

## **Community Infrastructure Levy - Preliminary Draft Charging Schedule**

The Preliminary Draft Charging Schedule is subject to public consultation from Wednesday 21 May until Wednesday 2 July 2014. The Council invites comments on the details contained within the consultation document; those making representations are encouraged to do so by using this form.

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## Q1: Taking into account the viability evidence used to inform the Preliminary Draft Charging Schedule do you consider the proposed rates to be correct? If you disagree, please provide evidence to support your view.

Concern is raised about the robustness and transparency of the assumptions made in the Peter Brett viability appraisal assessments of particular sites as set out on pages 18, 19 and 20 of the report.

Strategic Housing Land Availability Assessment Site 'Land at Fairfield Crescent' has been subject to a viability appraisal. The way tables 12.7 and 12.8 of the Peter Brett Viability Assessment are illustrated it implies that the site has been tested on the basis of 200 dwellings (assuming a density of 45 dwellings per hectare); however feasibility work has been carried out on this site and it is considered a density in the region of 35-40 dwellings per hectare is more appropriate. This assumption of 37 dwellings per hectare is also made by Peter Brett on pages 130 and 131 of their report which sets out their detailed calculation of viability on the basis of 167 units. It is considered that the information presentation could be misinterpreted by those who are not forensically reading the documentation.

Concern is also raised about the level of detail being specified about the land value with no detailed explanation of what the land value is based upon, i.e. gross site, net developable area, serviced land, or un-serviced land. It is questioned whether a rounded figure should be applied.

It is also considered that an underestimate has been made in relation to the proportionate sales costs which should be 2.5% as a minimum. In addition it is considered that the proportionate 'plot external' costs of 10% should be a minimum value; and the proportionate professional fees should be in the region of 8-12%. Whilst BCIS in an appropriate base for build costs we would also expect an additional allowance to be made for prelims at around 10%.

Whilst the proposed charging rate for the High Value Residential Area has been viability tested and found to be acceptable for the 'Land at Fairfield Crescent', the CIL rate should be based upon a clear understanding of the infrastructure requirements. Regular review of the CIL charging rate should be completed to ensure the cost of infrastructure and the viability of development schemes are kept up to date.

Q2: Do the proposed rates based on viability and infrastructure evidence in the Preliminary Draft Charging Schedule strike the appropriate balance between the collecting of CIL and the potential effects of the imposition of CIL on economic viability across the district? If you disagree please provide evidence to support your view?

Given the Suffolk Coastal have not yet produced their Site Allocations DPD the Infrastructure Delivery Plan produced by Navigas Planning (May 2014) considers the cost of two scenarios of growth across the district which is summarised at 12.1 if the report. The more expensive scenario estimated the cost to deliver the infrastructure required to support the adopted Core Strategy to be over £105 million. The Council has also illustrated a limited amount of funding streams available to deliver the infrastructure. On the basis of the information provided it is clear that there is a funding gap which will need to be met through the appropriate use of CIL and S106 contributions.

Whilst the proposed charging rate for the High Value Residential Area has been viability tested and found to be acceptable, the CIL rate should be based upon a clear understanding of the infrastructure requirements. Flexibility should be provided within the CIL charging rate to ensure the cost of infrastructure and the viability of development schemes are kept up to date.

Paragraph 175 of the National Planning Policy Framework states "Where practical, Community Infrastructure Levy charges should be worked up and tested alongside the Local Plan." Crucially it states "The Community Infrastructure Levy should support and incentivise new development, particularly by placing control over a meaningful proportion of the funds raised with the neighbourhoods where development takes place." As the Site Allocations DPD has not been produced for Suffolk Coastal, it is requested that the Council does not progress the CIL charge until it confirms the level of growth expected at each settlement through the Site Allocations DPD. The Council itself acknowledges the requirement for review of the infrastructure requirements on the basis of certainty established through the adoption of the Site Allocations DPD and Neighbourhood Plans.

It will be necessary to ensure an appropriate level of funding is secured to support the amount of growth allocated rather than on the basis of the level of currently speculated. By implementing the approach based upon certainty the

Council should also avoid any unnecessary double counting of infrastructure requirements (and as such the associated costs). This approach will also provide additional time to source additional funding streams to support the delivery of infrastructure.

Q3: Do you have any comments on the boundaries identified for residential development across the district?

No.

Q4: Do you have any comments on the site size thresholds identified and the different charges within the Preliminary Draft Charging Schedule?

No.

Q5: Do you have any comments on the charges associated with retail developments?

No comment.

Q6: Do you agree with the zero charge associated with Adastral Park?

No comment.

Q7: Do you agree with the zero charge associated with all other uses?

No comment.

## Q8: Do you have any other comments on the Preliminary Draft Charging Schedule? If so please identify the paragraph your comments relate to?

It is welcomed that the Council makes reference to the Exemptions currently included in the regulations (paragraph 5.5 of the preliminary Draft Charging Schedule) and mentions at paragraph 5.6 that the Council will update the local exemptions in accordance with the CIL Regulations. It is however requested that the Council should clearly state their position regarding discretionary relief particularly regarding: social housing and exceptional circumstances relief.

It is requested that the Council inserts a commitment to review the CIL charging rate on an annual basis to reflect the updated assessment of infrastructure required as identified in the updated infrastructure delivery plan. Additionally this annual review will also incorporate updated information about viability to ensure the cost of infrastructure and the viability of development schemes are kept up to date to inform the Council's decision regarding any future local discretionary rate.

It is noted that the Council makes no reference to the proposed instalment policy for payment of CIL. It is noted that the Council will need to complete additional work to progress CIL but it is requested that an instalment policy is consulted upon at the next round of consultation upon the Draft Charging Schedule.

The National Planning Policy Framework seeks to boost significantly the supply of housing through various measures. It is noted that the cost of development including CIL is a consideration for house builders. It should be noted that other

Local Planning Authorities in the East of England are proposing/ have adopted the following rates for residential development. By way of comparison, the Suffolk Coastal High Zone proposes a charge for residential development of £150 per m2 which is much higher than those rates in the surrounding area. The rate of CIL could make your District less attractive to developers and have an impact upon the delivery of housing development as a result.

- Chelmsford City Council (adopted) £125 per m<sup>2</sup>
- Cambridge City Council (proposed) £125 per m<sup>2</sup>
- South Cambridgeshire District Council (proposed) Various rates:

Area 1 (with the majority of development) £100 per m<sup>2</sup>,

Area 2: (strategic sites) £0 per m<sup>2</sup>,

Area 3: £125 per m<sup>2</sup>.

Mid Suffolk District Council (proposed) – Various rates:

Low zone: £75/£50 per m<sup>2</sup>, High zone: £115 per m<sup>2</sup> Strategic area: £0 per m<sup>2</sup>

• Babergh District Council (proposed) – Various rates:

Low zone: £90/£50 per m<sup>2</sup>, High zone: £115 per m<sup>2</sup>

Babergh Ipswich Fringe: £40 per m<sup>2</sup>

Strategic area: £0 per m<sup>2</sup>

Thank you for your comments. Please return this form to Planning Policy and Delivery Team, Suffolk Coastal District Council, Melton Hill, Woodbridge, IP12 1AU or alternatively via email to <a href="mailto:development.policy@suffolkcoastal.gov.uk">development.policy@suffolkcoastal.gov.uk</a> before the consultation closes on Wednesday 2 July at 17.00.

Data Protection Statement: The information you have supplied may be processed by computer or form the basis of manual records. Suffolk Coastal District Council will use the data for purposes relevant to the preparation of the Local Plan under The Town and Country Planning (Local Planning) (England) Regulations 2012 and for no other purpose.