

**Bath and North East Somerset Council
Community Infrastructure Levy
Preliminary Draft Charging Schedule**

**Consultation comments (See separate Savills representation)
Consultation 18th April - 8th June 2012**

Rep no	Representations	Comments
50	Tricia Golinski Saltford Parish Council	Saltford Parish Council broadly supports the B&NES Community Infrastructure Levy Preliminary Draft Charging Schedule, subject to the following: <ul style="list-style-type: none"> • The levy is spent entirely within the Parish to which the levy is applied • The current proposed level of the levy seems excessive • There is clarification regarding the treatment of garages and outbuildings and where they sit within the schedule • There is clarification on the dates when the charging schedule of the CIL will be reviewed
102	Robin Kerr Consulting, Secretary, for Federation of Bath Residents' Associations (FoBRA's)	"FoBRA has no comments to make on this proposal"
154	Jane Hennell British Waterways The Dock Office, Commercial Road, Gloucester Post Code GL1 2EB	<p>Please find attached comments regarding CIL. We have no particular concerns with regard to the charging schedule but wish to reiterate previous concerns regarding CIL in general.</p> <p>I refer to your email dated 18th April 2012. British Waterways' comments are given as the owner and navigation authority for the Kennet & Avon Canal and the navigation authority for the River Avon as it flows through Bath. For your information, from June 2012 British Waterways will move into the charitable sector and will be known as the Canal & River Trust.</p> <p>Background</p> <p>British Waterways (BW) would recommend that the advice contained in the Town and Country Planning Association and BW Policy Advice Note (PAN) on Inland Waterways, published in 2009, is taken into account in relation to the introduction of the Community Infrastructure Levy (CIL) within Central Lancashire.</p> <p>The PAN states in Chapter 5 that: "Any proposed new CIL regulations.... should emphasise that there are multi-functional forms of infrastructure such as waterways which need to be considered under a number of different categories of infrastructure. For example, waterways should be considered under the following forms of infrastructure as currently defined in the provisions for CIL:</p> <ul style="list-style-type: none"> • green infrastructure and open space; • sustainable transport infrastructure; and • part of the infrastructure supporting flood alleviation, drainage, and water supply." <p>Chapter 6 of the PAN provides further advice on the use of planning obligations and the Community Infrastructure Levy in order</p>

		<p>to secure the necessary improvements to inland waterway infrastructure as a result of development proposals.</p> <p>It is envisaged that significant development proposals will come forward over the plan period, some of which will directly result in the need for improvements to the waterway infrastructure in Bath. In the past we have sought developer contributions towards waterway improvements through Section 106 agreements where such contributions have been necessary to make development acceptable in planning terms; directly related to the development; and fairly and reasonably related in scale and kind to the development, as required by the tests made statutory by the CIL Regulations.</p> <p>Clearly, where a development will result in significant additional use of a canal towpath which is not currently of an appropriate condition, it should be necessary for the developer to fund the improvements required. BW understands that identifying a specific waterway infrastructure project on the Regulation 123 List would not preclude Section 106 contributions from being secured in order to fund necessary waterway infrastructure improvements elsewhere within the plan area, including contributions to fund upgrades to other stretches of waterway towpath outside the area covered by the specific project mentioned above.</p> <p>It has always been unclear whether Bathnes intends to secure contributions towards necessary improvements to the waterway infrastructure through Section 106 agreements or as well as how funding for Green Infrastructure projects will be sought.</p> <p>The charging schedule consultation document refers to the use of Section 106 contributions being restricted to “on-site” improvements. BW would suggest that the use of the phrase “on-site” is misleading and would prove to be unnecessarily problematic in seeking to secure necessary improvements. BW’s interpretation of the regulations is that planning obligations should seek only essential local contributions towards the granting of planning permission, rather than more general contributions which are better suited to the use of CIL.</p> <p>BW would ask that the Council continue to recognise the river/canal corridor as important Green infrastructure as well as transport infrastructure so that and towpath improvements can be secured both through CIL and through Section 106, under the categories of both Transport Infrastructure and Green Infrastructure/Public Realm. This will maximise the opportunities for the authority to realise the potential of the waterway network as a sustainable transport and green infrastructure asset, in accordance with the objectives of the Core Strategy. http://www.tcpa.org.uk/data/files/waterways.pdf</p>
162	Batheaston Parish Council Mike Townley (Clerk)	<p>We support the concept of a betterment levy on new development to sustain the provision of community infrastructural development in the Parish. We recognise that, after 2 unsuccessful attempts in the last 80 years, the present proposals are a new response to the recommendation of the 1942 Uthwatt report. However, although we support the principle of the Community Investment Levy we are concerned at the details of the draft schedule of charges, in particular the rate to be levied on residential development in the Bathavon parishes in general and in Batheaston in particular.</p> <p>In the Bathavon parishes the £200/sq m chargeable levy on a typical private house of 100 sq m would generate a demand for a payment of £20,000, twice the rate chargeable in the City of Bath. Batheaston and the other Bathavon parishes together with the</p>

		<p>eastern part of the City of Bath constitute a distinctive and coherent private housing market area within the wider context of the Bath journey-to-work area. Representing an R1 category village, we find no justification for this arbitrary, unfair, and insupportable discrimination, which we consider liable to generate an unfortunate 'post code lottery' deterrent effect in the provision of private housing. We therefore ask that the rate be amended to that chargeable in the City of Bath for comparable development.</p> <p>We recognise the principle of this charge differs from that of Section 106 Agreements under the Town and Country Planning Act. The tests set out in both Paragraph B5 of DCLG Circular 5/05 and your Council's SPD <i>Planning Obligations</i> may require new development to be dependent on the provision of specific and directly related public facilities where without such provision the grant of planning permission would be inappropriate.</p> <p>Notwithstanding the institution of the CIL we will continue to also recommend the Local Planning Authority to seek Section 106 Agreements in circumstances where these tests can be satisfied.</p> <p>Regards</p>
243	Chew Magna Parish Council R.D.Andrews, Vice-Chairman, Chew Magna Parish Council	<p>Chew Magna Parish Council agrees with the principle of CIL but is concerned that the "meaningful proportion" of CIL which is mentioned in Para.2.7 needs to be quantified if local communities are to be able to assess the amount which will become available for local infrastructure.</p> <p>Will any CIL paid to the local authority be ring-fenced until paid to the relevant local community? If more than one local community is felt to be affected by the development which gives rise to CIL, how will the payments be apportioned?</p>
245	Environment Agency Mr Andy Reading Planning Liaison Officer	<p>We have reviewed the charging Schedule and are pleased to see that the need for flood risk management infrastructure (e.g. upstream storage, on site defences) has been identified in the document. We understand studies on the feasibility of the upstream storage scheme are progressing. Once this is completed and more definitive costs are known a strategy on how the payback mechanism for the scheme using Section 106/CIL will need to be decided upon. We are happy to continue to work with BANES regarding this infrastructure requirement.</p> <p>At present there is no mention of the document of other environmental infrastructure requirements where CIL could contribute to delivery. For example we understand the Council has recently consulted on their draft Green Infrastructure Strategy. This should inform the Council's CIL arrangements to identify any areas where there are potential funding gaps for the delivery of required Green Infrastructure, and whether these could be funded through CIL.</p> <p>If you have any queries regarding the comments above please contact me on the number below. We are happy to continue to work closely with the Council on their Infrastructure Delivery Programme and CIL.</p>
262	Woodland Trust Justin Milward Regional & Local Government Officer (South West)	<p>Page, paragraph or table number: <u>What are the benefits of CIL?</u> <u>Para 2.7 (p.2)</u></p> <p>Policy CP6 – 'Environmental Quality' of the Bath and North East Somerset</p>

	<p>Draft Core Strategy with Proposed Changes incorporated (March 2011) states under the Nature Conservation ‘Delivery’ heading that: <i>‘Delivery will be principally through the Development Management process. This will include working through partnership initiatives and in close liaison with bodies such as Natural England and ecology experts through which opportunities for enhancement and restoration of ecological and geological assets can be maximised. The Green Infrastructure Strategy will have an important role in the delivery of biodiversity restoration targets for the Strategic Nature Areas within the District’.</i></p> <p>Policy CP7 –‘Green Infrastructure’ states that: <i>‘The integrity, multi-functionality, quality and connectivity of the strategic Green Infrastructure (GI) network will be maintained, protected and enhanced. Opportunities will be taken to connect with, improve and extend the network. Existing and new GI must be planned, delivered and managed as an integral part of creating sustainable communities’.</i></p> <p>Under the Green Infrastructure ‘Delivery’ heading, the Core Strategy further sets out: <i>‘The Council has a central role in the provision, delivery and planning of GI through its role as local planning authority and direct provider of significant areas of open spaces. It will also work in partnership with key public and private bodies, local communities and the voluntary sector to protect and enhance the GI network and ensure a strategic approach is taken. The impact of new development on GI will be assessed through the Development Management process. The Council is preparing a GI Strategy and Delivery Plan which will set out further guidance as to how GI principles should be applied to development proposals including provision of major infrastructure improvements. Appropriate aspects of the GI plan will be included as SPD’.</i></p> <p>It is therefore vital that green infrastructure – including native woodland creation – is recognised as a beneficiary of CIL. Further comments are -</p> <ul style="list-style-type: none"> • The National Policy Planning Framework clearly states: <i>‘Local planning authorities should: set out a strategic approach in their Local Plans, planning positively for the creation, protection, enhancement and management of networks of biodiversity and green infrastructure’</i> (DCLG, March 2012, para 114). • The Woodland Trust believes that woodland creation is especially important for green infrastructure because of the unique ability of woodland to deliver across a wide range of ecosystems services benefits – see our publication Woodland Creation – why it matters (http://www.woodlandtrust.org.uk/en/about-us/publications/Pages/ours.aspx). These include for both landscape and biodiversity (helping habitats become more robust to adapt to climate change, buffering and extending fragmented ancient woodland), for quality of life and climate change (amenity & recreation, public health, flood amelioration, urban cooling) and for the local economy (timber and woodfuel markets). • The new England Biodiversity Strategy makes it clear that expansion of priority habitats like native woodland remains a key aim – <i>‘Priority action: Bring a greater proportion of our existing woodlands into sustainable management and expand the area of woodland in England’</i> (<i>Biodiversity 2020: A strategy for England’s wildlife and ecosystems services</i>, DEFRA 2011, p.26). • In a letter to all Local Authorities calling for support for the Government’s National Tree Planting Campaign (‘The Big Tree
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		<p>Plant'), the Environment Minister Caroline Spelman has extolled the many virtues of trees: <i>'Trees offer so many benefits to our citizens. They capture carbon and hold soils together, prevent flooding and help control our climate. They also add immeasurably to our quality of life by making areas more attractive and healthier places to live. In recent years the number of trees being planted annually across the country has declined, and could decrease further, unless action is taken to reverse this trend'</i> (letter to all Local Authorities, 12th November 2010).</p> <ul style="list-style-type: none"> • An important publication from the Forestry Commission, <i>The Case for Trees in development and the urban environment</i> (Forestry Commission, July 2010), sets out <i>'The multiple value of trees for people and places – increasing greenspace and tree numbers is likely to remain one of the most effective tools for making urban areas more convivial'</i>, and lists (on p.10) the benefits as – <ul style="list-style-type: none"> - Climate change contributions - Environment advantages - Economic dividends - Social benefits. <p><u>It therefore follows that green infrastructure should be highlighted in this draft CIL Charging Schedule as a beneficiary of CIL funding.</u></p> <p><u>CIL Charging Schedule</u> <u>Para 4.4 (p.9)</u></p> <p>We would also like to see the cost of provision of green infrastructure including native woodland reflected in the calculations for the B&NES CIL Charging Schedule. In this regard, we offer indicative costs for creating new native woodland. Although these will clearly vary depending on site character, size and circumstances, the following cost estimates per tree could usefully inform this Schedule –</p> <p>Cost of tree and guard - £1.50 Cost of planting - £1.00 Cost of short term establishment - £0.25p.</p> <p>Longer term maintenance into the future can also be usefully factored into these costs. If clarification on these costs is required, please contact the Woodland Trust. The Forestry Commission may also be able to offer advice in the above regard.</p>
274	Sport England Gary Parsons MSc MRTPI Planning	Thank you for inviting Sport England to comment on the Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule.

	<p>Manager</p>	<p>Sport England is the Government agency responsible for delivering the Government’s sporting objectives. Maximising the investment into sport and recreation through the land use planning system is one of our priorities. You will also be aware that Sport England is a statutory consultee on planning applications affecting playing fields.</p> <p>The New Sport England Strategy 2012-17 sets a challenge to:</p> <ul style="list-style-type: none"> • See more people taking on and keeping a sporting habit for life • Create more opportunities for young people • Nurture and develop talent • Provide the right facilities in the right places • Support local authorities and unlock local funding • Ensure real opportunities for communities <p>Sport England has considered the CIL preliminary draft charging schedule in the light of Sport England’s ‘Planning for Sport & Active Recreation: Objectives & Opportunities’ (Interim Statement 2005).</p> <p>The overall thrust of the statement is that a planned approach to the provision of facilities and opportunities for sport is necessary in order to ensure the sport and recreational needs of local communities are met.</p> <p><u>1. COMMENT – Local Plan & CIL Evidence Base</u></p> <p>The National Planning Policy Framework (NPPF) requires each local planning authority to produce a Local Plan for its area. Local Plans should address the spatial implications of economic, social and environmental change. Local Plans should be based on an adequate, up-to-date and relevant evidence base. In addition, para 73 of the NPPF requires that:</p> <p><i>“Planning policies should be based on robust and up-to-date assessments of the needs for open space, sports and recreation facilities and opportunities for new provision. The assessment should identify specific needs and quantitative deficits or surpluses of open space, sports and recreational facilities in the local area.”</i></p> <p>This includes a wide range of sport and recreation facilities including playing pitches, courts, swimming pools, sports halls, etc. It stresses that to ensure effective planning for open space, sport & recreation it is essential that the needs of local communities are known. Local authorities should undertake robust assessments of the existing and future needs of their communities for open space, sport and recreation. Assessments will normally be undertaken at district level, although assessments of strategic facilities should be undertaken at regional or sub-regional levels.</p> <p>Sport England advocates that new developments should contribute to the sporting and recreational needs of the locality made necessary by their development.</p> <p>We have in the recent past worked with and financed the Council’s Sport and Active Lifestyles team to develop an evidence</p>
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		<p>base. We are aware that there is a Built Facilities Strategy and Playing Pitch Strategy. Sport England is committed to helping the Council 'refresh' this work over the coming year. This includes developing an audit of sport and recreation facilities, developing 'local standards' and 'gaps' in provision be identified. This will then led to a strategy for the provision of new and enhancement of existing sport and recreation facilities. This work should pick up cross border issues.</p> <p><u>2. SUPPORT – Planning Obligations/Community Infrastructure Levy to Sport</u></p> <p>Sport England supports use of planning obligations/community infrastructure levy as a way of securing the provision of new or enhanced places for sport and a contribution towards their future maintenance, to meet the needs arising from new development. This does need to be based on a robust NPPF sport and recreation evidence base. This includes indoor sports facilities (swimming pools, sports halls, etc) as well as playing fields and multi use games courts.</p> <p>All new dwellings in BANES in the local plan period should provide for new or enhance existing sport and recreation facilities to help create opportunities for physical activity whilst having a major positive impact on health and mental wellbeing.</p> <p>Planning, leisure and sports officers should:</p> <ul style="list-style-type: none"> • Assess existing information on the need and demand for sport and recreation provision in terms of how it will assist in creating a CIL charging schedule • Look at the potential for adapting any existing standard charge approaches to sport, currently used for section 106 agreements, into CIL charges • Ensure liaison between sport and planning officers results in built sports facilities, as well as outdoor facilities such as playing fields, being included in CIL charging schedules • Consider how lists of appropriate projects, in areas affected by development, can be established and prioritised for implementation <p>For information regarding planning obligations for sport: http://www.sportengland.org/facilities_planning/planning_tools_and_guidance/planning_contributions.aspx</p> <p>For more information re: sport and CIL: http://www.sportengland.org/facilities_planning/planning_tools_and_guidance/planning_contributions_-_what/community_infrastructure_levy.aspx</p> <p>I hope that this response is helpful to the City Council in determining how to take the CIL draft charging schedule forward. If you would like to discuss any of the above comments or if we can be of any further assistance in the development of future local plan documents, please do not hesitate to contact me via planning.south@sportengland.org.</p>
276	Matthew Macan On behalf of Hignett	Hignett Family Trust has taken part in the Local Development Framework process for BANES since 2005. Its focus has been towards development in and around the City of Bath. It is a major stakeholder in the Core Strategy which is as yet to be

	Family Trust	<p>determined. As a consequence, HFT are well placed to comment upon the CIL ...: Accompanying the Preliminary Draft Charging Schedule is evidence to support the viability testing of development land, prepared by BNP Paribas. This is lengthy detailed analysis that requires significant assessment, however given the importance of the conclusions that support the draft charging schedule, an initial commentary is provided here.</p> <p>Comments:</p> <p>Chapt 3 Evidence Base</p> <p>BNES LDF The current draft Core Strategy is before the Inspector to assess whether it is sound or whether it needs significant modification. Therefore, there is at present no up to date development upon which the Draft Charging Schedule can reasonably rely. Depending upon the outcome of the Inspectors findings, it might be beneficial to progress the CIL alongside the Core Strategy, to ensure that there is proper assessment of the development plans for the district, its infrastructure needs and most importantly, the overall viability, including deliverability, when determining the Charging Schedule.</p> <p>BNES IDP</p> <p>Funding Gap The assumptions made as part of this Charging Schedule have established that there is sufficient evidence of a 'funding gap' for the infrastructure needs of new development. That the aggregate funding gap demonstrates the need to levy CIL to the scale set out in the Charging Schedule.</p> <p>Firstly, HFT will challenge whether the scale of a funding gap is based upon sound evidence. The Report cites Education, Major Transport Schemes and Flooding /Windsor Gas Holder as the principle contributors to the funding gap and therefore the justification of the CIL Levy. This is entirely erroneous evidence as much of this infrastructure will not be appropriate for CIL levy as it forms a specific requirement of development schemes, some of which are already granted planning permission and are/will be part of planning conditions or Section 106 Agreements binding land to deliver such infrastructure as an essential part of the development.</p> <p>Education: New Primary Schools Bath Western Riverside will be required to deliver a primary school. MoD Foxhill will be required to deliver a primary school. Cadbury Somerdale will be required to deliver a primary school at Keynsham. The IDP 2011 identifies the need for the latter two primary schools only, with a small extension to Castle Primary , Keynsham coming from a new housing scheme at Keynsham. BWR therefore provides additional buffer primary school capacity in Bath, with no need for a 3rd primary school in the City None of these schemes are or should be reliant on CIL Levy. Such identification on the Reg. 123 Statement would make them</p>
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		<p>ineligible for Section 106 obligations. All land costs are provided as part of the development schemes, ie no additional land costs. Therefore the assessed funding gap of £21 million is in fact zero.</p> <p>Major Transport Schemes The Council have allocated resources to the Bath Transport Package, which includes Sect. 106 Contributions from different sources. Overall there is no CIL Levy requirement. The other schemes identified in para 3.15 are unknown and do not form part of the Development Plan or of infrastructure that is required to support or mitigate development. A Park and Ride Scheme east of Bath was dropped by the Council in their Bath Transport Package and the allocation removed from the Core Strategy. Therefore any such infrastructure is entirely speculative and according to the Council's evidence, unnecessary to support development and growth. A southern access to the Park and Ride at Odd Down is entirely new and does not form part of any transport infrastructure. Keynsham Greenways does not form part of the Core Strategy proposals however major development at Cadbury Somerdale will contribute to this infrastructure. None of these schemes are or should be reliant on CIL Levy. Such identification on the Reg. 123 Statement would make them ineligible for Section 106 obligations. Funding Gap unknown but likely to be very small compared to assessed £12 million.</p> <p>Flooding /Windsor Gas Holder</p> <p>Flooding :The need to provide flood defence and flood storage capacity to address new development locations in the flood plain in Bath, is not a matter for CIL Levy. Rules prevent Local Authorities from borrowing monies against future receipts from CIL. That apart, any development in flood plain will require specific planning conditions and Sect. 106 Agreements to be attached to the land, so that vulnerable development cannot proceed without prior delivery of flood defence and compensatory storage. Securing such measures through CIL funding would be too speculative and leave Local Authorities and the Environment Agency open to legal action for increasing flood risk in other areas or adjoining land. If upstream storage was delivered and was capable of working, there is no mechanism for recovery of CIL funding from new development via Sect 106, as any infrastructure identified for CIL levy would automatically be barred from Sect 106 obligations. Flooding in Bath must remain a site specific developer obligation and be addressed through Sect 106 obligations. (This would not prevent development in flood plain from being charged CIL, like all similar development, however such development will clearly have viability questions already , with or without CIL) Funding Gap zero.</p> <p>Windsor Gas Holder: The decommissioning of this piece of infrastructure forms part of a planning condition attached to Bath Western Riverside outline consent. As such, it is part of an existing development, which is already underway, and should not be part of infrastructure within the CIL Levy. The developer will need to conclude his negotiations with existing landowners, including Wales and West Utilities, who wish to see the storage facility relocated at a huge cost. This is a purely commercial arrangement and cannot be allowed to be funded by CIL Levy. The Council have provided evidence at the Core Strategy Hearings that there is no insurmountable obstacle to the decommissioning of the Windsor Gas Holder. This remains the case and so not funding gap</p>
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should be attributed to this infrastructure.
Total Funding Gap zero not £24.7 million.

Conclusion

Aggregate funding gap assessed by the Council at £57.7 million, reassessed to be perhaps only 2-5% of this figure.

CIL Viability Assessment

The extensive studies undertaken by BNP Paribas form the basis of the viability assessment and the subsequent Charging Schedule .

For the reasons given below, HFT find the approach and methodology used by BNP to be overly simplistic and too optimistic over expected development costs. The extent of this optimism leads us to conclude that the viability evidence is flawed particularly when taking into account exceptional development costs that exist in and around the City of Bath, being a WHS and the need to provide affordable housing without subsidy.

There is no evidence that the Council has taken into account other sources of funding in determining the charging schedule. There is no evidence that the Council has taken into account the appropriate level of funding gap that should be supported by a CIL Levy. Consequently the Council maybe charging an excessive CIL Levy based upon infrastructure needs. BNP P. para 2.15 report a funding gap in the IDP 2011, of atleast £100 million. There is no clear evidence provided on the extent of the funding gap, other sources of income or the appropriateness of some elements to be funded through CIL (ie site specific development costs through S 106).
As such, the evidence of funding gap is not supported.

Affordable Housing

The assumptions over the costs of affordable housing assuming 35% provision are completely unrealistic. The impact of 60% 4/5 bed units (para 2.17) would make almost all residential schemes unviable.

The viability assessment will need to consider more carefully residual values and costs of affordable housing given the new, 'no subsidy world' and affordable rent levels.

Core Strategy

The BNP P. methodology follows the policy initiatives in draft Core Strategy. This is not adopted and maybe subject to substantial review. This means the BNP Study maybe unsound.

The assessment disregards the exceptional costs associated with housing development in Bath, including costs associated with flood risk and compensation storage.

The calculations of viability provide a very crude and simplistic distribution of viability across Banes which does not meet with reality or the evidence. This results in different residential Zones across the district as defined by Map 1 with different levels of CIL charging which are not based on sound evidence.

The Residential Zone B relates to rural areas of BNES whose likely residential development relates to individual or small clusters of dwellings as infilling in villages or as conversions. This amounts to a very small level of housing overall.

The Zone B includes the outer edges of Bath, although it is hard to distinguish the exact charging boundary, and therefore could include development on the fringes of Bath, including the MoD site at Lansdown or possible extensions at Odd Down or Newton

		<p>St Loe.</p> <p>As these locations are still to be determined in the Core Strategy and would involve extensive community/employment facilities transport infrastructure etc , they are more in character with City residential Zone A.</p> <p>The Assessment needs to redefine these areas and to reflect the emerging Core Strategy.</p> <p>This represents a brief overview of our comments and we will make further representations when there is greater clarity over the outcome of the Core Strategy.</p>
281	<p>Natural England Amanda Grundy, Lead Adviser , Sustainable Land Use Team Natural England, Temple Quay House, 2 The Square, Bristol BS1 6EB.</p>	<p>Thank you for consulting Natural England regarding the above.</p> <p>Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.</p> <p>The Preliminary Draft Charging Schedule and proposed CIL rates appear reasonable and to have been informed by an appropriate evidence base.</p> <p>Funding gap</p> <p>We note that CIL can only be charged if there is a funding gap for the infrastructure to meet the needs of new development identified in the B&NES Core Strategy. High level assessment has identified a significant funding gap for educational facilities, major transport schemes and flood mitigation infrastructure. We understand that CIL will not be the sole funding source for all necessary infrastructures but will supplement other funding streams including S106.</p> <p>Green infrastructure</p> <p>The Draft BANES GI strategy suggests that much can be achieved with existing resources, but also refers to funding opportunities through Development Management processes to influence allocation of Community Infrastructure Levy (CIL) and Section 106. The Local Development Framework Delivery programme report recognises that a holistic approach to green infrastructure can provide additional opportunities and solutions. However we note the status afforded to strategic green infrastructure is <i>desirable</i>, rather than <i>essential</i>.</p> <p>Paragraph 114 of the National Planning Policy Statement advises that <i>Local planning authorities should set out a strategic approach in their Local Plans, planning positively for the creation, protection, enhancement and management of networks of biodiversity and green infrastructure</i>. We advise that the Council considers how the local plan will achieve conformity with this aspect of the NPPF, and whether CIL monies will be required to deliver the Council's aspirations for green infrastructure. The Council may wish to make provision with the CIL to enable funding for essential green infrastructure in the event of a strategic funding gap and where such an investment would represent good value for money.</p> <p>For any correspondence or queries relating to this consultation <u>only</u>, please contact Amanda Grundy on 0300 060 1454. For all other correspondence, please contact consultations@naturalengland.org.uk</p>

		<p>We really value your feedback to help us improve the service we offer. We have attached a feedback form to this letter and welcome any comments you might have about our service.</p> <p>Yours sincerely</p>
301	Gina Day on behalf of South West HARP Planning Consortium	<p>COMMENT FORM Paragraph 2.11/2.22 Paragraph 2.13 Paragraph 2.14-2.18 Paragraphs 3.8-3.11 Paragraph 3.16 and 3.17 Viability Assessment</p> <p>(see copy of letter below)</p> <p>Planning Policy Team 8 June 2012 Bath and North East Somerset Council</p> <p>Dear Sir/Madam RE: BATH AND NORTH EAST SOMERSET COUNCIL – COMMUNITY INFRASTRUCTURE LEVY PRELIMINARY DRAFT CHARGING SCHEDULE – APRIL 2012 We represent the South West HARP Planning Consortium, which includes all the leading Housing Association Registered Providers across the South West. Our client's principal concerns are to optimise the provision of social/affordable housing and to ensure the evolution and preparation of consistent policies throughout the region. Since a significant proportion of affordable homes are provided through planning obligations our client is also concerned to ensure that policies meet the full housing needs of the market area.</p> <p>Our comments on the Draft Preliminary Charging Schedule are set out below: On the whole, the CIL charges for residential development do not appear unreasonable when placed in the regional context and against the higher than average property prices in the District. However, we have a few concerns about the viability report and the assumptions the charge is based on. These need clarifying and will probably require some alterations to the charging schedule. We have also made several recommendations for further work.</p> <p>Given that CIL is non-negotiable, our main concern is that it is not set at a level that will squeeze the amount of affordable housing that can be provided below the emerging Core Strategy target of 35%. Our key recommendations can be summarised as such:</p> <ul style="list-style-type: none"> • greater analysis of the strategic sites; • more viability analysis at a more fine grained level; • a separate charge for older person care and accommodation.

Prioritisation of Affordable Housing within the Context of CIL

We consider it extremely important that the Council considers the overall impact of CIL on the delivery of affordable housing. Greg Clark MP, Minister for Decentralisation and Cities stated on 20 April in an article in Inside Housing that:

'A key point of the viability test for CIL [charge setting] is that it doesn't make socially important development unviable, including social housing. I would expect that to be at the forefront of examiners' minds.'

Our representations should be considered in the context of emerging guidance for CIL, as stated by Lord Attlee in the House of Lords during a debate on the Localism Bill, as set out below:

'The statutory framework for CIL provides for protection for affordable housing. This was, no doubt, in the minds of the previous Administration when they implemented the levy. However, we acknowledge that the guidance does not set this out as clearly and robustly as it could. We will revisit the guidance to make it clear that the imposition of a levy must not harm the delivery of affordable housing or other local policies set out in the local plan. I have asked my officials to work with the National Housing Federation to develop appropriate changes and we will reflect on the outcome in updated guidance from the Secretary of State.'

Whilst the viability report does model the impact of CIL on theoretical sites, we consider that in order to ensure CIL will not impact on the delivery of affordable housing, the Council need to assess the largest strategic sites. As the viability report is an average it can not show what impact CIL will have on the largest sites, which deliver the most affordable housing. There are always cash flow issues on large sites where significant acquisition and site preparation costs are often incurred well ahead of any sales receipts. We would therefore recommend that the Council follow the example of South Somerset and model the impact of CIL on these sites. Our concern is that if one of two of the largest sites have viability concerns, then the delivery of the affordable housing target set out in the Core Strategy could be at risk.

This is particularly a concern in BANES where there are no greenfield releases currently proposed and the large strategic brownfield sites could have significant viability and infrastructure costs issues, such as Bath Riverside Sites.

Furthermore, as currently proposed the emerging BANES Core Strategy will not provide the level of housing needed to meet the full level of objectively assessed housing need as required by the NPPF. We have previously made representations on this matter, but in this context it should be noted that:

- the viability assessment may be assuming housing targets that are later revised upwards;
- the level of affordable housing need that the emerging Core Strategy proposes should be met is well below that required and the Council should do all it can to protect affordable housing provision.

Discretionary Relief from CIL (Paragraph 2.11/2.22)

We note the Council's intention to decide whether or not to set out exceptional circumstances for relief on adoption of the Charging Schedule. We consider that the exceptional circumstances will be a useful way of bringing forward difficult sites on the margins of viability.

The CIL Regulations only allow for exceptional circumstances on viability grounds where the level of Section 106 obligations is higher than the level of chargeable CIL. This will only affect a small number of developments. However if this applies to one large

strategic site and the exceptional circumstances allow it to come forward, then adding this flexibility will have been worthwhile. We recommend that the Council state that they will accept the circumstances for exceptional relief provided they would not contravene State Aid legislation.

The relationship between CIL and Section 106 agreements (Paragraph 2.13)

We note and support the Council's approach of requiring all infrastructure requirements within the scope of CIL, with the exception of affordable housing, development specific infrastructure on large scale projects and site specific mitigation. We note the intention to review the option of including affordable housing within CIL. We would not support this. Our view is that affordable housing funding would be reduced as it could not be ring fenced. It would also mean that affordable housing was not delivered onsite, leading to a delay in the provision, and failure to deliver mixed and balanced communities.

The introduction of CIL will also require a new Planning Obligations SPD to be produced. This will have to be framed within the context of the NPPF which offers clear guidance on the principles behind SPD production. Paragraph 154 states that: *'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.'* The Council should therefore ensure that all viability issues regarding infrastructure delivery are settled within the CIL charging Schedule.

When is CIL Payable? (Paragraphs 2.14 – 2.18)

We fully support an instalments policy for the payment of CIL, this should enable more schemes to come forward where viability is marginal and make the provision of more affordable housing possible. However, we would suggest that the final payment is linked to occupation rather than commencement, as this would give more flexibility to developers who are struggling to bring forward a site.

Funding Gap (Paragraphs 3.8 – 3.11)

The Council have set out an indicative list of funding requirements in the Infrastructure Development Plan. Many of these could be considered site-specific, we welcome this approach as this allows the Council to take a strategic overview on the provision of infrastructure in the District. However, we are concerned that as the final Regulation 123 list of infrastructure to be funded by CIL can be amended at any time, there is the danger that if CIL receipts are lower than expected, then these projects may be moved out of the Regulation 123 List to be covered by the Section 106 agreement instead. We appreciate that this element of the CIL process was designed to provide flexibility, but our concern is that this may squeeze the level of affordable housing that can be provided on site where this occurs.

An example of how this might be an issue is the Bath Western Riverside development, where little or no affordable housing would be viable without public subsidy due to very high site specific infrastructure and land decontamination costs. In the future this level of subsidy will not be available. Our recommendation is that individual master plans or the Placemaking DPD consider how infrastructure for the largest strategic sites can be funded (whether CIL, Section 106 agreements or New Homes Bonus payments) whilst maximising the provision of affordable housing. This will allow clear and up front scrutiny of decisions over the level of affordable housing to be delivered on site, rather than leave it to individual decisions and trade offs during the application process. This also emphasises our earlier recommendation on ensuring there is an exemption clause in place for CIL on viability

grounds.

Flood Mitigation and Windsor Gas Station (Paragraph 3.16 and 3.17)

We restate our points above about ensuring that decisions over infrastructure payments are front loaded as far as possible to ensure discussion over the level of affordable housing that can be provided on site.

CIL Viability Assessment

We have a number of queries related to the viability assessment which we have set out below in relation to the paragraph in the report. We fully understand the point clearly made in the viability appraisal that in some cases scenarios are not viable with any level of CIL, in these cases a reduction to the affordable housing requirement is necessary to make the scheme viable. We consider it important that the Council consider whether a lower level of CIL will enable the highest possible amount of affordable housing to come forward in these cases.

Tenure Split

The viability assessment is calculated upon a tenure split of 75% social rent and 25% shared ownership. However, in paragraph 4.34 it states that the rented portion is calculated as affordable rent. Our understanding is that current council policy is for rented units to be social rent and the emerging Draft Core Strategy also identifies social rent as the tenure of preference, except where Affordable Rent is required on the grounds of viability. This is set out in the PC91 in the Schedule of Significant Proposed Changes to the Draft Core Strategy (September 2011).

'The tenure of the affordable housing will typically be based on a 75/25 split between social rent and intermediate housing. The Council will consider the provision of Affordable Rent or other affordable housing products in lieu of social rent when it is proven necessary to improve viability in order to achieve policy position levels of affordable housing and where the housing need for affordable rent can be demonstrated.'

We strongly recommend that the viability of the scenarios should be reassessed using social rent as the default position.

Benchmark Land Values

The viability report uses four different land values to assess the viability of different CIL charges. The £2.5million for residential land value represents a price that might typically be paid in high value areas, however our view is that higher values than this may be achieved in certain parts of Bath. We appreciate that an average has to be used, but it highlights the problem that these benchmark land values can only be a very general indicator.

We would also like the methodology of the viability report to be updated to show clearly how the benchmark land values are used to support different levels of CIL in different areas. It would appear that in the lower value areas of the District (Bath North/West/South & Chew Valley East, Keynsham and Norton Radstock) the different site types only need to achieve viability on the lowest land value – vacant serviced land for the report to recommend a certain CIL charging schedule is viable. In contrast in the higher value areas (Bath City Centre and Bath Rural) have to achieve the higher CIL charges on all land values. Whilst we would accept that higher land values of £2.5 million per hectare are uncommon in the lower value areas, this does not mean that these

areas should only be assessed against £500,000 per hectare. Much higher values than this will be achieved in these areas. We have considerable sympathy with the Council and BNP Paribas as setting average land values for the whole District can only ever be a guide, further explanation of the approach used should be set out in the methodology and if necessary different land values tested. We would recommend that the report should set out more clearly what range of land values can be expected in different areas, in order to assess the accuracy of the values used in this study.

The methodology should also set out what impact the Council think that a new proposed level of CIL will have on land values.

Greenfield Development

The viability report tests CIL charges against greenfield development; however the emerging Core Strategy does not currently propose any greenfield releases. Whilst this may change following the publication of the Examiner's Report in to the Core Strategy, at the present time these figures should be treated with caution. Whilst we understand that these are benchmark values, which are indicative of land values across the District, we recommend that these may need to be revised in an updated viability report to reflect the types of sites likely to come forward in the District over the next few years. The figure of £900,000 per hectare across the district is also unlikely to be accurate for the whole District.

Lifetime Homes Standard

It is unclear if the Council has included increased build costs involved with meeting the Lifetime Homes Standard as proposed by the emerging Core Strategy.

Housing for Older People

The paper recommends that a greater buffer below maximum viable rates is used to ensure that sheltered housing is not adversely affected by the CIL charge (paragraph 6.30/6.31 of the viability report).

The report correctly states that developers incur greater interest and land and build costs from these types of development. The report does not suggest a suitable buffer and is not clear in the charging schedule if the buffer used reflects the viability report recommendations.

However, we consider that the report should go further and test the viability of CIL on all types of specialist housing for older people. The Council have already tested the viability levels of different types of development within the C2 Use Class development, such as student housing. Given that over two thirds of household growth between 2008 and 2033 will be from households aged 65 and older, we consider it essential that delivery of housing specifically designed for this group is not frustrated by CIL. The best approach would be to identify a different proposed use of development (in the language of Regulation 13) and levy a charge based on that a differential justified by the different economic characteristics of housing for the elderly.

Exploration of the impact of CIL should cover both Sheltered Housing and Extra Care housing schemes.

It also needs to take in to account the fact that Extra Care housing schemes can be quite land hungry as they contain facilities such as hairdressers and restaurants that would be subject to CIL charges. Some C3 schemes also provide day centres which may offer care to the wider community, but under the CIL regulations would be subject to a £100 per m² charge. Again, if the use is treated as a different proposed use then a lower CIL charge can be levied.

Furthermore, C2 use class older person care and accommodation schemes will not make a CIL payment, yet the line between

C2 and C3 is often blurred and a decision to clarify as either can often be subjective.

Office Development

The appraisal indicates that commercial development will not viably support a CIL, however the charging schedule proposes a £30m2 (paragraph 6.37 of the viability report). We recommend that the charging schedule is amended to reflect the evidence in the charging schedule. We are concerned that on mixed use development schemes it will be the residential floorspace that subsidises the unviable office development charge. This could then squeeze out the proportion of affordable housing that was viable on these sites. In BANES this is concerning as there will be numerous mixed use developments coming forward providing a very significant proportion of the affordable housing supply.

Buffer below minimum rates

The proposed CIL rates suggested in the viability report are based on a 30% buffer being set below the minimum viable rates. The viability rates states that if the Council were minded, a 50% rate could be set to offer protection to the affordable housing requirement. There are a number of reasons why we believe that the 50% buffer should be used. These are:

- viability reports are inevitably imprecise tools and can only be used as a guide;
- a very significant proportion of housing delivery within BANES will come from complex brownfield sites that could have significant constraints and infrastructure requirements; this mean they vary significantly from the average scenarios set out in the report;
- a 50% buffer has been used in Bristol, reflecting the fact that sites coming forward in the City will be brownfield and often difficult to bring forward;
- delivery of affordable housing currently proposed in the Core Strategy is already well below need. Any detrimental impact on affordable housing caused by CIL would lead to even worse affordability problems in the District;
- if the Council decide not to set an individual CIL rate for sheltered or Extra Care Housing, then this buffer would assist with ensuring that these developments are not made unviable by CIL.

We recommend that the Council adopt the more cautious 50% buffer to begin with and then if this proves to be too generous or the housing market picks up an early review of CIL could take place with a view to increasing the charges. In the meantime, we consider that the delivery of affordable housing should be the Council's top priority, as per the emerging Core Strategy.

CIL Viability Report – Appendix 1 Residential Development

We have examined Appendix 1 of the viability report which sets out the detailed viability testing for a variety of different scenarios. We have the following comments/recommendations:

Testing residential development with lower percentages of affordable housing

We have looked in some detail at the viability report and its appendices. One area that we feel could be improved to inform the discussion over the impact of CIL on affordable housing is the modelling of lower provisions of affordable housing. Many site types are not viable with the 'High' and 'Low' Residential Land Values with any rate of CIL, but this is particularly a problem in Bath North/West/South & Chew Valley East, Keynsham and Norton Radstock. For every scenario the viability appraisal tests 25% affordable housing provision against a range of CIL charges so it is possible to see what happens in these scenarios if a lower level of CIL was accepted by the Council through viability negotiations. As expected viability improves significantly, making some of these scenarios viable, or more comfortably viable, with the proposed levels of CIL. However, on the 'High' and 'Low' Residential Land Values in Bath North/West/South & Chew Valley East, Keynsham and Norton Radstock the scenarios are still unviable with any rate of CIL and with 25% affordable housing.

Our concern is that as the affordable housing requirement is negotiable, schemes with higher than average land values in lower value areas could come forward with, for example only 5% or 10% affordable housing. This is because on sites with high land values in these areas, then this is the only way these sites can be viable and pay the proposed level of CIL. In the past, the Council might have had the flexibility to reduce Section 106 contributions as part of an overall package to ensure that an acceptable level of affordable housing came forward, they will no longer have this option and it will be affordable housing that will inevitably be reduced.

In order to ascertain if CIL will not have any impact on affordable housing delivery in these areas as set out above, it needs to be demonstrated that either:

a) Land values in Bath North/West/South & Chew Valley East, Keynsham and Norton Radstock are always well below the higher benchmark land values in these areas, so this is not an issue. However, we consider that given the variety of land values in this area, this may be difficult.

b) No development in these areas, in these site types is viable, even with little or no affordable housing.

This could be done through additional testing of 0% and/or 10% affordable housing scenarios in a supplementary viability report.

Flatted Development (Site Type 3)

According to the viability report, Site Type 3 (a 15 unit flatted scheme, developed at a density of 120 units per hectare) will only be viable in Bath Rural and Bath North and East with a 35% affordable housing requirement. Given that this type of development is not normally acceptable in rural areas this just leaves Bath North and East.

Despite the fact that demand has dropped significantly for flatted development, it can still provide a very useful source of low cost housing for first time buyers and take the pressure off the affordable housing stock and its development should be encouraged.

If the viability report were to show that this type of development is not viable with any level of CIL this would be fine. However, the viability report shows that in the three highest value areas (Bath City Centre, Bath Rural and Bath North and East) that many of the scenarios become viable again with a 25% affordable housing requirement. In the other areas viability starts to improve markedly with this lower requirement. This suggests that with current proposed level of CIL flatted development in the District will only become viable with lower proportions of affordable housing. We would like to see the Council explore ways of setting CIL in a way that does not automatically mean that flatted development will provide less affordable housing.

We would also like to see viability testing of 0% and/or 10% affordable housing requirement in the four lower value areas to ascertain the squeeze of affordable housing caused by CIL.

Bath North/South/West & Chew Valley East

Having reviewed the viability report we consider that there is a case to be made for setting a lower CIL charge for Bath North/South/West & Chew Valley East. Only on Vacant Serviced Land is CIL viable on Site Types 2 and 6 at £100 per m². However, viability is tight on these schemes and an additional buffer of 50%, rather 30% would ensure viability on these types of sites. On Site Types 3, 4 and 5 £100m² is not viable with any level of CIL, however on Site Type 4 a lower level of CIL would ensure that 25% affordable housing could be delivered on Vacant Serviced Land values.

Site Type 5 in Norton Radstock

The Council state that Site Type 5 (50 units of flats and houses) does not come forward in Norton Radstock; we would like to see the Council justify this statement in their viability appraisal.

		<p><i>Code for Sustainable Homes Level 4</i></p> <p>We are pleased to see that the Council has tested the impact of achieving Code for Sustainable Homes Level 4 as part of several different scenarios. This allows us to assess the impact of increasing build costs in the District. It appears that this higher code level will make less development viable in the District at the proposed level of CIL, particularly in areas of the District where build costs are high (e.g. Bath City Centre).</p> <p>The viability report helpful shows the impact of achieving Level 4 with a 25% affordable housing requirement, which makes many of the scenarios viable, or more comfortably viable again. This would appear to suggest that the introduction of Level 4 would need the affordable housing requirement to drop to 25% to cancel out the increased build costs.</p> <p>The Core Strategy proposes that all major development will need to meet Code for Sustainable Homes Level 4 (in full) by 2013. Currently Building Regulations will only require all new developments to meet the energy requirements of Code for Sustainable Homes Level 4 by summer 2013. The new CIL charge will therefore need to be fully assessed against Code for Sustainable Homes Level 4 and the implications on affordable housing set out in the viability report. The Newark and Sherwood Examiners Report stated with regard to the introduction of Code for Sustainable Homes Level 4, that:</p> <p><i>‘Thus, whilst construction costs are expected to rise somewhat to comply with the higher levels of the Code as they are introduced over time under national legislation, the wide margins of viability allowed for in the Council’s setting of CIL rates for new housing should ensure that this does not have a material impact on delivery.’</i></p> <p>This does not appear to be the case with BANES, with the introduction of Level 4 making a significant number of scenarios unviable and only returning to viability with a reduction affordable housing down to 25%. We would therefore like to see the Council set out what they consider to be a viable level of CIL with Code for Sustainable Homes Level 4 and a 35% affordable housing requirement. By the time the Charging Schedule is adopted in 2013, the Code for Sustainable Homes Level 4 will become mandatory soon afterwards as per the emerging Core Strategy. This level of build costs should therefore be the baseline in the viability report.</p> <p>Our view on assessing the different Code for Sustainable Homes levels is contrary to the BNP Paribas interpretation in paragraph 4.26 of the viability report that construction costs should only be assessed against current regulations. However, we consider that examiner’s comments in the Newark and Sherwood report above make it clear that changing policy requirements over the short and medium term should be assessed.</p> <p>The above comments are intended to be constructive and we would like to be involved in future consultations as the charging schedule progresses. Please ensure that the South West HARP Planning Consortium is listed as consultees with Tetlow King Planning as its agents.</p> <p>Yours faithfully</p>
310	Ian Bell Executive Director Bath Chamber of Commerce	I am writing on behalf of Bath Chamber of Commerce and the Initiative in B&NES to provide our comments on the draft document setting out the Council’s plans for the introduction of the Community Infrastructure Levy. We are grateful that you have agreed to take our response after the formal closing date since it allowed the Chamber’s Economic Development Committee to hear at first hand from Council Officers who very usefully provided additional background information which members found valuable.

		<p>Our first observation is that whilst we absolutely accept the need to raise funds for infrastructure, we are unclear about the level of the true cost which will need to be met locally. We believe the proper way to proceed with the CIL arrangements would be alongside the Core Strategy so we can be confident of the scale of development plans and their infrastructure needs. The Council's current estimate of the funding gap, standing close to £60m, may turn out to be considerably higher than the actual figure.</p> <p>The most crucial element of this whole process is to find the right level of charge which generates much needed funds but does not prevent new building. This is a very competitive market place and there is a risk that developers will go elsewhere if the local levy is set too high. Therefore we believe CIL rates being proposed by neighbouring authorities should be taken into consideration. For example, Bristol is currently proposing a number of lower rates than in B&NES. We understand they are opting for just 50% of what they could theoretically charge, providing developers with a proper buffer. Our belief is that if B&NES does not match that level of buffer it will draw developers away.</p> <p>We urge the Council to also take into account the current state of the economy. Setting a lower level of CIL could act as a spur to growth and actually generate more funds than starting high. There is always the opportunity to review levels annually and adjust them up or down according to current market conditions.</p> <p>There is a concern among members that high levels of CIL could lead to builders compromising on the quality of developments, which would be wholly against our ethos for the district.</p> <p>We do not propose to go into the detail of charges in every category, but would particularly draw attention to the proposed £30 charge on office space, contrary to the recommendation of officers and the Council's own consultants. We very much hope this is reconsidered and a zero rate applied.</p> <p>I will now turn to the issue of timing of the payments. The current proposals appear to run the risk of being especially onerous on small developments, where the profit often comes at the sale of the last property. We would like to see greater staging of payments, for example a third at the beginning of building work, a third part way through and a third at the end.</p> <p>Whatever rates are set, we hope the process is as clear as possible. Therefore it would be desirable to set a firm date for the application of CIL charges as soon as possible. We also believe the system should be as simple as possible. For example, the effort of imposing CIL on developments of less than 100 m² of new build floor space which result in the creation of one or more dwellings will almost certainly be greater than the revenue collected.</p> <p>I trust you will consider these as being constructive suggestions from the business community. We have a vested interest in encouraging economic growth which will bring prosperity to the whole community and the appropriate application of the CIL will have a part to play in that process.</p> <p>Yours sincerely, W. Ian Bell Executive Director</p>
372	Timsbury Parish Council Ben Thurston	<p>Page, paragraph or table number: 2.7</p> <p>Timsbury Parish Council are interested in how these will be distributed. In 2.7, bullet point 4, reference is made to 'meaningful proportion' what does this mean, and how will it be ascertained? Further to this, in the last bullet point, it says 'any infrastructure'. Again, what exactly does this include? Is there a danger that the CIL money will simply replace money in existing budgets,</p>

		leaving them free to be used elsewhere, or even make up shortfalls in existing budgets?
819	Judith Plucknett Paulton Parish Council	In response to the consultation on the CIL Preliminary Draft Charging Schedule the view of Paulton Parish Council is that there should be no detrimental effect on funding for local councils as a result of the introduction of the CIL in comparison to S106 funding.
904	Miss Valerie Bearne The Build a Dream Self Build Association	I trust that you will follow the directive of the Housing Minister, when he announced on 16/5/12 that the CIL will not apply to self build houses . Self builders are not the same as developers. They do not make a 20%plus profit which is instantly transferred to distant shareholders. They stay in the community and pay local taxes for years, having already provided an average of 1.5 local jobs per house.
939	TREVOR OSBORNE The Trevor Osborne Property Group	<p>As you know, I am critical of the new CIL tax which is now introduced and to which B&NES will no doubt be a party.</p> <p>The intention to collect funds for infrastructure must be regarded with a certain amount of scepticism because the construction of infrastructure will depends upon many more factors than just a sum of money sitting in a special CIL reserve account, just as section 106 contributions were not always spent and, in fact, now add up to many millions in Local Authority bank accounts. The same could apply to CIL in a few years time.</p> <p>We must proceed on the basis that as it is lawful B&NES will introduce a charging strategy. It seems to me there are many loopholes in the Regulations but, if we are to have CIL, let's keep it as simple as possible.</p> <p>The Regulations provide the ability for the Council to make exceptions but the moment it does so the whole of the charging schedule will be undermined. It is therefore best to make a decision and stick to it without exceptions on the basis that the Council should determine that, after 12 months of operation and thereafter annually, the charging schedule should be reviewed and, in the event that charges are reduced, this should be retrospective to consents which have attracted the liability in the previous period. If, however, charges are increased, it would not be appropriate for the additional cost to be backdated because developers may have taken financial decisions based upon the charge which has been agreed.</p> <p>Perhaps I may comment on the numerical order of the Council's consultation paper;</p> <p>Paragraph 2.4 – the Council should adopt a firm date for the application of CIL charges. Why not stick to 6 April 2014 as the commencement date after which the charge would apply to applications which the Development Control Committee agree to consent. Where an application has been submitted prior to 6 January 2014 and determined after 6 April 2014, then the relevant charge as at 6 April 2014 should be imposed irrespective of the date when the Committee approves the application.</p> <p>Paragraph 2.6 – CIL should apply to a development comprising 100m² or more of new build floor space. New build floor space should be the additional floor space over and above the floor area which has lawful use at the date of the application for any purpose which CIL would otherwise be chargeable on the grant of a consent. The complication of charging on development of less than 100m² of new build floor space that results in the creation of one or more dwellings which will only result in absurd calculations and gymnastics to avoid the charge. The effort of imposing this will not be worth the revenue collected. The floor space measurement should be of internal lettable space as defined in the RICS Code of Measurement Practice.</p> <p>I suggest that 33% of the CIL should be payable on the commencement of development, this being defined by a material start on</p>

	<p>site as recognised under the Town & Country Planning legislation. The balance should be payable on practical completion of the development, this being the completion to a stage when the project is suitable for beneficial occupation as defined in the Building Contract legislation i.e “practical completion”. The charging authority should agree a long stop date for the project to be completed depending upon its size and complexity. A charging authority should be permitted to extend a long stop date in the event the project is delayed as a result of changes in the financial climate, insufficiency of sales or lettings, delays in archaeological or other investigations etc. This particular arrangement needs very considerable thought in order to come up with a clear definition of what might give grounds for an extension to delay payment of the final sum.</p> <p>The Council should not be permitted to encumber or charge the property to secure the payment of the CIL but should be permitted to register a charge against the title which would be subordinate to any claim by a financial institution providing funds for the project.</p> <p>Paragraph 3.3 – the Council should give an estimate of the dates upon which its evidence base will be completed.</p> <p>Paragraph 3.4 – the date should be set with the expectancy that the Inspector will approve the charging schedule and strategy. The date suggested earlier would give a suitable cushion for delay.</p> <p>Paragraphs 3.8-3.18 – this is an ambitious programme and the Council should to be under any misapprehension that the CIL will provide sufficient funds to finance these projects.</p> <p>Paragraph 3.19 – whilst I am sure that BNP Paribas carried out a scholarly task, it should be remembered that agents and surveyors count the score; they do not make the runs! The market will decide on the level of CIL what is appropriate to charge. All the Council can do is to make an informed guess based on the opinion of its consultant and the results of the consultation process in which it is involved. The err on the side of caution would be appropriate given the ability of the Council to reconsider the rate periodically.</p> <p>Paragraph 3.20 – so far as the categories are concerned, I comment as follows:-</p> <p>Residential – I would advocate a straightforward single charge irrespective of the location within B&NES. I think that the consultants have failed to recognise that land costs in Norton Radstock are far lower than land costs in Bath. I suggest a figure of £100 per m² for any residential project in excess of the 100m² anywhere in B&NES.</p> <p>Office Development – office use is within B1 of the Use Classes Order and it would be unwise for this category not to include all uses within B1. In my view, CIL should not be charged on B1 space including offices in any part of B&NES. Every effort is needed to stimulate commercial development as a means of providing employment and gains to the local economy.</p> <p>Hotel – It is not appropriate to charge CIL based on the floor area. It would be more appropriate to charge on the basis of the number of lettable rooms. This would encourage higher-quality rather than budget hotel projects. I would suggest £30 per lettable room as an appropriate rate of charge.</p>
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		<p>Retail Development – in the City Centre I suggest the area covered by the BID would remain viable at the rate of charge of £280 per m² for property which is to be let to a national concern. Where property is to be occupied for the first five years by an independent retailer identified as having less than five retail stores at the date of completion of the building, then the rate should be discounted by 75% of the standard charge. This would encourage landlords to accept independent retailers who contribute an important part of Bath's retail offer. Retail developments outside the City Centre should be charged at the rate of £280 per m² unless they fall within a village envelope and are serving village needs, in which case, no charge should apply.</p> <p>Industrial and warehousing – if the industrial floor space falls within B1 of the Use Classes Order, it should be charged at the office/B1 rate currently I suggest as nil. Where it is for other industrial or warehousing uses, I agree that no CIL is applicable.</p> <p>Class D1 – D1 uses including healthcare facilities, schools, cultural and community should not attract CIL.</p> <p>Any uses falling outside of the definitions should not attract CIL.</p> <p>Paragraph 4.20 – the CIL should not change until it is reviewed annually by the Council having regard to changes in RPI, the property market, financial climate and the impact of CIL over the preceding year. There should be no automatic increase in the charging rate of CIL.</p> <p>Whilst I have not suggested the use of CIL as a planning tool in order to direct development demand, I am tempted to suggest that a particularly high rate of CIL should apply to retail floor spaces in excess of 1,000m², particularly where these are located outside the core shopping areas.</p> <p>In relation to student accommodation, I can see no reason why the rate should be lower on campus than off campus.</p> <p>I trust that my views will be taken into account in the publication of recommended proposals.</p> <p>Kind regards,</p>
990	Bathford Parish Council Steve Mackerness (for Ruth Holding, Clerk to the Council)	<p>Dear Sir/Madam,</p> <p>I attach three comment forms pertaining to the consultation on CIL charging rates which ends today at 5.00pm. These contain comments by Bathford Parish Council on each of the three matters which we wish to raise for your consideration. Please confirm receipt of this eMail</p> <p>Regards</p> <p>Form1)</p> <p>Page, paragraph or table number:3.13, 3.15 and 3.17</p>

The identification of three elements of future spending

The provision of additional schools, transport schemes and flood mitigation have previously been funded centrally from the Treasury under guidance from the Departments of Education, Transport and Environment. Although central funding in future cannot be guaranteed, it is our view that the specific schemes mentioned in the quoted paragraphs are likely candidates for central funding in a future Spending Review (if nothing else, but to provide an economic growth stimulus). It is, therefore, inaccurate to claim that these requirements will contribute towards a 'Funding Gap' which must be filled by the introduction of high CIL rates. Consequently, it is misleading to suggest that the funding gap which exists for B&NES will be as high as the total (almost £58m) claimed. If a lower total were justified, it would, using the methodology adopted by BNP Paribas, result in a requirement for lower rates of CIL. There is no objective evidence for the rates being proposed.

Form 2)

Page, paragraph or table number: Table 2 B&NES CIL Charging Schedule

The conclusion that 2 specific rates should be charged

We strongly disagree with your conclusion that 2 rates of CIL should be charged, based on the analysis of Table 1. [We believe that the statement for the 'Residential' category, is not attempting to define the 'minimum' rate viable, but the 'maximum'. The 'minimum' would presumably be zero.]

Grouping the diverse rates identified into 2 proposed rates is extremely simplistic and its consequences detract from the credibility of the entire proposal. Within any area (you have taken an entirely arbitrary group of areas), there are clearly major differences of 'residual land values' (paragraph 3.19). Is it seriously being suggested that residual land values in Lansdown is in any way comparable with those in Twerton, or Norton Radstock? All of these locations have the same proposed CIL rate of £100 per sq metre. How can it possibly be true that residual land values in Mountain Wood (within Bathford Parish), can be assessed at double this rate. Is Shockerwick (in Bathford Parish) not directly comparable to the Chew Valley?

The CIL theory is based on the need for the cost of off-site works by the Local Authority to be recovered. In rural areas, with development restricted by Green Belt and other policies, very little off-site development will be required. Most sites are likely to be single plots and would incur no off-site works at all. CIL would effectively be a new tax on development since the levy would be charged for services that already exist. The argument can be extended to single plots in towns too. This would argue for rural areas to have a lower rate of CIL than larger conurbations – not one which is double.

What are the consequences if this proposal is adopted? Development within Bath Rural/Bathavon would generally be at a disadvantage due to the proposed rate of CIL, but the effect would be magnified immensely in the area at the boundary of the arbitrarily chosen area. What is the 'fairness' and 'transparency' (paragraph 2.7) which results in residential development in

		<p>Shockerwick (in Bathford Parish) attracting double the levy of one in the Chew Valley? Both are in rural areas.</p> <p>There should be no difference in rate for CIL. Any difference will produce obvious irreconcilable issues of fairness, and will effectively manipulate market property values (developers will have no option but to pass on the higher levy to the purchaser). A single rate for the entire B&NES area is the only logical way to proceed.</p> <p>Form3)</p> <p>Page, paragraph or table number: Table 2, B&NES Charging Schedule</p> <p><u>The absolute value of CIL rates</u></p> <p>At rates in the range as proposed (£100psm and £200psm – but refer to our response on the logic of two different rates), the CIL will result in inflation of residential property prices. A new single dwelling with a footprint of 150 sq metres would attract a CIL of £30,000 if built in Mountain Wood (in Bathford Parish). This levy would not be absorbed by the developer – but will be added to the cost of the home. This amounts to an increase of around 10% in market values for the area – and presumably an equivalent knock-on effect in all other areas. How is it justified that, whilst we are struggling with the fact that our younger residents can no longer afford to purchase a home in the area they have grown up in – we can, at the same time, introduce what amounts to a development tax which results in an inflation of 10% on property prices? Which new buyer can afford to add £30,000 to the cost of his first purchase?</p> <p>The consequence of the proposed rates of CIL will exacerbate the current housing crisis in our area. We believe that the solution to this matter is to design a single rate for CIL across all of B&NES, which is <u>significantly</u> lower than the rates proposed by BNP Paribas. There is no logic to suggest that anything like £58m is required to be raised. Furthermore, we are fearful that if anything like this figure is indeed raised, it will be spent wastefully on infrastructure projects which are pet political schemes which are controversial and have unproven benefits (vide. The ill-fated Bus Rapid Transit system favoured by the previous Council Administration, but deleted at a stroke by the current one).</p> <p>A development of three residences in Bathford recently attracted a Section 106 charge of the order of £20,000 – which, under the BNP Paribas proposals would become £90,000. How could such an increase (450%) be justified? We note in passing that neighbouring Councils are yet to suggest a rate, save for Bristol, which is suggesting 2 rates of £40 and £70 – bearing out our points above.</p>
1206	Freshford Parish Council Ingrid Maher Roberts Clerk Freshford Parish Council & VPA Secretary	<p>Comments by Freshford PC / Valley Parishes Alliance</p> <p>The CIL Regulations 2010 (as amended in 2011) are in place. This Preliminary Draft Charging Schedule sets out proposals for charges that should be made so as to comply with these regulations and comments are invited.</p> <p>The charges in the document have been based on a study carried out for B&NES by BNP Paribas Real Estate. Their detailed and lengthy report accompanies B&NES's Preliminary Draft Charging Schedule and sets out in £ per square metre the rate that should be applied to a variety of development types across nine areas that make up the geographical extent of B&NES: four in Bath City and five in Northeast Somerset. Freshford Parish and the other B&NES parishes of the Valley Parishes Alliance are in</p>

		<p>what is referred to as 'Bath Rural Hinterland (Bathavon)' and, according to BNP Paribas Real Estate, can support the greatest rate per square metre (£200) to be imposed on residential (Class 3) housing. This means that a 2-storey building with a total floor space of, say, 200 sq.m would be bound to pay £40,000 on top of all other costs.</p> <p>It is our view that to apply a single rate to all residential buildings across an area that is one third of the area of B&NES and surrounds the city of Bath is crude and, for all the calculations in the BNP Paribas report, it is arbitrary. One cannot say, as they do, that the viability of any proposed house or housing in this area will not be put in jeopardy by a single rate of £200/sq.m and at the same time say that the viability of houses in the rest of B&NES from Chew Valley West to all of Bath to the east and Norton Radstock to the south would be jeopardised if the rate was higher than £100/sq.m. That is equally arbitrary. FPC and the VPA submit that a consequence of an arbitrarily high levy in the Bath Rural Hinterland would very likely be to frighten away market builders and, even more so, builders who might otherwise contemplate including affordable housing in their developments. Can this really be an intended consequence of these proposals?</p> <p>A claimed advantage of CIL over an s106 agreement as a means of raising funds for necessary infrastructure is its simplicity. This rests largely in the fact that a CIL is not negotiable whilst the process of reaching agreement under s106 can be prolonged and expensive. It is our view that, contrary to what is also claimed, the charging schedule as proposed is unfair.</p> <p>Genuine fairness can only be reached by discussion of the facts specific to each proposed development. However, if at the heart of the CIL Regulations 2010 there is a requirement for tables of charges then such tables must be much more refined than are set out in this draft document. One then might be able to identify a set of circumstances which most nearly matched those of the proposed development.</p> <p>What is particularly puzzling about the BNP Paribas document is, having gone into enormous detail in identifying the costs and value of many building types across the area and, as part of that exercise, calculating just how much could be imposed as an infrastructure levy without making the project unviable, all of that detail is cast aside and two simple rates, one twice the other, are recommended as appropriate for Residential (Class 3) housing for the whole of B&NES. Their approach to calculating a sustainable levy is not complicated or unusual but their producing two round figures, £100 and £200, at the end devalues all the effort that went before. Even more puzzling is B&NES's unquestioning taking of these crude figures and incorporating them in their 'Table 2 B&NES CIL Charging Schedule'.</p> <p>It is the recommendation of Freshford Parish Council (FPC) and the Valley Parishes Alliance (VPA) that the CIL charging schedule has many more rates from which the most nearly appropriate can be applied to a particular building.</p> <p>FPC and VPA comment also, without recommendation, on the separate exercise referred to in both the draft CIL Charging Schedule and the BNP Paribas report where it concerns the total amount of money that needs to be raised to meet the infrastructure needs. Only by the purest chance would the amount of money raised by CIL equal those needs. BNP Paribas make assumptions on increases in amount and value of housing and growth in the economy which, even now, look unrealistically optimistic. One can calculate the sum of money needed to pay for infrastructure and, separately, arrive at a levy which won't make prospective projects unviable and frighten the developers away. The two exercises are highly unlikely to produce the same figure.</p>
1366	Barbara Morgan	Dear Sir/Madam

	Town Planning Technician (Western) Networkrail	<p>Network Rail has been consulted by Bath & North East Somerset Council on the Community Infrastructure Levy Preliminary Draft Charging Schedule. Thank you for providing us with this opportunity to comment on the Planning Policy document. Upon the review of this document, Network Rail has no comments to make.</p> <p>Regards,</p>
1555	Stowey Sutton Parish Council Sue Heathman Clerk	<p>Dear Sirs Thank you for your letter of the 18 April together with enclosures.</p> <p>We understand from Kaoru Jacques Planning Officer, that this levy will apply to all building, including domestic extensions to existing properties, and all floors. The proposed rate of £112 per square metre for this area will mean a two storey extension measuring 60m2 on the ground floor and 40m2 for the first floor, would incur a charge of £11,200. This council feels this levy should not apply to individual residential extensions as they rarely warrant any infrastructure needs. It was also felt that the proposed rates are too high. It was therefore decided to object most strongly to this proposal.</p> <p>Kind regards,</p>
2564	John Baker,S Peter Brett Associates on behalf of Strategic Land Partnerships	<p>Introduction</p> <p>1.1 Bath and North East Somerset Council has presented its draft Community Charging Schedule for consultation.</p> <p>1.2 These representations are made on behalf of Strategic Land Partnerships(SLP), developers with interests in Bath and North East Somerset, and are made by Peter Brett Associates, planning and economic consultants.</p> <p>1.3 Our representations deal with the way that CIL is being brought into use, recognising that this is in large part dictated by Regulations and Government policy; and with the evidence for the proposed charge, the relationship between CIL and s106, and the relationship between CIL and the Core Strategy.</p> <p>1.4 CIL is a tool for taking money from development that is taking place to pay for infrastructure that is required in large part to ensure development is implemented, and hence the Council's development plan delivered, whilst not taking so much of the development value that the development becomes unviable.</p> <p>1.5 The Council will be seeking approval to go ahead with the introduction of itsCIL, in the form of a finding from the Inspector undertaking an Independent Examination of the Charging Schedule. Our submission is that there need to be changes to the CIL Charging Schedule and to its explanation and justification before it is brought to the Inspector for his or her consideration, and before a CIL is introduced in BANES District.</p> <p>2 The Proposed Use of CIL</p> <p>2.1 The Charging Schedule is intended as part of the planning toolkit used to achieve the right development and infrastructure in the right place at the right time. The planning system is to be evidence-based. Whilst there are many numbers and graphs contained in reports behind the Charging Schedule, the proposed introduction of CIL is actually rather short of real evidence and the proposals are poorly explained in the consultation document or by the background reports cited.</p> <p>2.2 SLP is concerned at the consultation and the proposals on three main counts.</p>

2.3 First, CIL is meant as an equitable means by which development contributes towards the cost of the additional infrastructure a place needs as it grows. How great is the contribution that CIL can make depends on the viability of development schemes. That is, there are two parts to determining the level of CIL – its purpose and its affordability. In its consultation material BANES Council effectively ignores half of this relationship, proposing the level of CIL according to what the evidence says about the viability of development of different types within the District, but providing no indication of how far the money raised from the development envisaged will go towards meeting the ‘funding gap’ it has identified for the infrastructure requirement. Consequently the Council does not say –perhaps it does not know – whether the infrastructure required to deliver the strategy would be fundable, and if it is, where the rest of the money is coming from to supplement CIL. This means that developers can not know whether the infrastructure needed to make their schemes work will be implemented, and what their schemes may have to contribute in other ways. This is pertinent to the consultation. Rather more fundamentally, this gap in information about the funding gap implies that the Council cannot actually demonstrate that the Core Strategy, with its proposed mix of development and infrastructure, is deliverable.

2.4 Second, the consultation provides the proposed CIL charges, but does not provide prospective developers with the means of understanding the financial effects of these charges on their schemes. When CIL is introduced there will still be a requirement for developers to enter into s106 agreements for matters which are consistent with the s106 policy tests from Circular05/2005 and turned into legal requirements by the CIL Regulations. These will have a cost which will have to be met from the development value, just as CIL will be. CIL will be used to pay for some infrastructure requirements whilst other scheme-specific costs attributable to the development will be met through s106 arrangements. However developers – amongst others, but with a particular interest in the financial effects of CIL – are being asked what they think of the level of one part of the potential bill, with no idea at the level of the other part of the bill. This is clearly an unreal consultation.

2.5 Whilst it might be said that the s106 element and cost will depend on the schemes itself and cannot be specified in the CIL documentation, the relationship between the two certainly could be explained. When CIL is introduced there will have to be a Regulation 123 list identifying items on which CIL can be spent. With this developers would know what matters will have been dealt with by CIL and what items will remain to be paid for from s106. However, no proposals in respect of this list have been made available as part of the consultation. Developers will therefore be unable to assess the combined impact of CIL and s106 in relation to any schemes they have in the pipeline. Commenting on the proposed level of CIL charges is therefore fairly academic. The concern with the way that the Council has set up the consultation is that if the level of response is low – because consultees really have nothing to respond to – the Council will claim in its consultation report that the level of objection has been low and proceed with its CIL proposals regardless.

2.6 There is a further point in relation to s106. Whilst CIL is a fixed charge on development, there is scope for developers to negotiate the level of s106 costs and payments, using calculations on viability for instance as evidence. It is becoming normal for a reduction to the contribution to affordable housing from a (residential) scheme to be the way that savings are made (or the value of the schemes enhanced), because of the scale of the opportunity the affordable housing element of a scheme represents, and because other matters are unavoidable if the scheme is to go ahead.

2.7 It is noted that the BNP Paribas report on which the Council relies for its proposed CIL charging schedule envisages the level of affordable housing to be delivered reducing as a consequence of CIL. This is interesting in two respects. First, it is further

	<p>demonstration that the Council envisages that the costs of s106 agreements would be added to the CIL costs - logically so, as these are supposed to be matters that need to be dealt with to enable the development scheme to be acceptable. This means that the burden to the developer would go up, and in these difficult times this is not only unreasonable, but means that the prospect of delivering the required development would go down. The arguments put forward in the Core Strategy and at the Hearings for the Core Strategy Examination on the deliverability of the strategy and the proposed development do not deal with this matter. There are significant implications which should be addressed in parallel with the CIL proposals.</p> <p>2.8 The alternative way of looking at these matters is that an average allowance for s106 costs is built into the viability testing in the background evidence report, and subject to this being a realistic estimate, the imposition of the CIL charge will not affect viability. The implication however, is that to maintain this situation there will be a reduction in the level of affordable housing delivered. This is in a situation where the Council is already doing nothing like enough through planning measures to address the need for affordable housing. If as a consequence of imposing CIL in addition to s106 costs, the level of affordable housing from each scheme taking place will reduce, and the Council is already contemplating this, it should make a higher overall provision for housing through the Core Strategy so that the contribution to affordable housing remains at least at the level previously intended.</p> <p>2.9 The introduction of CIL has to be coordinated with the Core Strategy, but it is not evident that this has been the case with BANES. It looks rather more as though the delivery of the housing provided for in the submission Core Strategy, let alone meeting the actual housing requirement, could be jeopardised by the introduction of the CIL. Whilst this is a consultation on the proposals for CIL, it is evident that there are matters now being raised by the Council that should have been part of the consideration and Examination of the Core Strategy. With the Examination still underway the Council should bring these matters to the attention of the Inspector.</p> <p>2.10 SLP's third main concern is that BANES Council is proposing to charge all of the CIL on the commencement of development. This is completely unreasonable, contrary to the objective of delivering the development provision made through the plan, and indicates that the Council has little understanding of how development works. Obliging developers to pay over part of the value of development before it is sold, leased or rented is to treat development differently to any other taxable activity and can only have the effect of inhibiting development activity, entirely contrary to the Government's objective of promoting growth. This is something the Council is choosing to do. It is not a requirement of the Regulations as the CIL Regulations make provision for staged payments.</p> <p>2.11 The Council should commit to staged payments for the CIL, and should consult on this before CIL is introduced. The staged payments should reflect the cash flow from development as it takes place rather than any arbitrary calendar intervals, and should reflect the scale of development, so that in relation to a housing development of around 100 dwellings for instance, the requirement for the payment of CIL could be say, 10% of the total payment due paid on commencement, and three payments each of 30% of the total payment due as this proportion of the development is completed.</p> <p>3 Conclusions 3.1 SLP believes that BANES Council is consulting on the proposed introduction of CIL without providing enough information – of</p>
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		<p>a type relevant to the development industry in particular – to make the consultation meaningful. More needs to be provided on the implications of CIL to enable the proposals to be properly assessed. Thereafter the Council has to be more clear about the implications of and the relationship with its emerging Core Strategy. The Examination of the Core Strategy should have this information available and the Council should inform the Inspector of the CIL proposals, and the concerns SLP is raising, before the Examination is completed.</p>
2670	<p>Ashworth, Stephen</p> <p>Stephen Ashworth Consultant</p> <p>SNR Denton UK LLP</p>	<p>I have reviewed the City Council's preliminary draft charging schedule.</p> <p>I am not acting on behalf of any client. I chaired the British Property Federation Working Party on CIL, and was a member of the CLG Working Group who developed the provisions in the 2008 Planning Act and worked on some of the drafting of the subsequent regulations/guidance. I have an on-going interest in seeing how CIL and residual planning benefits develop in practice.</p> <p>CIL and Planning Agreements</p> <p>1 The text supporting the charging schedule overstates the impact of the CIL regulations on the ability of the Council to secure planning obligations. All that the regulations prevent is a planning obligation being taken into account as a "reason for approval". That does not mean that planning obligations that fall outside regulation 122 and 123 are unlawful or will "cease to exist". Indeed, in some cases they may be necessary to remove a reason for refusal. For example, a developer might choose to fund the entirety of a roundabout that serves six developments, simply in order to be able to start building. That could, properly, be subject to a planning obligation even if it fails the regulation 122(2) test because it is not "fairly and reasonably related" to the contributing development; fails the regulation 123(2) test because the roundabout is listed in the Council's list of relevant infrastructure; and fails the regulation 123(3) test because it is one of five or more separate planning obligations that cover that project.</p> <p>2 This is important because we all need to make sure that planning obligations are, where appropriate, still used. There is also a need to make sure that, when "non-compliant" planning obligations are reported to committee, it is clear that they cannot be treated as a "reason for approval" even though they are a material consideration.</p> <p>Use Classes</p> <p>3 The CIL charging schedule refers to use classes. This is, probably, not sensible. It would be better to refer simply to the use of the development so that, for example, retail includes all retail uses, and not just those that fall within class A1. Retail warehouse clubs should, for example, be caught.</p> <p>4 One issue that this highlights is in relation to student accommodation. There is, at least, an argument that student accommodation is residential in terms of the "intended use of the development" (using the regulation 13 wording), and that you cannot therefore properly distinguish between student housing and other residential development and charge differential rates.</p>

		<p><i>Differential Rates</i></p> <p>5 Differential rates can only be charged where there is a different “intended use of development”. The Council proposed different rates on different scales of retail use. Retail is retail regardless of size and the analysis on this issue, by focusing on viability, misses the point that the issue is about the nature of the use. The proposed differential is not permitted by Regulation 13. As a detail if you intend to use different rates for the city centre and outside the plan needs to be on an OS base and very clear.</p> <p><i>State Aid</i></p> <p>6 Any differentiation in charges between different uses of a different scale (even if allowed) needs to be supported by some consideration of whether this has state aid effects. There is no supporting evidence on this issue.</p> <p><i>Affordable Housing</i></p> <p>7 I have not examined all of the detailed tables in the viability assessment, but from the text it is not clear that there is an expectation that levels of affordable housing will be reduced; described as an "approach that many authorities are adopting" (para 6.17). I understand that the CIL guidance will soon be revised to reflect the recent commitments in Parliament (almost certainly before the CIL examination) and will require CIL to be set at a level that does not prejudice affordable housing provisions. The Council's approach may have to change.</p> <p><i>Mixed Use Developments</i></p> <p>8 The CIL regulations are silent about how the re-use of space/demolition deductions should be treated in mixed-use developments where the uses are charged at different rates. The Planning Advisory Service have suggested that a "pro-rata" approach should be adopted. There is, at least, an equally good argument that the first floorspace to be built out should take advantage of the deductions. This is potentially quite important on multi-phase schemes, where the site is often cleared at the beginning of the first phase. In the absence of clarity in the Regulations it would be useful to set out the Council's approach in the charging schedule.</p> <p><i>Existing Consents</i></p> <p>9 It is best practice to review existing major consents in any LPA area when preparing a CIL schedule. At least as a sensitivity exercise, the Council should consider whether there will be incentives for those with major consents to reapply (even where implemented) in order to reduce the financial commitment. If so, then there may be a need for some "policy fixes" to address this. Given that there are a number of large scale consents in the town centre thought may need to be given to bringing forward a policy approach that prevents this type of "gaming".</p>
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2671	Reg Williams	<p>The charges seem excessive. To build my house in Saltford market value approx. £600,000 for 300 sqm would incur a charge of £30,000.</p> <p>What is the position garages attached or detached? Out houses? Not clear who will spend the money and how.</p>
2672	Paul Richards	<p>Please amend your plans for introducing the CIL to exclude those people who are self building their own homes. Self Building is not developing, their equity is increased by their own efforts and there is no profit being made for the benefit of shareholders. Recent Government announcements have indicated that this levy was not intended to make it more difficult for people to house themselves so please make Bath the first local authority to reflect this thinking and put it into practice.</p>
2673	John Moran	<p>My main concern with these proposals is the effect on one off houses. If I have understood the document correctly residential extensions of less than 100m2 will be exempt. However, if that is not the case then these comments would apply there as well.</p> <p>The levy at the proposed rate represents an unacceptable new burden on the budgets of self builders. For a typical house of 150m2 it will cost an extra £15,000 in Zone A and £30,000 in Zone B. This is an increase in cost of 10% and 20% respectively! This is cloud cuckoo land. BNP Paribas proposed similar ridiculous levels for Bristol and even went as far as to suggest that £280/m2 could be supported. BNPP obviously have not the faintest clue about building economics.</p> <p>It is also grossly unfair to exempt industrial development which generates road chewing HGV traffic but pays nothing under these proposals.</p> <p>The charging schedule should be revised to exempt self build/ custom build projects.</p>
2674	Julia Griffith Assistant Director Primary Care Trust	<p>Dear Colleague</p> <p>I have read your consultation document about CIL. I realise that this document relates to costs relating to infrastructure. In the examples that are given it seems to be a bit light on health provision. I am the Primary Care lead for B&NES. This means that I lead on the development of GP practice premises. My understanding is that developers, if the development is big enough, would be expected to make some contribution to health service provision. It may be that this would be your intention and that the examples given just happen to be more LA focussed. But I do not want to miss an opportunity for the health requirements to be recognised.</p>

		<p>I hope these comments are constructive.</p> <p>Yours sincerely</p>
2783	<p>Gary Toomer Project Manager (Development) Knightstone Housing Association Ltd</p>	<p>I am sending this direct to your e-mail address as the link on the e-mail you sent me to 'Planning Policy' doesn't appear to be working at the moment.</p> <p>I have read through the preliminary draft Community Infrastructure Levy Charging Schedule and would like to make to make the following observations / comments on behalf of Knightstone Housing Association.</p> <p>Overall, the draft charging policy and charging schedule is very positive for the Registered Providers who have development interests within B&NES. The proposal that all 100% Affordable Housing Schemes would be exempt from CIL charges will help considerably with scheme viability and will help bring schemes forward. In addition, extending this to affordable housing units which are 'parts of a development' (such as s106 schemes) will again help maintain numbers of affordable units which in the past may have been reduced through developers viability.</p> <p>Knightstone concurs with the proposal that CIL would be calculated through a m2 rate and would therefore be relative to the overall size of the development, and it is reasonable for new schemes in Bath Rural / Bathavon to pay a higher proportion of CIL than schemes other parts of the B&NEs area. Extending CIL to all forms of development is also considered a fair system as all forms of development benefit from the infrastructure network.</p> <p>In respect of the actual £/sq.m rates, we anticipate that there will concerns raised in this consultation from certain quarters that overall development may be stifled as a result of CIL costs, although with the prospect of CIL being introduced this may in fact bring forward a surge of new development in the short term period. It may be necessary for rates to be reviewed after an initial term because of these concerns.</p> <p>It seems sensible for the provision of Affordable Housing to remain under s106 for the time being and for this to be re-considered at a later date once the dust has settled following the introduction of CIL.</p> <p>regards</p>
2861	<p>NFU Emma Woodhouse</p>	<p>The NFR note that there is no explicit reference to agricultural development and therefore assumed that it is zero rated in draft schedule. Research by NFU demonstrates that there is no uplift in land value when permission is granted for agricultural development so this approach for it being zero rated is welcomed by NFU.</p> <p>NFU, CLA, CAAV and TFA propose that agricultural development, as defined in Class III of Schedule 2 to the Buildings Regulations 2000 (SI No. 2531), should be excluded from the Community Infrastructure Levy. A joint response has been made by the parties listed above to Government which clarifies the rationale behind this exemption (copy attached to email from NFU – see PDF)</p> <p><i>(Summary of points raised in response detailed below ..)</i></p>

		<p>Key areas identified:</p> <ul style="list-style-type: none"> • Land Value - little or no uplift in land value associated with agricultural development • Economic Viability • Food production – need to respond to demands to produce more (reports show 70% more food be needed by 2050), increase in tax or additional levy will impact on marginal investments, meaning industry less productive and well prepared • Impact on infrastructure – agricultural buildings do not make significant demands on infrastructure <p>Taxation – Potential taxation liabilities for farmers constructing agricultural buildings if CIL is chargeable. The consultation document 4.263 states: <i>“this means that for developers who incur CIL wholly and exclusively for the purposes of their development trade (but not in relation to a fixed capital asset of trade), CIL payments will be deductible expense when calculating profits for Corporation or Income tax purposes”</i></p> <p>This implies that farmers would not be able to have CIL as a tax deductible expense because they are not carrying out a development trade. This would further increase the financial burden on their businesses, effectively meaning that CIL provides a “double whammy” in taxation terms</p> <p>The NFU requested further information on the taxation implications from DCLG. In his reply of 2nd October, Andrew Masters discussed the CGT issues and confirmed that, having spoken to HMRC, he believed that “CIL payments will not be allowable in computing capital gains.”</p> <p>This confirms that CIL charges will have to be paid by farmers from net income, with no offsetting against tax to recognise that in these cases, the investment is in existing businesses. This further exacerbates the impact of CIL on these businesses.</p> <p>NFU – National Farmers Union CLA – The Country Land & Business Association (CLA) CAAV – The Central Association of Agricultural Valuers TFA – The Tenant Farmers Association</p> <p>Dear Mr Martin NFU/CLA/CAAV/TFA JOINT RESPONSE TO COMMUNITY INFRASTRUCTURE LEVY CONSULTATION – EXEMPTION FOR AGRICULTURAL DEVELOPMENT 1. Introduction This is a joint response by the NFU, CLA, CAAV and TFA to the draft regulations for the proposed Community Infrastructure Levy (CIL), addressing the particular issue of agricultural development and presenting the case that it should be excluded from the CIL. Each organisation is likely to submit its own response to the draft regulations to address other issues. 1.1 The National Farmers Union (NFU) represents over 55,000 farm businesses in England and Wales involving an estimated 155,000 farmers and partners in the business who have an interest in recognising and valuing the benefits of the different services that land provides. In addition, the NFU has over 55,000 countryside members interested in farming and the</p>
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countryside, including issues such ecosystems services.

1.2 The Country Land & Business Association (CLA) represents over 35,000 members in England and Wales. Our members are individuals, businesses, charities, farmers and estate managers, who collectively manage and/or own about half of all rural land; indeed they represent some 260 different types of rural businesses. They generate jobs; provide land and buildings for investment, and housing for local people as well as producing food, fibre and a whole range of land-based environmental services. They also manage and/or own a quarter to a third of *all* heritage, so that the CLA is by far the largest heritage-owner stakeholder group.

1.3 The Central Association of Agricultural Valuers (CAAV) represents, briefs and qualifies 2,500 professionals who advise and act on the very varied matters affecting rural and agricultural businesses and property throughout England and Wales. Instructed by a wide range of clients, including farmers, owners, lenders, public authorities, conservation bodies and others, this work requires an understanding of practical issues.

The CAAV does not exist to lobby on behalf of any particular interest but rather, knowing its members will be called on to act or advise both Government and private interests under developing policies, aims to ensure that they are designed in as practical a way as possible, taking account of circumstances.

1.4 The Tenant Farmers Association (TFA) was formed in 1981 by a group of tenant farmers who felt that their interests were not being forcefully represented by existing bodies. The TFA is the only organisation dedicated to the agricultural tenanted sector. It provides advice, support and information to its members and lobbies on behalf of members and the tenanted sector.

2. The Issue

2.1 The NFU, CLA, CAAV and TFA propose that agricultural development, as defined in Class III of Schedule 2 to the Buildings Regulations 2000 (SI No. 2531), should be excluded from the Community Infrastructure Levy at a national level.

Such an exclusion would meet the criteria set out by DCLG in paragraph 4.38 of the consultation document in that:

- The exemption will not create scope for challenge, be difficult to apply or create a loophole, because it will be clear what it applies to.
- The exemption will be fair and will not create undue distortions of competition; we believe that it will not give rise to an illegal State aid.
- The exemption will not give rise to other unacceptable distortions to behaviour or create perverse incentives.
- The exemption will not lead to charging authorities suffering a disproportionate loss of revenue.

In Appendix 1 we have explained more fully why we consider that our proposal meets these criteria.

3. Rationale

3.1 We propose that agricultural development should be exempt from the CIL on the following grounds:

- Enhancement in land values
- Economic viability
- Food production
- Impact on infrastructure

3.2 Enhanced land value

3.2.1 One of the original concepts behind CIL was that part of the uplift in land values associated with the grant of planning permission for development should be used to provide the infrastructure demanded by that development. This is seen in paragraph 1.21 of the consultation document:

“It is also right that those who benefit financially when planning permission is given should share some of that gain with the community which granted it to help fund the infrastructure that is needed to make development acceptable and sustainable”.

3.2.2 Charging authorities are expected to undertake an assessment of land values in their area as part of the process of setting the CIL charge (consultation document, paragraph 3.37). It appears that this is referring mainly to the value of land suitable for

housing or commercial development, where it is expected that CIL will be funded by an uplift in land value which will be realised before development commences.

3.2.3 The development of new agricultural buildings differs from this as there is little or no uplift in land value associated with agricultural development; owners and occupiers of farms do not benefit financially when planning permission is granted for agricultural buildings.

3.2.4 The approach taken by professional Agricultural Valuers when preparing valuations of farms is explained by the Central Association of Agricultural Valuers’ President, Mark Webb MRICS FAAV, who has been a Fellow of the CAAV and a practising Agricultural Valuer for 25 years:

“The value added to a farm by a planning consent for the construction of a new agricultural building is usually negligible, amounting in most cases to little more than the cost of making the application. In practice, because a planning consent can lapse if development has not commenced, no value is usually attributed to a consent in a formal valuation.

“If development has commenced, the additional value to the site of the consent and development is normally assessed by reference to the cost of the works completed at the time of the valuation. The new agricultural building might be important to the farm business as a whole, but its value in the open market is likely to be close to or even below the cost of construction. This reflects

- a) the low levels of return on investment in agriculture which are generally too low to attract investor interest;
- b) the fact that buildings are generally an integral part of the farm property and cannot be sold separately without significant adverse impact on the remainder of the holding;
- c) the fact that new buildings are generally small in scale compared to the remainder of the holding to which they are attached and consequently their impact on overall value is very limited.”

3.2.5 We have been seeking evidence of the sales of farm buildings in order to demonstrate this point and have contacted a number of the larger firms of land agents in the country. None had any evidence of sales of farm buildings in isolation from whole farms, other than the specialist market for poultry buildings.

3.2.6 Smiths Gore, a national firm of Chartered Surveyors and Agricultural Valuers, have analysed the sales of 12 sets of poultry farm buildings, which are sometimes sold as stand-alone units. These buildings cost in the region of £10 per square foot to build at today's prices. The sale prices ranged from £6.82 /sq ft to £0.84/sq ft, including the land on which the buildings were constructed. This demonstrates that these agricultural buildings did not add value to the land and the open market actually values them at less than the cost of construction.

3.3 Economic viability

3.3.1 Article 24 (2)(b) requires the charging authority to have regard to "the potential effects of the imposition of CIL on the economic viability of development in its area". "Economic viability" is not defined in the Regulations, and there is no suggestion that a formal definition will be made.

3.3.2 As discussed in section 3.1, there is no significant uplift in agricultural land values from the granting of planning permission for agricultural buildings. This means that any assessment of the economic viability of a development after CIL will have to consider the impact of the levy compared to revenues returned from the development.

3.3.3 Unlike other developments, such as building housing, there is not a common purpose for a new building to be built, so there is not a common margin or profit per square metre. Profitability will vary by sector as well as depending on the reason for the investment. A new building may be required to increase output, make efficiency savings or meet new requirements and regulations, each of these will have different impact on profitability. Appendix 2 gives some case studies of agricultural buildings, whilst appendix 3 gives some examples of recent regulations which have led to new buildings being required by some farmers.

3.3.4 Data from the Defra's farm business survey (FBS) gives the profitability of individual units such as a cow or a hectare (see appendix 4). It's clear that any investment which enabled farmers to farm more may well be borderline in terms of its profitability.

3.3.5 Furthermore, FBS data on farm business income (after subsidies) shows the overall economic health of the sectors. It is one question assessing whether or not the development will improve profitability, but another issue on whether the sector has the ability to invest. Income from farming is such that a further levy, on top of all the existing charges over and above the cost of the actual building, would have a major impact on much of the agricultural sector. (see appendix 5 for breakdown of the Farm Business Income)

3.3.6 Further evidence of the lack of investment in buildings is provided by a recent study by consultants Savills for the NFU, "A Sustainable Future for British Chicken", which concluded that returns on investment for poultry farmers give little or no incentive to reinvest. This research led to a survey of poultry buildings which showed that only 8 per cent of poultry housing has been built in the past 10 years and that 60 per cent of broiler houses are over 20 years old. In a sector where technology changes rapidly, this demonstrates a very real lack of activity in investment. The full report can be found on the NFU website at: http://www.nfuonline.com/Documents/Poultry/BROILER%20FINANCIAL%20STUDY_v15%20Main%20Report%20_%20Ex%20Somm%20FINAL.pdf.

3.3.7 Because CIL needs to be paid upfront it is likely to have an even more negative effect on investment by farmers. As discussed above, due to minimal effects of planning permission on land values in agriculture, and also the fact that the

permission applied for will be for part of the existing business it is likely that CIL will have to be paid out of revenue. Any increase in revenue (or profit) from the development will only be realised on completion, so to pay the CIL upfront will almost certainly require a loan, on which interest will be payable until the benefits of the building are felt.

3.3.8 Agricultural buildings represent an investment in an ongoing business and most buildings have a limited life span, due in part to on-going technological development and to increasing regulation from both Europe and Westminster. In fact most agricultural buildings are a wasting asset, declining in value over time. In evidence submitted by CAAV members with details of 26 farm building developments over the last five years, the longest expected lifespan for a building was 40 years.

3.3.9 The costs of an authority applying CIL to agricultural buildings are likely to exceed the revenue. There are relatively few agricultural developments per year in comparison to developments for residential, industrial or commercial property and hence a CIL charge would generate a proportionally small amount of income. However, because many agricultural buildings are large in scale, the levy payer would suffer a disproportionately large charge when CIL is calculated on a £ per square metre basis. The average size of building in the 26 examples we have gathered was 585 m², meaning that even a relatively modest CIL charge (say £10 per m²) would add six thousand pounds in cost to the average building in our examples, and much more to those above the average.

3.3.10 Given the low levy values which could be charged per square metre to keep the developments economically viable, combined with the small number of buildings per area which will be built each year, we find it unlikely that any authority would have the inclination to use CIL on agricultural buildings.

3.4 Food production

3.4.1 The food crisis of 2007/8 brought much needed public attention onto the tension that exists between growing demand for food and food production.

3.4.2 With world population increases and higher economic wealth bringing even greater demand, it is important that land and other resources across the world are used as productively as possible. Recent reports from the FAO suggest that 70% more food will be needed by 2050. Much of this production increase will have to be found through existing land and resources meaning that farmers across the world will need to improve their productivity.

3.4.3 This increase in demand for food will be combined with climate change, which will impact on the ability of some parts of the world to respond to demands to produce more. In contrast, the UK is likely to be well placed to capitalise on these climatic changes and may be required to play an even greater role in meeting world food demands in future. However, it is important that the right investments are made in the coming years.

3.4.4 An important part of this investment needs to be used to increase the productivity of assets such as buildings. Many agricultural buildings are outdated, and were not built with modern farming methods and yields in mind. New buildings might be used to produce more chicken for a given amount of man power, reduce the number of deaths in lambing time or simply store more grain enabling the farmer to choose the best price. Any building that increases profitability will mean that there is more

money to invest elsewhere on the farm, making UK agriculture more sustainable in the future.

3.4.5 Any increase in tax or an additional levy, such as CIL will impact on marginal investments, meaning that the industry will be less productive and less well prepared for any future shifts in demand.

3.5 Impact on infrastructure

3.5.1 The CIL is intended to pay for the infrastructure requirements of new development and to spread that cost across a greater proportion of development than has previously paid under planning obligations. The demands on infrastructure are expected to be generated principally by housing, as demonstrated by the sub-title on page 18 “Context: the challenge of housing supply and economic prosperity”.

3.5.2 Infrastructure in the context of CIL is to be given a broad interpretation. The consultation documents refer to health centres, police stations and parks being examples of “infrastructure”, as well as the more usual understanding of transport networks and utilities provision.

3.5.3 Most new agricultural buildings are developed within an existing business. In some cases they are developed to allow the business to grow and in other cases they are replacing obsolete structures with more efficient modern buildings. In some cases there may be less impact on infrastructure, such as when a new dairy unit with improved on-site milk storage only requires collection every other day instead of daily. New buildings also tend to result in more efficient surface and foul water disposal systems, reducing demand on water infrastructure. In a very few cases substantially increased output may 6

lead to a marginal increase in traffic. We have assessed the demand on infrastructure which has arisen from our case studies and two typical examples are set out below:

Example 1:

Construction of a sheep shed to house sheep over the winter has the following impact on local infrastructure:

Changes in vehicle movements –

- sheep are not moved off the farm for the winter, meaning a reduction in vehicle movements to transport and return the stock and to check them;*
- increase in deliveries of feed and stores, say an extra two or three vehicle movements per year.*

Maintaining the viability of an upland farm helps to support the local community by supporting local shops and suppliers.

Example 2:

Replacement of an obsolete grain store with a modern one has a neutral impact on local infrastructure as the activity on the farm is able to continue as before.

3.5.5 It is our view that agricultural buildings do not make significant demands on infrastructure; indeed with the growing emphasis on food security it could be argued that food production is an important part of the infrastructure of the country.

4. Taxation

4.1 There would appear to be potential taxation liabilities for farmers constructing agricultural buildings if CIL is chargeable. The consultation document at paragraph 4.263 states:

“this means that for developers who incur CIL wholly and exclusively for the purposes of their development trade (but not in relation to a fixed capital asset of trade), CIL payments will be deductible expense when calculating profits for Corporation or Income tax purposes”.

4.2 This implies that farmers would not be able to have CIL as a tax deductible expense because they are not carrying out a development trade. This would further increase the financial burden on their businesses, effectively meaning that CIL provides a “double whammy” in taxation terms.

4.3 The NFU requested further information on the taxation implications from DCLG. In his reply of 2nd October, Andrew Masters discussed the CGT issues and confirmed that, having spoken to HMRC, he believed that “CIL payments will not be allowable in computing capital gains.”

4.4 This confirms that CIL charges will have to be paid by farmers from net income, with no off-setting against tax to recognise that in these cases, the investment is in existing businesses. This further exacerbates the impact of CIL on these businesses.

5. The Solution

5.1 The consultation document makes it clear that exemptions from CIL should be kept to a minimum and in general we support the aim to spread the cost of infrastructure more widely. However, the proposals have already suggested that CIL will only be charged on “buildings” and that “buildings into which people do not normally go” will be excluded (consultation document, paragraphs 4.6 and 4.7). Reference is made to the definition in the Building Regulations 2000 S.I. No. 2531 and the relevant definition can be found in Schedule 2: 7

CLASS II
Buildings not frequented by people
A detached building -
(a) into which people do not normally go; or
(b) into which people go only intermittently and then only for the purpose of inspecting or maintaining fixed plant or machinery,
unless any point of such a building is less than one and a half times its height from
(i) any point of a building into which people can or do normally go; or (ii) the nearest point of the boundary of the curtilage of that building,
whichever is the nearer.

5.2 It would be a logical and appropriate step to extend the exemption from CIL to buildings within Class III of the same Schedule to the Building Regulations:

CLASS III
Greenhouses and agricultural buildings
1. Subject to paragraph 3, a greenhouse. 2. A building used, subject to paragraph 3, for agriculture, or a building principally for the keeping of animals, provided in each case that -
(a) no part of the building is used as a dwelling; (b) no point of the building is less than one and a half times its height from any point of a building which contains sleeping accommodation; and (c) the building is provided with a fire exit which is not more than 30 metres from any point in the building.
3. The descriptions of buildings in paragraphs 1 and 2 do not include a greenhouse or a building used for agriculture if the principal purpose for which they are used is retailing, packing or exhibiting. 4. In paragraph 2, "agriculture" includes horticulture, fruit growing, the growing of plants for seed and fish farming.

6. Conclusion
i. It is essential because of the importance of food security it is essential that farmers have the confidence to invest in new buildings.

		<p>ii. Agricultural developments place no or in a few cases a very limited extra burden on infrastructure.</p> <p>iii. The CIL is essentially a levy on the enhanced value of development land. There is no enhanced land value with agricultural development and therefore the CIL would have to be paid from revenue.</p> <p>iv. As a class any CIL would make all/most agricultural development unviable. In this context it is noted that the Partial Impact assessment has not considered the agricultural industry.</p> <p>v. Given (iv) it is unlikely that any authority would be keen to apply CIL to agricultural buildings.</p>
3085	Cllr Paul Myers	<p>I am concerned as to why the charging rates vary so much across B&NES.</p> <p>I am appauled that having lived through a Community Governance Review that the local unitary authority that carried it out refers to Norton Radstock which no longer existing in a planning policy document.</p>
3086	Alan Williams On behalf of Taylor Wimpey	<p>Dear Sir/Madam, Please find attached the completed CIL comments form submitted on behalf of the Taylor Wimpey. I would be grateful if you could confirm receipt of this submission. Kind Regards Alan (Alan Williams, Senior Planner, Planning)</p> <p>Page, paragraph or table number: Page 9, Table 2 – Office Development CIL Rate</p> <p>These representations have been prepared by Savills on behalf of Taylor Wimpey in response to the consultation on the Bath & North East Somerset Community Infrastructure Levy Preliminary Draft Charging Schedule. Taylor Wimpey has concerns regarding the proposed CIL rate of £30 per sq m for office development.</p> <p>With the current office market proving to be challenging in terms of viability and deliverability, it is very important that any CIL rate set by the local authority is based on robust evidence demonstrating that the rate will not render the majority of commercial schemes unviable.</p> <p>Where a planning application is submitted for office development as part of a mixed use development and the operator is not known, the developer will often do this on a speculative basis. In this instance, the financial burden and increased risk lies solely with the developer. The incorporation of a CIL charge that is too high would compound this financial burden, both to the office element and to the wider development.</p> <p>The £30 per sq m CIL rate proposed appears to be too high, particularly considering that the local authority's consultants (BNP Paribas) advised in their own evidence base that the CIL rate for office development should be £nil per sq m as, although they consider there is an adequate demand for office space, this has not generated rents that would be high enough to support new development, particularly in Bath where build costs are high. We are not aware of any viability evidence to support any deviation</p>

		<p>away from the BNP Paribas conclusions.</p> <p>We would welcome the opportunity to meet with the Council and / or BNP Paribas in order to review the evidence and how this should be interpreted into a Draft CIL Charging Schedule for Bath & North East Somerset.</p>
3087	Lee Jones on behalf of WYG PLANNING & ENVIRONMENT	<p>Dear Sir/Madam Please find attached our representations about the above Regards Lee Jones – Principal Planner – WYG Planning & Environment</p> <p>Dear Sir/Madam</p> <p>SAINSBURYS SUPERMARKETS LTD BATH AND NORTH EAST SOMERSET COMMUNITY INFRASTRUCTURE LEVY PRELIMINARY DRAFT CHARGING SCHEDULE, APRIL 2012</p> <p>We make the following representations on behalf of our client, Sainsbury's Supermarkets Ltd, in connection with the Council's Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule dated April 2012.</p> <p>Differential Rates</p> <p><u>Differentiation by Size</u> The proposed differential rate for different sizes of edge of centre/out of centre retail (i.e. above or below 280 sqm) is not permitted by the CIL Regulations. The Regulations allow differential rates for different intended uses of development; however edge of centre/out of centre retail development would be in the same use whether it is above or below 280 sqm. If there is to be a charge on retail development it should not be differentiated by reference to the scale of that development.</p> <p>In any case, the proposed threshold of 280 sqm above which the charge will be levied does not appear to be referred to or recommended in the viability assessment. The figure therefore appears to have been arrived at arbitrarily, and it is hard to comprehend how an edge of centre/out of centre retail development below 280 sqm would not be viable with a CIL charge while one above that scale could support a charge of £150/sqm.</p> <p><u>Differentiation by Location</u> The impact of the charging schedule on the delivery of development in the Bath City Riverside Enterprise Area does not appear to have been assessed. The regeneration of this area is essential to the delivery of the Council's Core Strategy and the viability assessment should make specific reference to a hypothetical development in this area and whether it could support a CIL charge. Given the importance of the site a lower charge should be considered.</p> <p>State Aid/Selective Advantage</p>

		<p>Neither the charging schedule nor the evidence base underpinning it address the question of whether the differential rates would give rise to notifiable state aid or selective advantage to any given type or types of development. This could leave the charging schedule open to legal challenge on grounds of European Union law.</p> <p>Evidence Base</p> <p>The detail of the evidence base underpinning the proposed charging schedule appears to be heavily weighted towards the consideration of the viability of residential developments and how this could be affected by various factors, whilst there is considerably less detailed assessment of retail development viability. A range of types and circumstances of residential developments is assessed, whilst retail examples are limited to Bath City Centre, outside Bath, or "Retail Parks". The latter are not defined and no assessment of an individual edge of centre/out of centre retail unit appears to have been made. The viability assessment refers to retail parks as being able to support a CIL charge but the charging schedule then applies the recommended charge to <u>all</u> out of centre/edge of centre retail, not just retail parks.</p> <p>In addition, the assessment does not appear to have been undertaken on a fair value or like for like basis between different uses. In the case of residential development, draft Core Strategy policy requirements to meet Code for Sustainable Homes Level 4 and to provide Affordable Housing are factored into the viability assessment. In contrast, similar requirements that will apply to retail development, such as meeting BREEAM standards and generation of renewable energy/reducing carbon dioxide emissions, are not taken into account in the assessments of retail viability. The viability assessments do not therefore appear to have been based on a 'level playing field'.</p> <p>We therefore do not consider that there is adequate evidence in relation to retail viability to justify the proposed charging schedule.</p> <p>Relief/Exceptional Circumstances</p> <p>We support the Council's proposal to allow the CIL charge to be waived where it can be demonstrated that to levy the charge would render development unviable in any given circumstance.</p> <p>Instalments</p> <p>We support the proposal to allow payment of CIL in instalments as this could ease the delivery/viability of larger developments, particularly where they are to be built in phases.</p> <p>We trust that these comments are of assistance.</p> <p>Yours faithfully Lee Jones – Principal Planner</p>
3088	Alan Williams on behalf of the House Builder	Dear Sir/Madam,

	Consortium Group	<p>Please find attached the completed CIL comments form and a copy of our representations submitted on behalf of the House Builder Consortium Group. I would be grateful if you could confirm receipt of this submission and advise me whether you need any hard copies. Kind Regards Alan – Alan Williams – Senior Planner – Planning</p> <p>See PDF DOCUMENT Representations submitted by Savills on behalf of the House Builder Consortium Group June 2012 (report 26 pages)</p>
3089	Mark Rose on behalf of University of Bath	<p>Dear Sir</p> <p>COMMUNITY INFRASTRUCTURE LEVY PRELIMINARY DRAFT CHARGING SCHEDULE</p> <p>I write on behalf of my clients the University of Bath in relation to the consultation the Council are undertaking in respect of the Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule.</p> <p>The University Masterplan</p> <p>The University has had a presence in the City of Bath since 1965. Since then it has grown from being a small institution with around 5,000 students to a world class university with over 14,000 students and around 2,600 staff. Today the University plays a significant role in the city and wider area in terms of its academic offering and contribution to economic development and social well-being.</p> <p>Critical to the future success of the University is the effective management and development of its estate, thus ensuring that the teaching and research environment provided is of the highest quality, and befitting of a leading University. The University has, therefore, prepared a Masterplan that demonstrates how further campus development can be achieved whilst enhancing the environment for students, staff and visitors. The Masterplan has recently been resubmitted to the Council, and provides for the refurbishment of some of the older buildings on the campus, as well as the creation of new facilities to meet future needs arising from the University's continued growth.</p> <p>The Masterplan includes the provision of 60,000m2 of academic and administrative space, 2,400 study bedrooms and associated infrastructure on campus in the period to 2026. That is evidently a very substantial investment programme that will be of considerable benefit to the University, its students and visitors, and the wider city (in both social and economic terms).</p> <p>Community Infrastructure Levy</p> <p>The Council's reasoning for the introduction of a Community Infrastructure Levy is understood, but in light of the scale and nature of the University's planned investment into its estate, the Council will appreciate the need for certainty in respect of how the proposed CIL will relate to the University's planned development programme.</p> <p>The Council will be aware that The Community Infrastructure Levy Regulations 2010, include both mandatory & discretionary exemptions for charitable institutions from the liability to pay CIL (Sections 43 and 44 respectively). The term "charitable institutions" includes exempt charities under the Charities Act 2006, which includes the University. The institution must have a material interest in the relevant land and the mandatory exemption applies if the chargeable development will be wholly or mainly for charitable purposes, will be occupied by, or under the control of, a charitable institution, and the exemption would not constitute state aid. "Wholly or mainly" means more than half of the development must directly facilitate the carrying out of the</p>

"charitable purposes" which, in accordance with Section 2 of the Charities Act 2006, includes the advancement of education for the public benefit.

On this basis the proposed developments planned on the campus within the University's Masterplan would be exempt from CIL if they are undertaken and managed by the University itself. Therefore, so that the University can continue to implement its estate investment programme with certainty in respect of this matter, the University requests that the Council confirms that they accept this position.

If a particular development proposal would not be subject to the mandatory exemption, because it did not accord with one or more of the caveats outlined above, then discretionary relief could be available. There are also two types of discretionary relief, the first applies to investment activities and requires the whole or greater part of the chargeable development will be held by the claimant or other charity as an investment for which the profits will be applied for charitable purposes, that the portion of the development held as an investment will not be occupied for illegible trading activities, and the relief must not constitute a notifiable state aid. The second discretionary relief applies if the relief that would otherwise be mandatory is considered state aid, but is not notifiable.

In both cases, the Council must give notice that the discretionary relief is available, but it is unclear whether the Council has done so. Given the importance of the University and its investment to the wider city, the University would encourage the Council to make this discretionary relief available and, therefore, requests that the Council clarifies its position in this respect.

The Charging Schedule

The University support the proposed setting of a nil rate for " Any Other Development" which would include all academic developments. However, in addition to academic floorspace the Masterplan also includes the provision of ancillary administrative space. This floorspace is clearly critical to the University's function as an education institution, i.e. part of the wider C2 Residential Institution use classification. The University, therefore, requests that the Council confirms that the proposed Levy of £30 per m2 for office developments would not apply to University developments that are not undertaken on a commercial basis as assessed in the BNP Paribas Viability Assessment (which in any case concluded that a nil rate should be set for all office developments).

In terms of student housing the draft charging schedule proposes rates of £60 per m2 on campus, and £100 per m2 off campus. Whilst a detailed review of the viability assessment undertaken to support the rates proposed in the draft charging schedule has not been undertaken at this stage, the University would like to highlight that development costs for student residence schemes can vary significantly depending on their nature and context. This is not reflected in the BNP Paribas viability report. Whilst it highlights that the degree to which developments can absorb CIL contributions is dependent on the rent levels set, noting that there is a significant differential between rents in the private sector and the university sector, it does not refer to variable development costs that arise from, for example, a high rise development. The Council will be aware that the University's Masterplan carefully balances the need to optimise the number of student residences provided, with the need to positively respond to the campus' sensitive environmental context. It does that by proposing to concentrate future development within the core of the campus, necessarily in higher density (taller) developments that give rise to higher than normal development costs. The implication of increased development costs in taller student residence developments should be properly considered in the Viability Assessment and reflected in the charging schedule (as it has been, for example, in Plymouth where a nil rate has been set for developments over 6 storeys).

		<p>Notwithstanding that, the University has a general concern that the tariff on both on campus and off campus student residence developments the Council are seeking to impose and the absence of phasing of its payment (which does not appear to have been addressed but is allowed for in the 2011 Regulations) will potentially to discourage investment in this sector. That has implications not just for the University, but also for the housing market within the city, for example adding more pressure to the provision of Houses in Multiple Occupation, which the Council are clearly concerned about, and also impact on the costs borne by students seeking accommodation in the city.</p> <p>Finally the University would also welcome an statement from the Council in respect of how and when the CIL charging schedule will be reviewed once it is implemented.</p> <p>We look forward to receiving your response to the matters raised.</p> <p>Yours faithfully</p>
3091	<p>JAMES MACKAY Associate – Alder King Alder King, on behalf of their clients</p>	<p>I refer to you recent publication of the Preliminary Draft Charging Schedule (April 2012) and make the following representation/comments on behalf of our clients:</p> <p>We have examined the BNP Paribas Real Estate and find that the methodology and many of the inputs adopted to be flawed. In particular the following areas are disputed:</p> <ul style="list-style-type: none"> • Benchmark Land Value For the purposes of the hypothetical residual valuations BNP Paribas have used a fixed assumption that a landowner would require a 20% premium over existing use value as an incentive to encourage redevelopment. <p>The justification provided for this is based upon four appeal decisions which it is contended support the 20% figure. Only two of the four appeal decisions cited however make reference to a specific landowner premium, one supports a 20% premium as <i>“the generally accepted margin”</i>. The other, an appeal decision in Woodstock supports a 10% premium.</p> <p>BNP on page 17 (para 4.14) state that they have adopted Bristol land values and made an adjustment of 20% to allow for risk. We do not believe this is an appropriate methodology. BNP acknowledge in Para’s 14.11 & 14.12 that the assessment is a broad brush approach. The benchmark land values distort the outcomes of the CIL Levy.</p> <p>Further, the arbitrary uplift (20%) makes no account for planning costs, promotion costs, land finance costs and other land assembly issues. In reality the uplift on many sites would need to be significantly higher in order to bring forward development.</p> <ul style="list-style-type: none"> • Residential Sales Values BNP highlight a table on Pg 17 (Table 4.18.1) relating to average sales values within the Local Authority Area. There is no supplementary evidence as to where these rates have come from other than a comment referring to the Council’s own Housing Viability Study (June 2010). Our experience of developments in the City Centre and in the outer regions suggest that these rates are unrealistic and we would wish to see the exact evidence used by BNP to arrive at these

		<p>assumptions. We are of the view rates are nearer £3,767 - £4,305.70 per sq m for City centre development.</p> <ul style="list-style-type: none"> • Build Costs The BNP assessment on sustainability only looked at achieving Code 3/4. The draft Core Strategy sets out the Council are seeking to introduce Code 4 in full in 2013 (therefore why access Code 3) and Code 6 by 2016. What process is there to contest these assumptions given the sustainability issues currently facing developers? Why does CIL not reflect the Council's Core Strategy Policy? • Gross to Net Floor Space We agree with the BNP Paribas Report that it is important to include a gross to net discount to reflect the difference between the total building floor area (gross internal area) and the net sales area for which the developer expects to receive a financial return (net sales area). However, in our experience, the average gross to net reduction is 80% rather than the 85% used in the viability modelling. If using average BCIS build costs in the viability assessment, it is prudent to assume an average building and thus we advocate the use of an 80% gross to net reduction rather than 85%. • Affordable Housing The modelling does not reflect the Core Strategy Policy (CP9). CP9 states that large developments should contribute an average 35% whilst some sites could afford 45% where GDV's are high and there is grant subsidy. On smaller sites the Council would seek 17.5% provision. Surely the model should consider Policy given the likely implementation date. <p>We believe the methodology and assumptions made by BNP to arrive at the recommended CIL Charges are flawed and require proper re-examination in order to have faith in the CIL charges.</p> <p>On a more general observation (and given BNP draw the benchmark evidence from Bristol) it is noted that the proposed CIL charges in Bristol are significantly below the levels proposed in Bath. In particular the proposal is to charge a CIL Levy between £50 to £70 per sq m for residential development and excepting B1,B2 and B8 development.</p> <p>We welcome the opportunity for further discussion in due course.</p> <p>Regards</p>
3092	B&NES Allotments Association	<p>I attach comments on the Community Infrastructure Levy Preliminary Draft Charging Schedule from B&NES Allotments Association Virginia Williamson Secretary – Bath &North East Somerset Allotments Association 2.13</p> <p>We are concerned at the lack of clarity about the way(s) in which green space – specifically for allotments – will be funded through development. The only reference to green space is in para 2.13, which refers to the continued use of S106 funds for, e.g. on-site open space.</p>

		<p>By implication, off-site green space is covered by the Infrastructure Delivery Programme (para 3.6), but para 2.43 of the IDP report states that the Planning Obligations SPD – which currently generates funds for green space – will “largely be replaced by CIL and will only be able to address specific site issues” from April 2014. What will be the mechanism(s) thereafter? Local authorities (city, town and parish) have a statutory responsibility to provide sufficient allotments to meet demand. There are over 600 applicants waiting for allotments in Bath alone.</p>
3094	<p>Savills on behalf of Purnell Property Partnership Neil Rowley Director - Savills</p>	<p>Dear Sir or Madam, Please find enclosed representations submitted on behalf of Purnell Property Partnership. These are submitted by email only and I would be grateful if you could confirm receipt of this email and attachments. Please do not hesitate to contact me should you have any queries. Kind regards,</p> <p>Page, paragraph or table number: 2 – see letter below</p> <p>Dear Sir or Madam, BATH AND NORTH EAST SOMERSET COUNCIL – COMMUNITY INFRASTRUCTURE LEVY PRELIMINARY DRAFT CHARGING SCHEDULE I write on behalf of my client, Purnell Property Partnership, to object to the draft Charging Schedule. Purnell Property Partnership is continuing to develop the former Polestar Purnell Factory in conjunction with Bovis Homes. Outline Planning Permission was granted on 1st July 2010 for mixed use redevelopment. Our comments on the draft Charging Schedule are notwithstanding that the Community Infrastructure Levy (CIL) is not payable on the above scheme, including at Reserved Matters stage, as the outline planning permission was granted prior to adoption of the charging schedule. Our comments are therefore made should any separate applications may be made by individual occupiers in the future for parts of the site, thereby triggering CIL. The Charging Schedule needs to clarify that CIL is not chargeable on ‘reserved matters’ planning permissions if outline planning permission was granted prior to CIL coming into force. The Communities and Local Government has produced a Guidance Note ‘Community Infrastructure Levy Guidance: Charge Setting and Charging Schedule Procedures’ which identifies that: <i>‘Charging authorities are required (under section 212 (4) of the Act) to provide an accompanying declaration confirming that they have: Complied with the requirements under Part 11 of the Planning Act 2008, including the requirements governing the setting of CIL rates (under section 211(2) and (4) and regulations 13 and 14). Regulation 14 requires that a charging authority, in setting CIL rates, ‘must aim to strike what appears to the charging authority to be an appropriate balance between’ the desirability of funding infrastructure from CIL and ‘the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area’; and ‘Used appropriate available evidence to inform the draft charging schedule’ (section 212(4) (b))’.</i></p>

We are concerned generally about the impact that the rates in the B&NES CIL Charging Schedule will have on developments and that it may render them unviable. This is heightened by the continuing uncertainty of the economic climate. Furthermore, the NPPF (published March 2012) place a strong emphasis on growth and the rates are contrary to this and could actually stymie growth. We also have specific comments on the categories of development as set out below:

Residential

There has been a significant under delivery of housing within Bath and North East Somerset in the last ten years. The housing requirement set out in the Local Plan was 6,855 dwellings between 1996 and 2011, however, only 5,709 were completed. The emerging Core Strategy increases the requirement by 93 dwelling annually.

Imposing a CIL charge on residential development in a fragile market makes it even less likely that the Council will be able to meet its housing targets going forward. It will essentially make residential development unviable. Paragraph 49 of the NPPF states that:

'Housing applications should be considered in the context of the presumption in favour of development. Relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites'.

It is therefore important for the Council to meet its housing targets if it is to avoid the risk of appeal on sites which it does not consider suitable for housing, but which might be considered so by Inspectors in light of the NPPF.

In addition, we are not convinced that the zoning areas for the differing rates are based on reliable evidence. We do not think that the viability study by BNP Paribas Real Estate adequately takes into account the variability in values within the zones. For example parts of the rural areas of Bath have higher house values but there are also some with considerably lower values. The Charging Schedule needs to have a clearer distinction between these areas rather than grouping them within the same category. The Charging Schedule is therefore contrary to CIL Regulations as it does not strike an appropriate balance between the desirability of funding and the impact on economic viability and is not based on appropriate evidence.

Office

The viability study by BNP Paribas Real Estate concludes that office development is unlikely to come forward in the short to medium term and therefore recommended that the Council sets a nil rate for offices. On the basis of this the Council proposed a nil rate for offices within the Charging Schedule. The Charging Schedule was then considered by Cabinet on 11th April 2012 and subsequently the rate was amended to £30 per sqm. The minutes of the Cabinet meeting state:

'Councillor David Bellotti, in seconding the proposal, asked Councillor Ball to agree to an amendment in table 2 in section 4.21 of the Draft Schedule document, the effect which would be to amend the "office" row in the table from nil to £30 per m2. He suggested this because he felt that offices have workers, who use local infrastructure. In explaining his thinking, he pointed out that he disagreed with a sentence in table 1 of section 3.20 of the Draft Schedule which stated "although there is an adequate demand for space, this has not generated rents that would be high enough to support new development" He reminded Councillor Ball that the charge could be reconsidered each year'.

I note the point about offices having workers who will use infrastructure, however, this does not fully take into account the viability aspect of development. The point is that office development is not coming forward as it is not generating rents high enough to justify new development. The imposition of CIL charges will amplify this and place further burdens on an already struggling office market. There is no justification for amending the rate to £30 per sqm.

		<p>The charge is not based on appropriate evidence and is contrary to the advice of your consultants. It therefore conflicts with the CIL Regulations. Also, I understand that the Council intends to review the Charging Schedule on a five year basis and there will not therefore be an opportunity to reconsider the charge each year.</p> <p>Retail We are concerned about the effect that the retail charge will have on the viability of retail development in the rural areas.</p> <p>Summary Unless changes are made to the charging schedule developments which will secure important benefits for the community will be unviable. Purnell Property Partnership requests to be heard by the CIL examiner in respect of their representations (if and when the CIL draft charging schedule is submitted by the Council for examination). Please ensure we are kept updated on CIL developments and in the meantime do not hesitate to contact me should you have any queries.</p> <p>Yours faithfully</p>
3095	<p>Campaign to Protect Rural England Joe Evans Director, CPRE Avonside</p>	<p>Please find attached a comment on the preliminary draft Community Infrastructure Levy schedule. Best wishes,</p> <p>Page, paragraph or table number: Page 4, paragraphs 2.14 to 2.18</p> <p>We are aware of situations in which Section 106 agreements have been made with a developer who has subsequently become insolvent or pulled out of a project; another developer has taken over the project but the Section 106 agreement has not been extended to the new developer. We feel that if a Community Infrastructure Levy payment is agreed for a project, it should remain attached to the project regardless of changes in financial or delivery arrangements.</p> <p>We suggest that the following two points should be added to protect against this type of situation:</p> <p>2.19 If a developer has assumed liability for the Community Infrastructure Levy but does not begin or complete the development for any reason (for example through bankruptcy), liability reverts to the landowner. The landowner is free to transfer liability again if the project is taken up by another developer.</p> <p>2.20 If a developer has assumed liability for the Community Infrastructure Levy but is unable to make any scheduled payment for any reason (for example through bankruptcy or other financial problems), liability reverts to the landowner who will be liable for the full charge as stated in 2.18 above.</p>

1100	David Halewood Colston & Colston Chartered Surveyors	<p><u>Context of my comments</u></p> <p>I have been dealing with residential development land and mixed use sites in the South West and South Wales for the last 13 years and have been involved in number of the most significant transactions either acting for landowners or acquiring land for the national housebuilders. This includes the sale of the Long Aston Research Station near Bristol (250 units), Gloucester Cattlemarket (500 units) and for Telereal at Burnham on Sea (150 units).</p> <p>I will comment in the order raised in the BNP Report and at the same time on your CIL proposals generally.</p> <p>1.4 Sensitivity analysis</p> <p>I note that comment is only made if values increase. Only 4 years ago average residential sales values fell by over 20%, virtually overnight. BNP state that they believe market conditions will improve over the Charging Period - recent economic statistics do not support this and there are many conflicting assessments.</p> <p>CIL must make allowances for a falling market and for a market that can change very quickly. If each scheme is going to have to be reviewed every 12 months then BANES must do likewise.</p> <p>2.3 BNP state 'an appropriate balance" for CIL and not for it to impact on viability. BANES must offer exceptions on proven viability grounds.</p> <p>2.7 Timings of payouts This is vital for developers. The payments proposed by BANES at the start of the development process are not appropriate - this is a most expensive time for developers and the effect on cashflow of CIL will make many schemes unviable. Finding funding for any development continues to be extremely difficult and bank charges and demands make cashflow tighter than ever. CIL should only be demanded on completion of units or on their completed sale.</p> <p>3.5 As stated in the report 'margins above current use values may be significantly different on each site'. This is a key issue. BANES must be flexible with CIL. In my experience many sites are only marginally viable for residential development. In pure numbers terms, sites may seem viable but because of the cost of obtaining planning, getting funding and the high risks involved there has to be a significant margin in any redevelopment for it to be worth pursuing.</p> <p>3.12 Another key but similar point - there is 'no single threshold at which land will come forward for development'. As I have stated above anything marginal or even not that marginal will just not come forward for development- the risks and costs associated with development are too great to redevelop marginal sites. BANES must be flexible and allow for a significant margin for any CIL demand.</p> <p>4.4 Densities are now much lower - high density schemes are unpopular with developers - in my opinion BNP's assessment has too much weight on higher density - this results in a higher level of proposed CIL than the current market can sustain.</p>
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