Housing	Detached Housing
3	£3,984	£4,991
4	£7,855	£11,733
5	£14,730	£22,197
6	£23,685	£38,817

Even if these costs reduce over time, due to procurement and efficiency, the build cost increases are likely to remain substantial. Sensitivity appraisals have been run with a 6% uplift to reflect the Council's requirement for developers to achieve Code 4 over the anticipated life of the charging schedule. Policy dictates however that, for the Kirkley Waterfront scheme, Code 5 is required. The increase of 6% for Code 4 is low as the Code Cost Analysis tables show an average rate of £89.50 per sq m, which is an uplift of just under 10%. The Code Cost Analysis also shows a further uplift of £146 per sq m for Code 5, which is slightly higher than the rate adopted by BNP Paribas. It is noted that, despite the policy, BNP Paribas has not run an appraisal for the Kirkley Waterfront scheme at Code 5 as they state that it would be unviable in the current market. We agree with this but also question the viability of this scheme more generally due to policy requirements.

Response: BNP Paribas Real Estate have advised that the £915 per square metre charge includes the cost of achieving CSH level 3 of which the energy and water requirements have been a mandatory part of Building Regulations since October 2010. BNP Paribas Real Estate advise that CSH level 4 has been mandatory for affordable housing for some time and in their experience most authorities have been seeking at least CSH level 3 on private housing. Tender prices therefore reflect these requirements. This was agreed by the developers at the stakeholders workshop.

Professional Fees

We agree with the fee level at 12%. This incorporates design, valuation, highways etc but it does not appear to cover planning fees or promotional costs. As commented above, if the appraisal is to be accurately compared with the benchmark levels, planning costs are essential inputs.

Response: Comments noted.

Residual Section 106 Costs

We note the input of £1,000 per dwelling for the remaining on site costs. Although not transparent in the Study, we assume this has been applied to all units, including the affordable dwellings. We would question however, that it is sufficient for a large/strategic site.

Response: BNP Paribas Real Estate have advised that Paragraph 4.37 of their report notes that the appraisals incorporate an allowance of £1,000 per unit to address residual S106 costs. They did not limit the scope of this payment to any particular tenure, so they are unsure as to why Savills consider this to be 'not transparent'. However, they confirm that the £1,000 per unit allowance is applied to all units in the scheme.

Development and Sales Periods

We disagree with the sales rates adopted. Our New Homes agents are looking at 1 to 2 sales per month. A higher level of sales may be appropriate for larger sites where there are a number of housebuilders on site and the houses are therefore priced very competitively. On this basis, we would anticipate sales at 3 to 4 per month. Housebuilders will only develop at the rate they can also sell at so the two should be more aligned. The development periods for the seven schemes are not unreasonable but the sales periods are. Further, as the appraisals should be on the basis that planning has not yet been granted, a one month preconstruction period is too short. Indeed, even with a permission, developers would allow at least 3 months for legal challenges and additional time to discharge conditions. If we assume the schemes have no planning permission, this should be factored into the appraisals. The most simple of applications could take at least six months to determine. Allowing for longer pre construction and sales periods, has a significant effect on the residual land values.

We would also comment that flats are rarely sold until completion. The developer can sell off plan and hold the deposit but the block needs to be finished before purchasers can move in, unless the scheme is phased. As Scheme 5 is 35 units on 0.47 hectares, it is unlikely to be phased. This is a flawed approach.

Response: BNP Paribas Real Estate have advised that developers are increasingly buying sites only after planning has been secured. Long lead in periods are therefore unnecessary.

BNP Paribas Real Estate have advised that their appraisals assume a sales rate of between 1 and 2 private units per month. Savills may not have taken account of the affordable housing in calculating what they believed to be BNP Paribas Real Estate's sales rate.

The sales rate for site type 5 is 1.6 units per month, lower than the range suggested by Savills. BNP Paribas Real Estate have advised that moving the start of sales back and adjusting the sales rate to 2 units per month makes only a very marginal difference.

Developer's Profit

Housebuilders appraise sites using profit on GDV not cost and we consider it appropriate to follow the sector's approach. Our experience is a desire for 20% on GDV but it is, of course, site specific and dependent upon the housebuilder's perceived risk. The reduced profit of 6% on cost for affordable housing is no longer appropriate as the housebuilders consider this development to be as risky as the open market homes since grants were withdrawn and many RPs are struggling to find funding. It is often difficult to place the affordable housing and this can severely impact on the scheme. Our opinion has been upheld at Examination in other authorities.

Response: This point was raised at the stakeholders workshop and the developers in

attendance agreed that 20% on cost was a reasonable margin to use (approx. 17% on GDV). For the strategic sites 20% on GDV was used to reflect the added risk of upfront investment in infrastructure and the long period of time over which capital is tied up.

BNP Paribas Real Estate have advised that with regards to affordable housing, the availability (or otherwise) of grant funding is irrelevant to risk – the Registered Providers (RP) simply pay a lower price for the completed units. There is almost infinite demand for affordable housing and RPs are now successfully launching bond issues to raise additional capital to increase their portfolios.

Affordable Housing

We do not disagree with the rate of £1,100 per sq m for the shared ownership units and 40% of Market Value for affordable rented units.

Response: To clarify BNP Paribas Real Estate's appraisals assume £1,100 per square metre for the affordable rented units and 40% of market value for the shared ownership units with 2% rent on retained equity. Savills appear to have switched these numbers and assumed 40% of market value only.

Phasing of CIL Payments

The suggested phasing of CIL on larger schemes bears no resemblance to the construction and sales data set out previously in the report. For the three larger schemes (5, 6 and 7), even the most optimistic timescales set out by BNP Paribas, based on 3 sales per month, means that CIL will be payable well before the scheme is completed and sold. This will have a significant effect on the cashflow and thus the residual value of the land.

Response: BNP Paribas Real Estate have advised that the CIL regulations are very prescriptive in how instalments policies may be set. Instalments must be linked to **time** after implementation, rather than events (with the latter reflecting the current situation with Section 106 agreements). There is an overall limit on the time over which instalments may be set – these limits are prescribed in the regulations and beyond the Council's control. This may be a point that Savills and/or their clients may wish to raise with CLG.

The impacts on cash flow of this phasing has been modelled in the study.

Typologies

We comment further on these in the section below but would highlight a flaw in those carried out on the Kirkley Waterfront and Sustainable Urban Neighbourhood. The Lake Lothing and Outer Harbour AAP clearly states within SSP3 that a primary school will be required on the site. Having regard therefore to the Charging Schedule mechanisms for the future relationship between Section 106 and CIL, this is an on site cost and therefore will be payable through Section 106. The typologies carried out excluding the school for the purposes of showing that an element of CIL could be paid are therefore irrelevant. It may be that, through negotiations, the funding of the school may change but CIL is supposed to be set against current policy.

Response: Comments noted.

Other Inputs

Without sight of the actual appraisals of BNP Paribas, it is not possible to establish if other standard inputs have been allowed for. We attach Appendix C of the RICS Guidance Note: Financial Viability in Planning (Exposure Draft May 2012) (Upload 3), which sets out what to

include in a viability assessment. From this and our own experience, the following inputs appear to be missing:

- * Planning Fees
- * Promotion Fees
- * Finance
- * Contingency
- * Stamp Duty
- * Estate Development Costs
- * Marketing Costs
- * Agent/Legal Fees
- * EPCs
- * NHBC Warranties

Response: BNP Paribas Real Estate advise that none of these inputs are missing from their appraisals.

BNP Paribas Real Estate advise that Savills should note that the RICS Guidance Note (exposure draft) has recently been redrafted to make it explicitly clear that it does **not** apply to viability testing for planning policy/CIL rate setting purposes. Its scope is limited to appraisals for development control purposes.

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

Without knowing what the anticipated income is from CIL, it is difficult to weigh up its potential effects against the economic viability of residential development across Waveney and, in particular, across the allocated SUN. If it stifles development, which it has the potential to do, with little real benefit in terms of income then the balance is questionable.

Response: Comments noted.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

General Comments

We have set out where we agree or disagree with BNP Paribas in the first section and using this data plus the additional inputs we believe they have omitted, we have run some further typologies. We have run Schemes 4 and 7 for all the areas, except Reydon and Southwold, as we consider the proposed CIL for these areas to be reasonable. Whilst we consider that the base land values used to benchmark these two areas are too low, it is evident that, even with our opinion of a suitable base land value, these areas can support the proposed level of CIL. As a check, we also re-ran the appraisals using our Reydon sales figures and again, the level of CIL was found to be reasonable. We have not run Kirkley Waterfront or the SUN as the Study shows that, with the school, the site cannot support any CIL. To disregard the school is contradictory to the Preliminary Draft Charging Schedule. The appraisals should be also be based on Code 5 housing as required by policy, which will further stress the viability. As stated above, general viability is an issue with the SUN and Kirkley Waterfront areas but this is a matter for discussion between the Council and the landowners. It is not appropriate for BNP Paribas to alter policy to ensure they achieve the required result.

For the remainder, whilst we agree with some of the sales rates, full appraisals, i.e. those including all the necessary inputs, show the CIL rates to be excessive. Our appraisal inputs (Uploads 4 and 5) and summaries (Uploads 6 and 7) have been attached and we set out our findings below. We have reviewed these against the information in the Site Specific Allocations in relating to housing coming forward in the five areas. This is summarised as follows:

Site No	Location	Allocation	Housing No/Type
Low3	Mariners Street / Compass Street, Lowestoft	Mixed	7 dwellings + 9 livework units
Low4	Clapham Road, Lowestoft	Mixed	34 flats
Low5	Normanston Drive, Lowestoft	Housing	30 dwellings
Low6	Neeves Pit, Lowestoft	Housing	76 dwellings
Low7	Gunton Park, Lowestoft	Housing/Open Space	60 dwellings
Low8	Pakefield Road, Lowestoft	Mixed	50 flats
Low9	Monkton Avenue, Lowestoft	Housing + Allotments/Open Space	48 dwellings
Bec2	Gresham Road, Beccles	Housing + Customer Access Centre	28 dwellings
Bec3	Cucumber Lane, Beccles	Housing + Allotments	15 affordable homes
Bun1	St Johns Road, Bungay	Industrial + Housing	35 dwellings
Bun2	Lower Olland Street, Bungay	Housing	8 dwellings
Bun3	Upper Olland Street, Bungay	Housing	8 dwellings
Hal3	Dairy Hill, Halesworth	Housing + Allotments	50 dwellings
Hal4	Saxons Way, Halesworth	Mixed	40 dwellings

Scheme 4

* In terms of the grouping of areas, it is clear that Halesworth and Bungay are on a par, as are Beccles and Outer Lowestoft.

* Bungay and Halesworth are able to support a higher than proposed rate of CIL against BLV1 but only if Code 4 is excluded. Neither is viable with this additional build cost. Having regard to the nature of the two areas and the level of proposed development coming forward through the 5-year housing land supply, we consider that landowners will only consider selling at BLV1 or above.

* Outer Lowestoft show it can support nominal CIL at BLV1 but Beccles falls slightly short. We have re-run the appraisals at BLV2 and BLV2 and it can be seen that at BLV2, both can support a lower level of CIL but not if Code 4 is factored in. At BLV3, i.e. industrial rates, a low level of CIL can be supported. Looking at the Beccles and Lowestoft land allocations in the Site Specific Allocations, it appears that the majority of the sites are within the towns and therefore will not come forward at BLV4 and it is doubtful that landowners would be willing to sell at BLV3.

Scheme 7

* This size of scheme, in any of the areas other than Reydon and Southwold will struggle to support CIL.

* Bungay and Halesworth show some viability at BLV3 but, as stated above, these are not areas where landowners will sell at such a low base rate. With higher sales rates come higher land value expectations.

General Comments

CIL must be set at a level which allows development of all sizes and types to come forward. From the 5-year housing land supply, it appears that the majority of housing will come through via larger schemes, more akin to scheme 7 than scheme 4. It is not therefore prudent to set CIL at the highest possible level shown but to have regard to the fact that the larger schemes will struggle with viability without CIL but with an affordable housing provision of 35%.

Obviously, with affordable housing being negotiable, where appraisals are borderline, we assume that some CIL can be payable but with a lower affordable provision.

Having regard to our findings, we consider that the CIL rates set out below are viable for the areas, whilst allowing for a reasonable provision of affordable housing. It is clear however, that for some schemes, affordable housing may become a casualty as any level of CIL strains viability to breaking point.

Zone	Area	Savills CIL
1	Lake Lothing Flood Zone	£0
2	Inner Lowestoft (Including SUN/Kirkley Waterfront)	£0
3	Outer Lowestoft/Beccles	£45
4	Bungay/Halesworth	£65
5	Reydon/Southwold	£150

Response: The Council considers there are flaws in the evidence submitted by Savills with respect to the inputs informing their appraisals. As such the results and conclusions they reach are incorrect. BNP Paribas Real Estate have provided a comparison of the inputs used by Savills compared to the inputs they used. Savills are essentially double counting some inputs and are therefore artificially reducing the scope for CIL. In some cases the BNP Paribas assumptions on costs are greater than Savills.

WAVENEY CIL SUBMISSION: INPUT MATRIX				
	Inputs	BNPP	Savills	BNP comments
	Inner Lowestoft vals	£1,615	£1,615	
	Lowestoft suburbs	£1,954	£1,954	
	Beccles vals	£1,916	£1,916	
	Bungay vals	£2,068	£2,068	
	Halesworth vals	£2,325	£2,068	
	Southwold vals	£4,660	£4,660	
	Reydon vals	£3,495	£2,766	
	Build cost	£915	£915	
	CSH4	+6%	+£89.50	
	Estate development costs	'not included'	£185,422 per ha	Estate development costs are reflected through a 15% addition to base build costs.
	Affordable pricing	AR 40% MV	AR 40% MV	As noted in para 4.3 of our report, we assume £1,100 per square metre for affordable rent.
		SO £1,100	SO £1,100	As noted in para 4.4 of our report, we assume 40% MV for shared ownership.
	Fees	12%	12%	12% is reasonable as an "all in" figure, but Savills have included other costs elsewhere. Given the exclusions, their fees should more reasonably be set at between 7 to 8%.
	Profit – private	20% on cost	15% on cost	Our profit is overstated in comparison to Savills' assumptions.
	Profit – affordable	6% on cost	15% on cost	This is higher than has been accepted on individual schemes. We do not accept that the risk profile of affordable housing is the same as

				private housing.
	S106	£1,000 pu	£1,000 pu	
	Timescales			
	Pre-construction	1 month	6 months	
	Construction	12 months	12 months	
	Sales	6 months	12 months	Sales rates vary between type of scheme and number of units.
	Contingency	'not included'	3%	Our appraisals incorporate a 5% contingency.
	Finance	'not included'	7%	Our appraisals incorporate finance at 8%.
	Planning fees	'not included'	£20,000	Incorporated within our professional fees.
	Marketing	'not included'	£500 per OM units	Our appraisals incorporate an allowance of 3% of GDV. In addition, we have included legal fees of £600 per OM unit. Our costs for marketing are therefore considerably higher than Savills.
	EPCs	'not included'	£95 per unit	Incorporated within our professional fees.
	NHBC	'not included'	£250 per unit	Incorporated within our professional fees.
	Stamp duty	'not included'	3%	Our appraisals incorporate stamp duty at 4%, 1% agents fees and 0.8% legal fees. Higher costs than allowed for by Savills.

Savills appear to disregard comparisons to BLV4 in their appraisals. The majority of the sites allocated in the Site Specific Allocations DPD, that Savills draw attention, to are on small vacant pieces of land within the settlements and pieces of greenfield, agricultural and open space land which is more akin to the nature of BLV4. The CIL Viability Study shows that on all site types (with the exception of Site Type 5) in all areas (with the exception of Inner Lowestoft) a CIL of £200 per square metre is viable for sites with BLV 4.

The Council accepts that sales values for Halesworth are lower than modelled in the CIL Viability Study and that a lower rate of CIL is needed for Halesworth. Considering the sales value evidence submitted by Savills and Badger Building and a re-look at evidence collated to inform sales values for the CIL Viability Study it is apparent that the towns of Halesworth, Bungay and Beccles all have similar sales values of around £2,000 per sqm. As such Halesworth will be grouped with Beccles and Bungay in a zone with a charge of £60 per square metre.

Do you have any comments on the boundaries of the Charging Zones for residential development?

There is a further discrepancy relating to the Jeld-Wen playing fields within the Kirkley Waterfront and SUN.

The site is allocated as part of a comprehensive approach to the waterfront, with the same policies applying. The playing fields, as part of the whole, therefore needs to be in the same charging zone but the plans show them to be outside the Kirkley Waterfront and SUN. We consider the plan should be redrawn to mirror the AAP allocation and that Appendix B of the Preliminary Draft Charging Schedule include an insert plan to show, with greater clarity, the boundaries of the SUN and Kirkley Waterfront.

In terms of the effect of this, BNP Paribas' appraisal considered the waterfront as a whole and concluded that CIL at £12 per sq m was appropriate at current market levels, if the school was excluded. With the school, BNP Paribas' tables show that the waterfront cannot support any CIL.

It is not clear how the CIL rates in the Preliminary Draft Charging Schedule have been derived from the BNP Paribas data, particularly in relation to this part of the town. The waterfront area is within Zone 1 and a CIL rate of £0 has been proposed. The Jeld-Wen playing fields are in Zone 2 and a rate of £45 has been proposed. BNP Paribas have shown that in the current market and in line with policy, this is not viable and the matter should therefore be rectified.

Response: Agree with comments in principle. It will not be possible to levy a £45 per square metre cost on any part of the site and still seek planning obligations such as affordable housing and contributions to the primary school and onsite open space. The whole site will therefore be moved into Zone 1 with a charge of £0 per sqm

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

We have no comment to make regarding the other proposed rates.

Response: Comments noted

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Not applicable.

Response: Comments noted

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

On Behalf Of

*Sanyo
SCA
Jeld-Wen
Brooke Marine
Rentokill
Persimmon Homes Central*

Savills (L&P) Ltd is representing the above parties, who all have significant landholdings in the Waveney District and/or actively developing land. Sanyo, SCA, Jeld-Wen, Brooke Marine and Rentokill are major landowners in the Sustainable Urban Neighbourhood (SUN). They have been working with the Council over many years to bring development forward within the SUN and have, through the AAP process and the development brief, expressed concerns regarding deliverability and viability. We remain keen to meet with the Council and its advisors to discuss issues around delivery in the District and with CIL.

Although BNP Paribas held a presentation in November 2011 for stakeholders, a number of the major landowners involved in the regeneration of the AAP area were unable to attend. In

addition, having reviewed the presentation material, and given the timing of the event before the Viability Study was issued, there was insufficient opportunity for any meaningful discussions that could have resulted in a decent interrogation of the relevant issues and data. Further without such discussions, it appears to have left BNP Paribas and the Council with a lack of understanding of the strength of local developer opinion.

Given that an inclusive approach has occurred in other Districts, we would recommend that further consultation with landowners, developers and their agents is undertaken before Waveney moves to the next stage of this particular plan making process.

Response: Comments noted, see above response to opening comments.

Simon Kitchen-Dunn

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Firstly thank you for the consultation, I appreciate the opportunity to voice my opinion.

While I understand the need for some sort of Community Infrastructure Levy (CIL) my first reaction is to question whether it is constructive to deter companies from investing in the area by adding this sort of levy to any building activity in an area that is crying out for employment opportunities.

As a regular visitor to Lowestoft the frustration I feel on a regular basis is due to the lack of a third fixed crossing over the river. The current two crossings are subject to the bascule bridge rising and the Oulton Broad rail crossing closing. I think you have a chicken and egg situation here. Because I cannot see serious investors putting money into the town while these sorts of bottlenecks exist. It is virtually impossible to make a fixed appointment in Lowestoft north of the river unless one adds about a 30 minute contingency to any trip to account for traffic congestion. The cost to employers must be staggering. I think to charge a Community Infrastructure Levy (CIL) while this traffic congestion exists would be adding insult to injury.

No matter how much money is poured into other areas of the town I believe you are wasting your time and money until this "elephant in the room" is addressed. It really is about time.

*Yours sincerely
Simon Kitchen-Dunn*

Response: The proposed charges have been set at a rate which is only a very small percentage of the overall cost of development. Developers will normally pass this cost on to the landowner in the form of a reduced offer for the land. The CIL Viability Study (BNP Paribas Real Estate, 2012) shows that the proposed charges should not reduce land value below the point which would deter a landowner from releasing land for development.

The CIL should have a positive economic effect as it will raise funds to unlock development and deliver infrastructure that supports development. It will ensure that the infrastructure costs associated with development are not just borne by larger developments but are spread across all developments. It will also reduce the impact of new development on public funds. The CIL will also largely replace Section 106 planning obligations, which sometimes involve long negotiations and do not give certainty to developers.

A third crossing over Lake Lothing remains a long-term aspiration for the Council. However, there is currently no funding available for the crossing and there is unlikely to be in the foreseeable future. The estimated cost is in the region of £40 million and is beyond what could be raised by a CIL. Additionally, the development proposed in Waveney is not dependant on the delivery of a third crossing. Therefore it will be difficult to justify collecting CIL from developers to spend on the third crossing. The Council and its partners are working on other projects which aim to reduce congestion in the town.

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

Please see my main response. I believe that a third fixed vehicular river crossing should be given number one priority otherwise the traffic congestion and CIL will be a double deterrent to development.

Response: See above response.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Please see my main response. I believe that a third fixed vehicular river crossing should be given number one priority otherwise the traffic congestion and CIL will be a double deterrent to development

Response: See above response.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Please see my main response. I believe that a third fixed vehicular river crossing should be given number one priority otherwise the traffic congestion and CIL will be a double deterrent to development

Response: See above response.

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

Please see my main response. I believe that a third fixed vehicular river crossing should be given number one priority otherwise the traffic congestion and CIL will be a double deterrent to development

Response: See above response.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Please see my main response. I believe that a third fixed vehicular river crossing should be given number one priority otherwise the traffic congestion and CIL will be a double deterrent to development

Response: See above response.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Thank you

Sport England

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Thank you for the opportunity to comment on the above draft document, together with the associated evidence base documents.

We would just to like to comment on the following aspects of these documents:

- 1. Sport England remains supportive in general terms that the schedule identifies projects relating to both indoor and outdoor sport as community infrastructure that can benefit from CIL payments.*
- 2. We are also pleased to see that strategic planning tools provided by Sport England (Facility Costings, Sports Facilities Calculator etc.) have been used to calculate the level of infrastructure required, and a suitable contribution to be secured via the CIL charging schedule.*
- 3. We remain concerned that identified existing levels of deficiency for outdoor sport provision relate to a document that is now 10 years old (Waveney Playing Pitch Assessment) and therefore out of date in terms of being robust, and we would therefore recommend that a Playing Pitch Strategy is carried out in Waveney as soon as possible in order to ensure that*

this aspect of the evidence base is up to date. Such a study should also develop a local standard for new outdoor sports provision, rather than relying on the national Fields in Trust standard which does not take into account local demographic factors and participation rates.

4. We note that revenue costs are being kept separate from capital costs in relation to the infrastructure survey, answering our previous query on this matter.

5. We also accept your response to our previous query relating to Lowestoft/Beccles catchment areas ? that new housing in Lowestoft is unlikely to use the proposed new facilities in Beccles given the most new housing in Lowestoft will be in the north/central parts of town and therefore within the catchment area of the refurbished Water Lane facility.

We hope these brief comments are helpful and look forward to further consultation in due course.

Response: Comments noted. The playing pitch assessment will be updated in due course. The Council will be preparing a Green Infrastructure Strategy that will help determine where CIL funds are targeted. Sport England will be consulted in the preparation of this strategy.

Suffolk County Council (Planning Obligations)

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

We note that it is proposed that C2 Use Class development (residential care and nursing homes) will have a CIL rate of £65 per m²; a rate higher than that of residential development for much of the district. Whilst we are sure that the viability work undertaken by Waveney is robust, we would ask that Waveney gives serious consideration to the need for additional older people's housing in the district, and ensure that the development of older people's housing is dis-incentivised to the minimum possible degree.

Work carried out by colleagues in the county council's Adult and Community Services directorate and Waveney District Council's housing department has noted a significant projected shortfall in supported older people's housing in the coming years. More Choice Greater Voice, a respected toolkit for ascertaining appropriate levels of provision for Extra Care/Very Sheltered housing suggests that the target should be 25 units per 1,000 people aged over 75. To indicate the pressing nature of this issue, by 2020, Waveney is projected to be home to only 6 units per thousand over-75s. So, consideration is and needs to be had as to the delivery of a range of older people's housing options. The aim must be that CIL does not work against this priority.

It is perhaps also worth noting that some parts of the country have experienced issues in determining whether or not Extra Care/Very Sheltered Housing fits into Use Class C2 or C3 (see 'Planning Use Classes and Extra Care Housing [<http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/Commissioning/Planning/?parent=1013&child=8365>] '). Given this issue and the fact that the county council's focus is on greater provision of this type of supported housing, Waveney may wish to consider their use of Use Class C2 as a classification for CIL charging, in case this creates confusion in future.

Response: Comments noted. Differential CIL rates cannot be based on policy requirements or objectives, they can only be based on evidence of viability. Sheltered housing, extra care and very sheltered housing that is provided by a registered social landlord, a private registered provider of social housing or a local housing authority will likely be eligible for CIL

relief.

Whilst it is appreciated that there may be some confusion over whether certain types of housing for older people may fall into C2 or C3 use classes, it is considered that using the Use Classes Order in this situation is appropriate. Not using the Use Classes Order could result in further local problems of classification dependant on how the use was described. The Use Classes Order at least provides a national definition that can be tested by case law at a national scale.

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

Given the complex nature of preparing a CIL charging schedule, the majority of our engagement on this process will necessarily take place outside of the formal consultation process. Neil McManus, planning obligations manager here at SCC, has already had meetings with you and will continue to lead on this from the county council. Please consider his input so far as part of our response to this consultation.

We welcome the recognition that Section 106 will still be used in some situations for site specific onsite infrastructure. However, we consider that there will be circumstances where it will be necessary for certainty of delivery of off-site infrastructure, e.g. transport links. In our view, these will need to continue to be through Section 106 agreements. We will seek to discuss these further with you in the near future.

Response: Comments noted. Agree that some site specific, offsite transport works will be better secured through Section 106 Planning Obligations.

Suffolk County Council Archaeological Service

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

We would recommend that Historic Environment and Heritage/Museum Enhancement should be separately, and explicitly, itemised in Table 1.1.

Museum provision in Suffolk has not been satisfactory since 1974. In particular, the huge expansion of archaeological work, undertaken in accordance with PPG 16, PPS 5 and, now, the NPPF, has led to a large volume of archaeological finds of local regional and national importance with no designated museum to store, curate or display them for public benefit.

Suffolk County Council continues to curate the archaeological archives made in Waveney and across the County outside of Ipswich (which are now stored in Colchester by the Colchester and Ipswich Museum Service). This work is currently unfunded.

The current storage facilities in Waveney are inadequate, and they do not meet national standards. The requirement will continue to increase, as further development-led investigation (preservation by record) takes place. There is also a requirement for the public to have access to the finds through open stores and display, either in the many independent museums in each district or at a central facility.

As these archives derive directly from development through the planning system, it is reasonable that the Levy should provide funding to improve these facilities and make the archaeological discoveries publically accessible. CIL should be the main source of developer for this type of infrastructure and, more generally, for projects to enhance and promote the Historic Environment.

This is consistent with our advice given in October 2011, relating to the Infrastructure Study 2011 - 2025.

Response: Agree that heritage/museum enhancement should be listed in Table 1.1. Table 1.1 will be moved into future CIL background documentation rather than the Charging Schedule.

It is agreed that future CIL receipts could be spent on museum development. However, no projects are known at the present time, and the extent to which development creates a need for this provision is not known and therefore is not included in the Infrastructure Study at present.

Wherry Veterinary Group

Evidence Base for CIL

Do you have any comments on the CIL Viability Study (March 2012) and the Waveney Infrastructure Study (March 2012)?

Residential Rates

Do you believe that the rates of CIL proposed for residential development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of residential development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for residential development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Do you have any comments on the boundaries of the Charging Zones for residential development?

Other Rates

Do you believe that the rates of CIL proposed for other types of development strike an appropriate balance between funding infrastructure and the potential effects on the economic viability of development across Waveney?

If you do not agree that an appropriate balance has been met are you able to provide suggestions of the rate(s) of CIL for other types of development that would strike an appropriate balance? Please provide evidence to support suggested rates.

Other Comments

Do you have any other comments on the Preliminary Draft Charging Schedule?

What an appalling idea - the CIL!

In a deprived area, the Directors of this company - who invested in a new building expanding our business in 2006 - cannot think of a better idea to drive any potential developer into the arms of South Norfolk or other Local Authority area keen to encourage new development and not charge this new tax.

Had we been wishing to develop and expand in 2012 any addition expense so levied would have made us reconsider location, or even whether to develop at all.

Please abandon this awful idea.

Response: It is agreed that more development is needed. Therefore the proposed charges have been set at a rate which is only a very small percentage of the overall cost of development. Developers will normally pass this cost on to the landowner in the form of a reduced offer for the land. The CIL Viability Study (BNP Paribas Real Estate, 2012) shows that the proposed charges should not reduce land value below the point which would deter a landowner from releasing land for development.

The CIL should have a positive economic effect as it will raise funds to unlock development and deliver infrastructure that supports development. It will ensure that the infrastructure costs associated with development are not just borne by larger developments but are spread across all developments. It will also reduce the impact of new development on public funds. The CIL will also largely replace Section 106 planning obligations, which sometimes involve long negotiations and do not give certainty to developers.

It should be noted, that for most commercial operations, it is proposed that the rate should be zero.

If you would like a copy or a summary of this document in an alternative language or format please ask an English speaking friend to contact us at the address below.

MANDARIN

如果您需要此文件的其它语言或格式的副本或摘要，请让一位说英文的朋友按照上述地址与我们联系。

HUNGARIAN

Ha a jelen dokumentum más nyelvű vagy formátumú változatára vagy kivonatára van szüksége, kérje meg egy angolul tudó barátját, hogy vegye fel velünk a kapcsolatot a fenti címen.

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Ak potrebujete kópiu alebo zhrnutie tohoto dokumentu v inom jazyku, alebo v inom formáte požiadajte prosím anglicky hovoriaceho priateľa/priateľku, aby nás kontaktovali na adrese uvedenej vyššie.

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Bu dokümanın bir kopyasını ya da özetini alternatif bir dilde veya formatta isterseniz, lütfen İngilizce konuşan bir arkadaşınızdan yukarıdaki adresten bizimle iletişime geçmesini isteyiniz.

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Se pretender uma cópia ou um sumário deste documento num idioma ou formato alternativo, peça por favor a um(a) amigo(a) que fale inglês para nos contactar na morada acima indicada.

KURDISH SORANI

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