

Bath and North East Somerset Council

Community Infrastructure Levy

Regulation 19(1)(b) Statement

and

**Statement of Compliance to the Bath and North East
Somerset Council Neighbourhood Planning Protocol**

**Report of Draft Charging Schedule Consultation and
Representations (2014)**

October 2014

**Bath & North East
Somerset Council**

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1.0 Background

- 1.1 This report sets out the consultation that took place in the lead up to and during public consultation of the Bath and North East Somerset Council (B&NES) Community Infrastructure Levy (CIL) Draft Charging Schedule (between 24th July and 18th September 2014) and reviews the consultation responses received.
- 1.2 Regulation 19 of the CIL Regulations 2010 (as amended) requires that the charging authority in this case B&NES prepares a statement setting out the representations that were made in accordance with regulation 17, the number of representations made and a summary of the main issues raised by the representations.
- 1.3 This document complies with the Council's Neighbourhood Planning Protocol which indicates that the following documents will be made publicly available:
 - Comments made during the consultation will be available for public inspection and available online.
 - A consultation report, for each key stage in the preparation of a local policy document which sets out who was consulted, how they were consulted, a summary of the main comments received and how these have been addressed (this current document)
 - A statement of compliance to the Neighbourhood Planning Protocol (see section 4).
- 1.4 The consultation of the Preliminary Draft Charging Schedule was undertaken between 18th April and 8th June 2012. The Regulation 15(7) Statement sets out the key issues raised and Council's responses. The Statement also sets out the actions required to inform the Draft Charging Schedule. Appendix 2 sets out how these action points were addressed.
- 1.5 The consultation on the Draft Charging Schedule was also taken following the adoption of the Bath and North East Somerset Council Core Strategy in July 2014.

2. Consultation Approach

2.1 During the preparation of the CIL Draft Charging Schedule and for the consultation of the document, a range of approaches, as set out in the Neighbourhood Planning Protocol were used to inform and consult. The information set out in this consultation report demonstrates compliance with the Neighbourhood Planning Protocol methods of community involvement and outlines the consultation activities undertaken; who was consulted; and how they were consulted. This report follows the consultation report undertaken for the CIL Preliminary Draft Charging Schedule consultation published in July 2014.

Targeted Engagement

- 2.2 Various meetings or discussions were undertaken with key stakeholders which include B&NES Initiative, Midsomer Norton Economic Development Group, Bath Enterprise Area agent group, a Commercial Agent Group, Parish and Town Councils and affordable housing providers.
- 2.3 An email dated 27 February 2014 was circulated updating stakeholders in the development industry on the progress of the CIL programme, and requesting evidence on the Viability Assessment assumptions including sales values, development costs and existing land values. The email requested responses by 13th March 2014 for them to be incorporated into the review.

Public Consultation

- 2.4 The Council's Cabinet approved the CIL Draft Charging Schedule document for public consultation on 16th July 2014 and Public Consultation was held between 24th July and 18th September 2014.
- 2.5 **Notification mailout** Notification of the CIL Draft Charging Schedule consultation was emailed to
- All individuals and organisations who responded to the Preliminary Draft Charging Schedule Consultation
 - Statutory Consultees including adjoining Local Authorities and all Parish and Town Councils
 - Local Development Framework database contacts in particular individuals, developers and agents who have indicated that they have an interest in the development of CIL

- Council's database contacts in particular developers and agents who have an interest in the development in the district including in the Bath Enterprise Area

Public Notice – A public notice was displayed within the Bath Chronicle, the Western Daily Press and the Midsomer Norton, Radstock and District Journal on 24th July 2014.

Printed Information - Hard copies of the Consultation paper including Draft Charging Schedule together with background information including details of the consultation and comments forms were made available in all libraries including mobile libraries in the district and in the Council One Stop Shops in Bath; Riverside, Keynsham and the Hollies, Midsomer Norton.

The printed information circulated included a leaflet guide about the consultation; a Questions and Answers document, the Consultation Paper including Draft Charging Schedule, and Draft Updated Planning Obligations SPD, and the Regulation 16 Statement of Procedure.

Comment Form - Comment forms were made available for both the CIL Draft Charging Schedule and the Draft Planning Obligations SPD. Comments were requested in writing to 'Community Infrastructure Levy, Planning Policy, Bath and North East Somerset Council, PO Box 5006 Bath BA1 1JG' or by email to cil@bathnes.gov.uk.

Council Website – An introduction to the Community Infrastructure Levy, with links to the leaflet about the consultation, Questions and Answers, and Consultation Paper including CIL Draft Charging Schedule, the Draft Planning Obligations SPD together with links to the supporting viability and infrastructure evidence were made publicly available on the Bath & North East Somerset Council website with a direct web link to the page - www.bathnes.gov.uk/CIL.

Direct Contact Information - An email address and contact telephone number was provided on all the consultation material and the website, for those who wanted to ask questions and seek further information. The Council's first point of contact, Council Connect, was briefed so that they could respond to general enquiries about the consultation thus allowing more detailed queries to be dealt with by members of the Planning Policy team.

3. Summary of Responses to the Consultation

3.1 The Council received a total of **35** responses to the consultation from the following stakeholders. **13** respondents requested to participate at the public hearings.

The Respondents to the Draft Charging Schedule are set out below:

Rep No	Date Received	Respondent Name	Respondent/ Organisation	Agent	Request attendance at Examination
DCS001	30/07/14	Reginald Williams			Yes
DCS002	20/08/14	Martin Cleverly	NHS England		No
DCS003	15/08/14	Rachel Bust	The Coal Authority		No
DCS004	01/09/14	Iain Smith	Watkins Jones Group		No
DCS005	02/09/14	Michael Brett	The Abbey Residents Association (TARA)		No
DCS006	03/09/14	Ross Anthony	Theatres Trust		No
DCS007	05/09/14	Sean Walsh	Highways Agency		No
DCS008	09/09/14		Asda Stores Ltd	Nicola Gooch, Thomas Eggar	No
DCS009	11/09/14		Curo Enterprise Ltd	Peter Roberts Barton Willmore	No
DCS010	15/09/14	Kathryn Manchee	Dunkerton Parish Council		No
DCS011	16/09/14	Heidi Clarke	Sport England		No
DCS012	16/9/14	W Ian Bell	Initiative in B&NES and Bath Chamber of Commerce		No
DCS013	17/09/14	Anita Tyrrell			No
DCS014	17/09/14	Jane Hennell	The Canal & River Trust		No
DCS015	17/09/14	Tricia Golinski	Saltford Parish Council		No
DCS016	17/09/14		Square Bay (Bath) Ltd	Jim Tarzey Pegasus Group	Yes
DCS017	17/09/14	Simon Coombe	Valley Parishes Alliance		No
DCS018	17/09/14		Ediston Real Estate	Rebecca Collins GVA	Yes
DCS019	17/09/14		McCarthy and Stone Retirement Lifestyles Ltd	Ziyad Thomas The Planning Bureau	No
DCS020	17/09/14		Whitbread plc.	Tom Rocke Rocke Associates	Yes
DCS021	17/09/14		Macmullen Associates (on behalf of various clients)	Tom Rocke Rocke Associates	Yes
DCS022	18/09/14	Robin Kerr	FOBRA		No
DCS023	18/09/14	Amanda Grundy	Natural England		No

DCS024	18/09/14		SW HARP Consortium	Felicity Tozer, Tetlow King	Yes
DCS025	18/09/14		Sainsbury's Supermarkets Ltd	Sarah Hawkins WYG	No
DCS026	18/09/14		University of Bath	Mark Rose, Define	No
DCS027	18/09/14		IM Properties	Rebecca Collins, GVA	Yes
DCS028	18/09/14	Andy Reading	Environment Agency		Yes
DCS029	18/09/14	Jane Lewis	Midsomer Norton Town Council		Yes
DCS030	18/09/14		House Builder Consortium	Ian Stevens Savills	Yes
DCS031	18/09/14		Mactaggart and Mickel	Tom Roche Rock Associates	Yes
DCS032	18/09/14		Hignett Family Trust	Matthew Macan	Yes
DCS033	18/09/14		Unite Group	Alun Evans, CGMS	Yes
Received by the Council outside the Consultation period					
DCS034	19/09/14	David Redgewell	South West Transport Network Rail Futures	Jenny Ragget	No
DCS035	22/9/14	Rohan Torkildsen	English Heritage		No

3.2 In line with the Council's Protocol, a full schedule of the respondents and consultation responses can be found on the B&NES website www.bathnes.gov.uk/cil. A summary of the main issues raised by the representations at Appendix 1:

4.0 Statement of Compliance with the Neighbourhood Planning Protocol

4.1 This consultation report forms the Statement of Compliance to the Neighbourhood Planning Protocol. Details of consultation undertaken, a summary of key issues raised and the Council's response are included in the Report in line with the Neighbourhood Planning Protocol.

Appendix 1: - Summary of key issues and Council's responses

	Issue	Council's Response
1	Concerns relating to the evidence base	
1.1	<p>Concern Infrastructure Funding Gap Evidence Base is not a robust basis for setting a CIL charge. The Council's Funding Gap Evidence paper identifies two figures; the Aggregated Funding Gap (AFG) of £234m based on all IDP infrastructure and £85m based on 'key' and 'strategic' infrastructure. The lower figure should be used as a starting point to justify the AFG. Also a significant proportion of infrastructure items included are not appropriate for CIL levy.</p>	<p>The IDP sets out all known infrastructure requirements to support the delivery of the Core Strategy which includes both 'key' and 'desirable' infrastructure necessary (some not quantified yet). Even taking the funding gap based on 'key and desirable' infrastructure, there is a significant funding gap.</p> <p>The PPG is clear that the CIL examination should not re-open infrastructure planning issues that have already been considered in putting in place a sound relevant Plan.</p> <p>The B&NES Infrastructure Funding Gap Evidence Paper (July 2014) demonstrates a significant funding gap, and that the proposed CIL charges would make only a relatively small, but nonetheless important, contribution to filling the infrastructure funding gap. The funding gap clearly demonstrates the justification for preparing a Charging Schedule.</p>
1.2	<p>In light of the historic under supply of housing and recent adoption of the Core Strategy, it is clear that a significant boost to the housing supply is needed and a cautious approach is needed. A further increase in housing land supply may be necessary in order to address the housing needs arising from the West of England SHMA. Concern "an appropriate balance" has not been struck.</p>	<p>The Council considers that the draft charging schedule sets an appropriate balance between helping to fund necessary new infrastructure based on the Council Infrastructure Delivery Programme and the potential effect of the proposed rates on the economic viability of development across the district based on the Viability Assessment.</p> <p>Substantial amounts of new infrastructure will be required to support the growth planned in the District and CIL will provide a modest but essential part of funding the necessary infrastructure.</p> <p>CIL will be reviewed alongside the Core Strategy review.</p>

1.3	Concern the Viability Assessment (May 2014) (VA) evidence is not justified, not sufficiently fine-grained or based on real world examples.	The CIL Viability Assessment has been produced by experienced consultants and based on detailed research and appropriate available evidence. The schemes appraised include a range of development types that are reflective of schemes that are expected to come forward over the life of the charging schedule. In addition, the study includes an assessment of the major strategic sites that the Council has identified in its Core Strategy (all of which are 'real world' examples).
1.4	Concern landowners will not accept assumed VA land values, and await an upturn in the market to cover the desired uplift in land value.	The assumption underlying this concern is that CIL will reduce land values down to the levels identified in the VA. This assumption is incorrect – the proposed CIL rates are set at substantially lower levels than the 'maximum' CIL rate, so land owners will still be able to receive much higher land values than those identified in the VA. Notwithstanding, it is fundamental to the CIL regime that a reduction in development land value is inevitable to accommodate CIL as a cost of development. The proposed rates represent only very modest proportions of overall costs and are unlikely to make a critical difference to viability in most developments.
1.5	Concern VA does not make sufficient allowance for residual s106 and s278.	Reasonable allowances on top of total build costs have been made for contingencies, recognising that, by definition, site specific abnormal costs cannot be accounted for in generic analyses. In addition, the strategic sites analysis incorporates key items that the Council would expect to secure through Section 106.
2	Concerns that the CIL charge will adversely affect the viability and delivery of RESIDENTIAL DEVELOPMENT	
2.1	Concerned that the residential CIL will have a significant effect on overall property prices.	No specific evidence has been submitted to support concerns that the CIL will lead to an increase house prices. It is fundamental to the CIL regime that a reduction in development land value is inevitable to accommodate it as a cost of development. Given that new housing supply represents a very small proportion of overall housing supply (taken alongside second

		hand properties), developers will simply not be able to pass on the costs of CIL to purchasers. The same concern is often expressed in relation to sustainability requirements, but this has also proven to be misplaced.
2.2	Considers hard to argue that small scale developments such as Infill developments in villages will incur need for additional infrastructure. Suggests exemption from CIL for all developments of less than 10 dwellings. If not, then CIL should be reduced to be no more than £50/sq m to be more compatible with neighbouring authorities.	All new housing – taken collectively together – will result in increased infrastructure requirements. It is simply incorrect to suggest that small schemes do not generate a need for new school places, healthcare etc. Councils are required to set CIL rates which balance the need to fund infrastructure within the district and the ability of development to afford the CIL charge. CIL must be predicated purely on economic viability and if the viability of surrounding authorities means that lower rates are appropriate then it is correct that lower rates are set in these areas.
2.3	Concern re benchmark land values - no regard is had to the value at which land has actually traded. There must be a competitive return to the landowner in order to incentivise land release. To provide the landowner with a competitive return, consider that the benchmark land values must be uplifted by 20% – 25%.	Land will have traded having regard to the <i>prevailing planning</i> policies of the Council. Using these land values as a proxy in a study to determine whether a future – as yet unadopted – policy could be viable would be fundamentally misleading. It is fundamental to the CIL regime that a reduction in development land value is inevitable to accommodate it as a cost of development.
2.4	Concerned that in the lower value areas, the CIL rate has been set at a figure above the CIL rate which was calculated after applying a 30% viability buffer.	There is no prescribed level of buffer that a charging authority is required to adopt; the CIL Guidance and regulations simply require the CIL charge not to be set at the margins of viability. It is acknowledged that there is not a uniform 30% buffer. The VA does however demonstrate that, overall, viability is maintained in all locations. Whilst in some cases there is a more limited buffer, it is considered reasonable in the circumstances.
2.5	A district wide CIL rate in lower value areas such as the Somer Valley, Keynsham and Chew Valley would impact on financial viability and development coming forward. Proposes a £50 per sq m residential rate in these areas.	No detailed evidence has been provided by respondents to show that residential schemes would be unable to afford CIL at the proposed rate. The proposed CIL accounts for a modest proportion of overall development costs and is therefore unlikely to be a significant factor in the majority of developments.

	Differential CIL rates would be logical, similar to the geographical split for affordable housing in the Core Strategy.																															
2.6	Some of the VA assumptions are incorrect or outdated, resulting in overestimating the viability of the sites tested, particularly outside the higher sales value areas of Bath City Centre, Bath N & E and Bath Rural.	No detailed evidence has been submitted to contradict the assumptions used in the VA. The VA is based on detailed research and appropriate available evidence.																														
2.7	<p>Questions whether £1,000 per unit represents a realistic s106 assumption based upon the Council's adopted and emerging planning policies.</p> <p>Request further detail on the anticipated S.106 contributions to be sought in order to ensure that a realistic figure is included.</p>	<p>Analysis of s106 agreements in B&NES signed in 2011, 2012 and 2013 (calendar years) indicates that the average site related contribution per dwelling is £987.</p> <p>Summary Analysis of Financial Contributions 2011-2013 (Residential)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total no units</th> <th>Total contribution</th> <th>Contribution per unit</th> <th>Strategic contribution per unit</th> <th>Site specific contribution per unit</th> </tr> </thead> <tbody> <tr> <td>2011</td> <td>537</td> <td>£2,399,212</td> <td>£4,468</td> <td>£3,359</td> <td>£1,109</td> </tr> <tr> <td>2012</td> <td>430</td> <td>£2,143,834</td> <td>£4,985</td> <td>£4,187</td> <td>£798</td> </tr> <tr> <td>2013</td> <td>400</td> <td>£1,831,790</td> <td>£4,579</td> <td>£3,553</td> <td>£1,026</td> </tr> <tr> <td colspan="4" style="text-align: center;">Average 2011-2013</td> <td>£3,676</td> <td>£987</td> </tr> </tbody> </table> <p>Reasonable allowances on top of total build costs have been made for contingencies, recognising that, by definition, site specific abnormal costs cannot be accounted for in such generic analyses. Should a slightly higher S106/S278 contribution be required per unit it is considered that this would be able to be absorbed without undue impact on the viability of schemes.</p>	Year	Total no units	Total contribution	Contribution per unit	Strategic contribution per unit	Site specific contribution per unit	2011	537	£2,399,212	£4,468	£3,359	£1,109	2012	430	£2,143,834	£4,985	£4,187	£798	2013	400	£1,831,790	£4,579	£3,553	£1,026	Average 2011-2013				£3,676	£987
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2.8	Request a lower CIL rate should apply to all large sites rather than just strategic sites. Consider it is a financial incentive to strategic greenfield sites above brownfield sites. (Curo Enterprises Ltd in respect of MoD Foxhill).	<p>The VA sampling reflects a selection of the different types of sites included in the Core Strategy and expected delivery of housing across the district based on the housing trajectory post the introduction of CIL.</p> <p>The MoD sites are subject to approved Concept Statements and have</p>																														

	The impact on the viability of large schemes of delivering on-site schools in addition to paying CIL, has not been considered	infrastructure requirements identified. Planning Applications for all MoD sites have been submitted already and are expected to be determined prior to the CIL adoption. If they were not determined before the adoption of CIL, the Council consider alternative arrangements such as using the CIL Payment in Kind.
2.9	<p>Concerned that the VA states that the viability of sites can be improved in the short term by varying the quantum of affordable housing.</p> <p>Detailed concerns relating to assumptions including affordable housing values used, market areas applied, tenure split applied. Concern no local benchmarking has been undertaken.</p>	<p>The VA has taken into account affordable housing policy requirements and demonstrates that, overall, viability is maintained in all locations. The Council considers the CIL rates are justified by evidence and will not threaten the delivery of the Core Strategy planned housing including affordable housing.</p> <p>The issue of deliverability of affordable housing delivery will be monitored.</p>
3	RESIDENTIAL: STRATEGIC SITES	
	<p>Concern that the scale of s106 contributions, the site wide infrastructure costs, and the overall build costs assumptions are underestimated by BNP in the VA. It should be set even lower or £Nil rate.</p> <p>As the VA recommends that the Council should consider setting a lower CIL rate if it intends to negotiate more than £5,000 per unit through section 106 negotiations. The Core Strategy Inspector suggests assuming the level of section 106 costs to be no more than £10,000 unit.</p> <p>Request that the £50 per sq m strategic site CIL rate should be replaced with a £Nil rate with all site specific infrastructure requirements secured through S.106 agreements.</p>	£10,000 per unit as assumed at the Core Strategy Examination does not take into account the introduction of CIL and it includes some strategic contributions. The Council assumed that CIL and site specific mitigations through s.106 agreement will total no more than £10,000.
3.1	<p>Odd Down Strategic Site – Concern that the scale of s106 contributions, the site wide infrastructure costs, and the overall build costs assumptions are underestimated by BNP in the VA. Refers specifically to the location of the site on the edge of the Bath World Heritage City, alongside the Green Belt and in the Cotswold AONB; adjoining the South Stoke Conservation Area the Wansdyke</p>	<p>£10,000 per unit as assumed at the Core Strategy Examination does not take into account the introduction of CIL and it includes some strategic contributions. The Council assumed that CIL and site specific mitigations through s.106 agreement will total no more than £10,000.</p> <p>No detailed evidence has been submitted to substantiate claims for a nil</p>

	SAM.	rate of CIL.
3.2	<p>MoD Ensleigh Extension site (Policy B3C). Confirmation required that the site will be subject to a levy of £50 per sq m.</p> <p>Raise significant objection to the inclusion of an additional \$106 contribution towards education, above the requirements of CIL.</p>	<p>The Draft Charging Schedule identifies Policy B3C allocation as a strategic site and therefore subject to a CIL levy of £50 per sq m. The Plan is included for clarification as set out in the Statement of Modification.</p> <p>B&NES Core Strategy policy B3C specifically requires that education financial contributions are made towards a primary school.</p>
	The Core Strategy Policy KE3B removes the two parcels of land adjacent to the Strategic Site in East Keynsham from the Green Belt and safeguard for possible development. The reduced residential CIL charge should apply to the safeguarded land.	Policy KE3B states that planning permission for development of the safeguarded land will be granted only when it is proposed for development following a review of the Local Plan. The CIL will be reviewed alongside the Plan Review process.
4	Concerns that the CIL charge will adversely affect the viability and delivery of specialised and EXTRA CARE DEVELOPMENT	
4.1	<p>Concern VA provides scant details on the viability assumptions used in this assessment of specialised accommodation outside of the extent of communal floorspace provided. Query market analysis and evidence on Extra Care accommodation.</p> <p>Concern at justification for specialist C3 housing CIL rate - development assumptions not clear. Question whether affordable housing delivery as part of a C3 specialist extra care development, has been taken into account. The detailed appraisals were not included in the VA assessment appendices.</p> <p>Concern by not properly assessing this form of development, the proposed CIL rate would threaten the delivery of the relevant Development Plan.</p>	<p>No detailed evidence has been provided to show that extra care development would be unable to afford CIL at the proposed rate.</p> <p>Viability Assessment was undertaken taken into account affordable housing requirements as C3 specialist extra care homes. The original appraisals are added on the website for clarification and all agents/individuals who commented on the Extra Care Development were notified accordingly.</p>
5	Concerns that the CIL charge will adversely affect the viability and delivery of STUDENT ACCOMMODATION	

5.1	Concern the VA (May 2014) update makes significant alterations to the assumptions made within the Preliminary Draft Charging Schedule (PDCS) VA 2012 which have a significant impact on the residual valuation method, but no justification is provided for the variations.	BNP have updated assumptions within the VA in line with new evidence on the student housing market within Bath.
5.2	Concerned the evidence is insufficient and not realistic relating to rental levels, build costs land values etc. CIL rate based on a single scenario which is “dangerous and not realistic”.	Viability testing demonstrates the ability to support a CIL rate for off campus student accommodation of up to £447 per sq m. The rate proposed is set well below the limits of viability.
5.3	Requests a Nil rate or significantly reduced rate is necessary to ensure this aspect of the development plan delivery is not prejudiced and that delivery of this specialist accommodation need can be met, in accordance with strategic and Local development plan policy.	The CIL Viability Assessment is based on research and appropriate available evidence. A buffer has been built into the proposed CIL rates to ensure that rates are not set at the margin of viability. No detailed evidence has been provided to show that student accommodation development would be unable to afford CIL at the proposed rate.
5.4	Differential CIL rates proposed for student accommodation appear to be driven by Core Strategy objectives rather than deriving from the viability evidence. Development costs of developing on-campus are likely to be considerably lower. A significant reduction in off-campus student accommodation levy would create a ‘level playing field’ between the various sectors.	The CIL Viability Assessment is based on research and appropriate available evidence. The proposed approach to differential rates is justified by the evidence relating to economic viability.
5.5	Concern schedule does not permit CIL to be charged in circumstances that the University sector chooses to enter into an agreement with a private provider to deliver on-campus accommodation at market rents. Any requirement for on-campus provision to be delivered by the University sector at sub-market rents would be unenforceable in planning terms.	Planning permission for “on-campus” student accommodation by any type of developer would be subject to a section 106 agreement securing sub- market rents. This would be similar to a s106 agreement for affordable housing.
5.6	CIL rates are not reasonable compared with other sectors in B&NES - housing, hotels - or other University Towns.	CIL rates must be set having regard to local viability assessment. Other local authority CIL rates are therefore relevant only to the areas affected.

		In any case, student accommodation cannot be directly compared to residential development, as this sector provides affordable housing. No such requirement is sought from student housing.
6	Concerns that the CIL charge will adversely affect the viability and delivery of RETAIL DEVELOPMENT	
6.1	Concern the evidence is not sufficiently fine-grained to justify the CIL charges. Only one supermarket scenario tested above 280 sq m.	The CIL Viability Assessment is based on detailed research and appropriate available evidence. A buffer has been built into the proposed CIL rates to ensure that rates are not set at the margin of viability.
6.2	Proposed retail CIL rates would discourage larger retail developments and subsidise smaller ones.	The proposed approach to differential rates is justified by the evidence relating to economic viability. The most viable schemes are destination superstores, supermarkets and shopping centres / malls. The critical mass of floorspace of these types of retail creates a destination use, and often provide associated car parking.
6.3	The VA does not assess the impact of CIL on the delivery of development in the Bath City Riverside Enterprise Area.	A land use mix / masterplan has not been agreed for the City Riverside Enterprise Area. The Core Strategy states: <i>“To support the Core Strategy a Placemaking Plan will be prepared to set out a more detailed planning and design framework for specific sites within the Central Area, the Enterprise Area and elsewhere in the city. The Placemaking Plan will: Establish the potential use of individual sites and set out sustainable design principles”</i> No evidence has been submitted to demonstrate that the proposed rates would adversely impact upon development viability in the Bath City Riverside Enterprise Area.
7	Concerns that the CIL charge will adversely affect the viability and delivery of HOTEL DEVELOPMENT	

7.1	<p>Concern viability evidence justifying CIL rates is not grounded in 'real world' evidence and economics.</p> <p>Concern the differential rates, between the City of Bath and the rest of the district, and between Bath and the adopted rates in Bristol, have not been justified by economic viability evidence</p>	<p>The proposed approach is justified by appropriate available evidence relating to economic viability. A buffer has been built into the proposed CIL rates to ensure that rates are not set at the margin of viability.</p> <p>No evidence has been submitted to substantiate claims for a reduced rate of CIL.</p> <p>CIL must be predicated purely on economic viability and if the viability of surrounding areas or authorities means that lower rates are appropriate then it is correct that lower rates are set in these areas.</p>
8	Support on the review of Office rate from the PDCS	
8.1	Support to set £nil charges for Office	Noted
9	In Kind Payment issue	
9.1	In kind payments must be recognised in the charging schedule to allow land and /or infrastructure to be transferred to the Council under the CIL Regulations.	Agreed as set out in the CIL Regulations.
10	Concerns regarding the Instalment Policy	
10.1	<p>Some concerns about the intervals between instalments, particularly the final instalment being 18 months after the commencement of development as infrastructure may not be in place before development is occupied.</p> <p>Suggest that the Council adopts a policy allowing for instalments to be paid for total liabilities below £35,000</p> <p>Concern instalment policy would not be appropriate on the strategic sites and developments with very large CIL liabilities, particularly where there are significant s106 liabilities. Recommend</p>	<p>It should be noted that the introduction and application of an instalments policy and its contents remain a matter for the Council and is not a subject for the examination. An instalment policy can be introduced, withdrawn or reviewed at any time post the adoption and implementation of the levy, subject to CIL Regulations 2010 (as amended).</p> <p>The Council consider the instalment policy reasonable, given the need for infrastructure to be in place to serve new development occupiers.</p> <p>It is noted that where an outline planning permission permits</p>

	the Instalments Policy is amended to cover different scales of total liabilities with proportionate instalments and payment requirements.	development to be implemented in phases, each phase of the development can be treated as a separate chargeable development and the instalment policy would relate to each phase, by agreement with the Council.
11	Issues relating to the application of Exceptional Circumstances Relief and Discretionary Charitable Relief, and Discretionary Social Housing Relief	
11.1	<p>Request that B&NES make Discretionary Exceptional Circumstances Relief available from the adoption.</p> <p>Concern without discretionary Exceptional Circumstances Relief, CIL rates may compromise heritage related projects including the conservation and enhancement of heritage assets and their setting.</p> <p>Would encourage the Council to adopt both Discretionary Social Housing relief and Exceptional Circumstances relief, and refers in particular to rural exception sites cross subsidised by market housing.</p> <p>The University would encourage the Council to make discretionary charitable relief available for potential off campus schemes and, requests that the Council clarifies its position in this respect.</p>	<p>It should be noted it not the role of the examination into the Charging Schedule to consider the Council's decision whether or not to offer discretionary relief. Discretionary relief can be introduced at any time post adoption subject to the CIL Regulations 2010 (as amended).</p> <p>The Council is not currently proposing to offer discretionary relief for exceptional circumstances, social housing or charitable relief, however, this issue will be kept under constant review.</p> <p>The availability of discretionary exceptional circumstances relief is likely to attract numerous requests with differing levels of validity. This could result in a considerable additional administrative burden on the council and it is likely that there would only be a limited number of circumstances where it would be valid.</p>
12	Concern over Regulation 123 list priorities and relationship with s106 site related contributions	
12.1	<p>Concern regarding prioritising of infrastructure between Council service providers and other public sector agency service providers.</p> <p>Generally the introduction of CIL is supported by local communities. The priority to fund the highest standards in the historic heart of the city particularly in terms of the public realm should be recognised.</p>	<p>B&NES Council is developing mechanisms for the prioritisation and allocation of CIL funding which will be subject to consideration and approval by the Council</p> <p>It should be noted that the contents of the Reg 123 list are not a subject for the CIL examination to address.</p>
12.2	Concern to ensure that NHS primary care accommodation,	B&NES Council is developing mechanisms for the prioritisation and

	Highways Agency strategic infrastructure, green infrastructure and investment in the protection, cultural infrastructure, canal and river assets, conservation and enhancement of heritage assets and their setting are prioritised.	<p>allocation of CIL funding which will be subject to consideration and approval by the Council, however, statutory agencies will be consulted on the allocation process. The final decision as to how infrastructure funding will be prioritised will ultimately lie with B&NES Council.</p> <p>The starting point for the prioritisation of projects, or broad areas of infrastructure, on the Reg. 123 list is outlined in the Bath and North East Somerset Council Core Strategy Local Plan Part 1 and the Infrastructure Delivery Programme 2014 which is a living document - it is intended that it will be periodically monitored and reviewed to take account of changing circumstances and sets out key and desirable infrastructure requirements together with timescales.</p>
12.3	Concern regarding potential overlap between Regulation 123 requirements and Section 106. Smaller schemes adjudged to not require on-site green space provision would just pay the levy, whereas larger sites would be required (by adopted policy) to use S106 to provide on-site green infrastructure in addition to paying the levy. The same issue applies to “social infrastructure...”	Regulation 123 prevents section 106 planning obligations being used in relation to these things that are intended to be funded through the Levy. If some specific infrastructure is necessary to mitigate the impact of development and ensure development is acceptable in planning terms, then these requirements should be dealt through the s.106 agreements as set out in Regulation 122.
12.4	<p>Seeks clarification on whether Green Infrastructure include all aspects of recreation and open spaces, for example children’s play areas.</p> <p>The Draft SPD states “..the Council expects that the majority of green space and allotment facilities will be delivered by CIL”. Question whether this is realistic and whether the Council is able to deliver the green space</p>	The Draft Regulation 123 list may be subject to change after the adoption of the Charging Schedule. It is anticipated that CIL spending will be considered alongside other sources of funding and will not be the sole means of funding for strategic infrastructure projects.
	Environment Agency is concerned that the draft Reg 123 does not include Strategic Flood Risk Infrastructure.	Strategic Flood Risk Infrastructure will be included in the final Reg 123 list.
13	Clarification regarding how CIL will be spent.	

13.1	Town and Parish Council expressed concern at complexity of system and administration of CIL funding.	25% (with Neighbourhood Plan) or 15% (no Neighbourhood Plan) will be automatically passed on to local Parish/Town Councils. The Council will prepare a guidance note relating to the local funds.
14	CIL Draft Charging Schedule Review Mechanisms	
14.1	Concerned to ensure the Charging Schedule sets out its review arrangements. It is important to identify indicators that will be monitored which could instigate an early review and highlights the importance of monitoring the delivery of affordable housing policy compliant sites	Agreed. The Council will put in place review mechanisms to monitor the impact of CIL.

Appendix 2 Actions identified responding to the comments raised for the Preliminary Draft Charging Schedule

Key issues	Actions identified	Council's response
Concerns that the CIL charge will adversely affect the viability and delivery of residential development	BNP to update viability study to take into account changes to CIL regulations, proposed policy requirements, and latest data on development values and cost indicators.	Viability Evidence was update accordingly.
	BNP to update viability study to assess the viability of the development of the strategic sites.	Updated Viability Evidence includes the Core Strategy strategic sites appraisals.
	Council to review potential use of exceptional circumstances relief	The Council is not currently proposing to offer Discretionary Exceptional Circumstances Relief, and Discretionary Charitable Relief however this will be kept under constant review.
Concern over funding priorities for CIL and relationship with s106 site related contributions	Finalise revised Draft Revised Planning Obligations SPD for consultation	The revised Planning Obligation SPD was prepared and subject to public consultation alongside the Draft Charging Schedule.
	Update Infrastructure Delivery Programme and Funding Gap data.	The updated IDP and funding gap evidence was published alongside the Draft Charging Schedule.
	Finalise Regulation 123 list based on updated Infrastructure Delivery Programme	The draft Regulation 123 list was published alongside the Draft Charging Schedule.
Clarification regarding who and how the neighbourhood portion of CIL will be spent	Detailed mapping required to show zone boundaries clearly.	The Draft Charging Schedule includes zone maps accompanying the Schedule.
	Prepare CIL Guidance notes to explain transitional arrangements, review dates	The transitional arrangements are set out in the CIL Regulation (as amended). Further CIL implementation guidance will be published alongside the CIL adoption.