

## Statement of Consultation on Preliminary Draft CIL Charging Schedule (May 2013)



The Executive approved the publication of the CIL Preliminary Draft Charging Schedule for consultation purposes on 28<sup>th</sup> March 2013.

The consultation included the statutory notice published in local media between the dates of 4<sup>th</sup> and 10<sup>th</sup> April 2013, a direct mailing of Town and Parish Councils, the Local MP's, the House Builders Federation, neighbouring local authorities, the Council's preferred partner Registered Providers, a selection of house builders operating in the Borough, and their agents and members of the public, supported by the use of the Council's website. The consultation period commenced on 4<sup>th</sup> April and ran to 5pm on 16<sup>th</sup> May 2013.

A total of 28 written responses were received. These were from 5 Parish/Town Councils, 8 on behalf of the major house builders and developers/agents and the remaining 15 from other interested parties. No late responses were received.

This statement has been produced in line with paragraphs 2.42 and 2.44 of the Council's adopted Statement of Community Involvement (December 2006) and in pursuance of Regulation 15(7) of The Community Infrastructure Regulations 2010 (as amended).

Changes have been made to the consultation draft document in light of comments received. The Council's decisions, including the response to representations, are set out in this statement of consultation.

Respondent	Rep Number	Section of CIL PDCS	Summary of Comments	Council Comment & Response
Daryl Jay, Wokingham Resident	01	Residential, Retail, General Development & Instalment Policy	<ul style="list-style-type: none"> <li>Residential charge too low as there are not enough local services to support the area including transport, schools and doctors</li> <li>Does not agree with proposed zero retail charge - all development should attract a fee as transport will be required</li> <li>Need for income to generate additional public services</li> <li>Does not agree with instalment policy – developers will add the cost to any development</li> </ul>	The Council accepts that there is a significant infrastructure funding gap, but the Regulations stipulate that rates must be set having regard to viability. There will still be scope to secure certain site-specific infrastructure through legal agreements, including on commercial uses. The Council has revisited its retail rates in light of comments received on the PDCS. Noted.
Millgate Homes	02	Residential, Retail, General Development, Instalments Policy, General Comments	<ul style="list-style-type: none"> <li>Residential charge too high. Significantly higher than other Berkshire authorities. Questions why no differential charging rates – a blanket charge penalises the whole borough, whereas higher CIL charge in the</li> </ul>	CIL rates must be set having regard to local viability assessment. CIL is not set on the basis of the burden schemes generate on local infrastructure; rates are set on the basis of what schemes

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			<p>SDLs would help fund infrastructure required in those areas.</p> <p>Agrees with zero retail charge</p> <ul style="list-style-type: none"> <li>Proposed CIL charges will significantly affect viability of development on small/medium sized sites, which will lead to a lack of housing. CIL charge likely to come off the land value of the site, meaning landowners will generate less income and choose not to promote their land. Effect will be to divert residential development to other parts of Berkshire, increasing the funding gap for infrastructure.</li> <li>Agrees with instalments policy – payment in instalments or at completion of the development allows time for more sales to be made, and minimises risk to development</li> <li>The combination of increased affordable housing sizes and percentages within the new SPD and the high CIL rate appears a double charge on development within the borough, which is likely to divert development elsewhere</li> </ul>	<p>can viably provide, not on the need they generate.</p> <p>Noted</p> <p>CIL rates must be set at a level that will not stifle overall development and the Council's viability evidence supports this.</p> <p>Noted.</p> <p>The cumulative impact of all the Council's planning policies, including affordable housing, has been tested within the viability assessment.</p>
Adam Sadler, Wokingham Resident	03	Residential, Retail, Instalments Policy and General Comments	<ul style="list-style-type: none"> <li>Proposed residential rate is too low to support Core Strategy infrastructure requirements</li> <li>Detailed list of infrastructure items should be published.</li> <li>Additional sources of funding to bridge gap should be set out.</li> <li>Clearer rationale for moving from Section 106</li> </ul>	<p>The Council accepts that there is a significant infrastructure funding gap, but the Regulations stipulate that rates must be set having regard to viability. A detailed list of infrastructure will be published with the Draft Charging Schedule, as will assumptions on other funding sources.</p> <p>From April 2014, the Council's ability to</p>

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			<p>to CIL should be provided as it looks set to bring in less money.</p> <ul style="list-style-type: none"> <li>• More detail requested on constraints on charging and comparison with other Councils.</li> <li>• Does not agree with the proposed retail rate</li> <li>• Does not agree with an instalments policy</li> <li>• As infrastructure has boundary implications are arrangements in place to share obligations with other authorities</li> <li>• Need to explain statement “it is only necessary to demonstrate a sufficient funding gap exists to justify the proposed level of CIL. Need to explain “the meaningful proportion of CIL receipts that will be passed to town councils, etc”</li> <li>• If CIL does not cover the total cost of the infrastructure in the Core Strategy, does the council have the option not to fulfil the infrastructure requirements if other funds are not available</li> </ul>	<p>rely on Section 106 will be restricted by the CIL Regulations - hence the move towards CIL.</p> <p>CIL rates must be set having regard to local viability assessment.</p> <p>Noted.</p> <p>Noted.</p> <p>CIL receipts could be used to fund infrastructure in neighbouring authorities where this is required to support growth in Wokingham Borough. CIL must be justified by an infrastructure funding gap but is not expected to be the sole funding source. The government has determined that 15% of CIL receipts should be passed to town and parish councils (capped). This rises to 25% where a Neighbourhood Plan is in place. The Council will have to prioritise the infrastructure it funds.</p>
David Nash, Wokingham Resident	04	Residential, Retail, General Development, Instalments Policy, General Comments	<ul style="list-style-type: none"> <li>• Residential rate is too low, especially with funding gap of £86.5 million. Will bring in less than Section 106. Will lead to increased financial pressure on WBC and will constitute an increase in developers profit.</li> </ul>	<p>The Council accepts that there is a significant infrastructure funding gap, but the Regulations stipulate that rates must be set having regard to viability. From April 2014, the Council’s ability to rely on Section 106 obligations as a reason for approval will be restricted by the CIL Regulations and it considers it</p>

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			<ul style="list-style-type: none"> <li>Agrees with proposed zero retail rate as there is a need to encourage retail and other commercial development in the borough. Feels the zero rate will assist Wokingham Town Centre regeneration to a small degree.</li> <li>The proposed rates will not put development in the borough at significant risk</li> <li>Instalments Policy should be considered for each significant application. The payment plans should take into account the need to pay for Borough-provided infrastructure improvements, need to manage Borough debt and inflow of developer revenue from sales.</li> <li>WBC should make a clear statement on the estimated effect of the proposed CIL level on the infrastructure funding gap to 2026. No strategy or evidence to show which funding opportunities the council will pro-actively pursue</li> </ul>	<p>appropriate to make use of CIL. The Council has revisited its retail rates in light of comments received on the PDCS, but town centre retail remains at zero in line with viability evidence.</p> <p>Noted.</p> <p>Noted.</p> <p>Further detail on the infrastructure list and funding will be published with the Draft Charging Schedule.</p>
Earley Town Council	05	Residential, Retail, General Development, Instalments Policy, General Comments	<ul style="list-style-type: none"> <li>Residential rate seems about right and is supported by evidence.</li> <li>Small scale retail rate is about right.</li> <li>Large retail developments should be subject to a higher levy as will have significant infrastructure implications.</li> <li>CIL rate unlikely to put development at risk due to desirability of the area. This desirability is dependent on infrastructure investment.</li> </ul>	<p>Noted.</p> <p>Noted. There will still be scope to secure certain site-specific infrastructure through legal agreements, including on large retail. The Council has revisited its retail rates for out of town retail in light of comments received on the PDCS.</p> <p>Noted.</p>

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			<ul style="list-style-type: none"> <li>• Instalments should be allowed with interest payable.</li> <li>• Infrastructure must be delivered early.</li> <li>• References to “Wokingham” should be changed to “Wokingham Borough”.</li> <li>• Graphs on Pages 10 and 11 of Viability Study separate Earley and Lower Earley. They are all one place.</li> <li>• CIL rates need to be linked to inflation so that they don’t need to be constantly updated.</li> </ul>	<p>Noted.</p> <p>Noted.</p> <p>Noted.</p> <p>The graphs show local house price variations, for which there are differences between Earley and Lower Earley.</p> <p>CIL rates will be index-linked.</p>
Country Land and Business Association (CLA)	06	General	<ul style="list-style-type: none"> <li>• Supports zero rate on retail and assumes this would apply to diversification of farm buildings (i.e. farm shops, cafes, etc.).</li> <li>• Rural worker dwellings should be considered separately, based on a suitable viability assessment, or classified with affordable housing for CIL purposes and therefore zero-rated for CIL purposes</li> </ul>	<p>CIL will be levied based on the proposed use (not the existing use) and will be based on net increase in floorspace. The rate proposed for town centre retail is zero. No viability evidence, or evidence of actual need for rural worker dwellings, has been provided to substantiate this comment. If such accommodation is provided in a form that meets the definition of affordable housing it would benefit from Social Housing Relief in any event.</p>
The Theatres Trust	07	General	<ul style="list-style-type: none"> <li>• Support a nil rate for ‘All other development types’ as D1, D2 and some sui generis uses (e.g., theatres) often do not generate sufficient income streams to cover their costs. Theatre uses are therefore generally unable to bear the cost of CIL for viability reasons</li> </ul>	<p>Noted.</p>
Guildford Borough Council	08	General	<ul style="list-style-type: none"> <li>• No comment</li> </ul>	<p>Noted.</p>
Dominic Lawson	09	Residential	<ul style="list-style-type: none"> <li>• Client objects to residential charge of £365</li> </ul>	<p>The Council has commissioned</p>

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Bespoke Planning Ltd (on behalf of Gracewell Healthcare)			<p>per sq m to include C2 residential institutions. No justification to support the inclusion of C2 institutions within the proposed charge.</p> <ul style="list-style-type: none"> <li>The council should immediately undertake viability studies into the capacity for C2 uses, including elderly nursing homes, to accommodate a CIL charge.</li> <li>There is an acknowledged need for elderly housing within the Borough. The CIL rate would preclude this delivery.</li> </ul>	<p>additional viability work on accommodation for older people. Subsequently, a lower CIL rate for “C2 and Extra Care Housing” is proposed in the Draft Charging Schedule. This will not prejudice delivery of this form of accommodation.</p>
Bracknell Forest Council	10	Residential, Retail, General Development, Instalments Policy, General Comments	<ul style="list-style-type: none"> <li>Supports WBC’s proposal to adopt a CIL – this will be an important mechanism to fund infrastructure essential to support development</li> <li>Based on the viability work carried out for the BFC CIL, the assumed residential benchmark land value for strategic greenfield sites, at £300,000 per hectare may be an underestimate. This could compromise development viability and housing supply</li> <li>The assumed S106 contribution per dwelling on strategic sites is likely to be an underestimate – this could compromise the delivery of supporting infrastructure</li> <li>WBC’s reliance on CIL to deliver a significant proportion of strategic site-related infrastructure, e.g., schools and community hubs, raises concerns over the ability to deliver the right infrastructure at the right time. This could have an impact on housing supply and/or infrastructure beyond the Borough if infrastructure provision is delayed</li> </ul>	<p>Noted.</p> <p>The Council is not relying solely on the lowest benchmark land value. There is limited available evidence on land values, but what evidence we do have supports our assumptions.</p> <p>The Council has commissioned additional viability work on the Strategic Development Location (SDL) sites, including higher residual S106 assumptions.</p> <p>The Council is strongly committed to development delivery. Our approach to CIL has been informed by detailed legal advice with the aim of reducing the risks to infrastructure delivery.</p>

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			<ul style="list-style-type: none"> <li>The blanket zero retail rate is not justified. Evidence supports a differential rate of £200 per square metre for foodstores. It is clear from the recent CLG consultation on further CIL regulations that there is potential to charge for large stores</li> <li>WBC's infrastructure delivery strategy places a large burden on the council to deliver infrastructure on behalf of developers. This is not considered cost-effective, efficient, or to constitute good planning. It could create uncertainty over the delivery of CIL funded infrastructure with developers having no control over its timing. As CIL money is not ring-fenced, it is unclear how WBC could guarantee the developer that the infrastructure would get delivered at all. This uncertainty could also create problems for developers in securing the finance necessary to take developments forward.</li> <li>Further detail on infrastructure requirements is required, including the list of SDL requirements.</li> <li>Anomalies identified in house price information in Viability Study.</li> <li>Not clear what site specific infrastructure required in addition to CIL. Draft Regulation 123 list not produced.</li> <li>Further information on Section 106 contributions secured should be provided.</li> <li>Core Strategy and SPDs requires developers to commit to Infrastructure Delivery Strategy.</li> </ul>	<p>The Council has revisited its retail rates in light of comments received on the PDCS.</p> <p>The Council is strongly committed to development delivery. Our approach to CIL has been informed by detailed legal advice with the aim of reducing the risks to infrastructure delivery. Developers have been invited to pursue other delivery mechanisms (i.e. Framework Agreements) but these have not been forthcoming.</p> <p>Further detail on the infrastructure list and funding will be published with the Draft Charging Schedule. Noted.</p> <p>Draft Regulation 123 list to be published with Draft Charging Schedule. Further information provided with Draft Charging Schedule. Developers have not been prepared to enter into a legally binding</p>

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			<p>Unclear how this would work with CIL delivery.</p> <ul style="list-style-type: none"> <li>Viability study should include 5% contingency allowance.</li> </ul>	<p>Infrastructure Delivery Plan or other delivery mechanism. This has been included in calculations. Document updated to clarify this.</p>
Shinfield Parish Council	11	General	<ul style="list-style-type: none"> <li>Concern that square metre charge will discourage small and quality builders</li> <li>Clarity over specific health expenditure rather than it being included as part of community facilities</li> <li>CIL can be paid to any delivery agent and not just the local authority</li> <li>Support use of zero tariff to support employment and community uses</li> <li>Question the wording in section 3.11 as CIL and Section 106 are usually mutually exclusive</li> <li>Request a delayed payment structure for residential extensions that qualify for the charge</li> <li>Question whether the charge should apply only to new build properties, though it is noted that 100 sq m is a large area for a residential extension</li> <li>Note that neighbouring authorities such as Reading Borough Council are proposing a CIL figure of £125 per sq m</li> <li>Also note that Reading is proposing to charge</li> </ul>	<p>The Regulations stipulate that rates must be set having regard to viability.</p> <p>Health facilities included on Draft Regulation 123 list.</p> <p>Noted.</p> <p>Noted.</p> <p>There will still be scope to secure certain site-specific infrastructure through legal agreements after CIL is introduced.</p> <p>Draft instalments policy to be published with Draft Charging Schedule.</p> <p>The threshold is set nationally within the Regulations.</p> <p>CIL rates must be set having regard to local viability assessment. Other local authority CIL rates are irrelevant.</p> <p>As above. The Council has revisited its</p>

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			<p>CIL on certain business developments, including foodstores outside the town centre and suggest that WBC looks closely at this proposal and considers a similar proposal in its CIL arrangements</p> <ul style="list-style-type: none"> <li>Note there is a proposal for no levy of CIL payments on affordable housing and we consider this will result in a greater price being paid for open market housing. This could render the purchase price of private housing untenable</li> </ul>	<p>retail rates in light of comments received on the PDCS.</p> <p>CIL relief for affordable housing is set nationally within the Regulations.</p>
Rapleys (on behalf of Bloor Homes and Allied Bakeries)	12	Residential, Retail, General Development, Instalments Policy, General Comments	<ul style="list-style-type: none"> <li>Proposed residential rate is too high and not consistent with evidence. Any CIL charge would represent an additional cost to development and may affect the viability of development sites. The Council must strike a balance between funding arising from CIL and economic viability of development.</li> <li>The Council's proposed rates are higher than elsewhere and therefore will potentially jeopardise viability and deliverability.</li> <li>No comment on proposed retail rate</li> <li>Viability study should have paid regard to the advice of an independent Quantity Surveyor to confirm that the Building Cost Information Service (BCIS) data are both accurate and reasonable</li> </ul> <ul style="list-style-type: none"> <li>Instalments Policy is a necessity and is likely</li> </ul>	<p>No evidence to substantiate this claim has been provided. The proposed residential rate has been informed by viability evidence and has not been set at the margins of viability.</p> <p>CIL rates must be set having regard to local viability assessment. Other local authority CIL rates relate to different land and housing markets, with different viability characteristics. Noted.</p> <p>The use of BCIS indices is a recognised approach in CIL studies. The study uses upper quartile BCIS costs, which are likely to overstate costs for large schemes – large sites of this type achieve economies of scale. The respondent provides no evidence to support their contention that the</p>

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			<p>to assist the viability of new development. The Council's phasing plan for housing development is too rigid and loaded towards the early stage of the construction process. Encourages the council to adopt a more flexible, less arbitrary approach to phasing (based on completion/occupation), which shouldn't be dictated by administrative costs.</p> <ul style="list-style-type: none"> <li>Potential 'double dipping' with both CIL and S106 being used to pay for the same infrastructure provision. The council should make provision so this does not occur.</li> </ul>	<p>costs assumed are inaccurate. The Council has yet to publish a draft Instalments Policy, so it is unclear where the assertion that the policy is "too rigid" has come from. A draft Instalments Policy will be published with the Draft Charging Schedule. The regulations only allow for instalments based on time periods following commencement of development. Draft Regulation 123 list to be published with Draft Charging Schedule.</p>
Peter Hughes, Shinfield Parish Council	13	Residential, Retail, General Development, Instalments Policy	<ul style="list-style-type: none"> <li>Residential rate is too high compared to other local LPAs – this will drive up cost of new homes in Wokingham</li> <li>Doesn't agree with the proposed retail rate – there should be a low charge on commercial properties which benefit from infrastructure. Charge should not solely burden the open market housing</li> <li>Feels the proposed rates will render the open market housing considerably more expensive in Wokingham than in other areas and will put more pressure on three storey properties as developers seek to increase density to meet stringent affordable housing requirements and a high CIL rate</li> <li>Agrees with instalments policy – small developments of 5 – 10 homes should allow instalments. Large developments should put the majority of payments up front to allow for</li> </ul>	<p>CIL rates must be set having regard to local viability assessment.</p> <p>There will still be scope to secure certain site-specific infrastructure through legal agreements, including on commercial uses. The Council has revisited its retail rates in light of comments received on the PDCS. As above. The cumulative impact of all the Council's planning policies, including affordable housing, has been tested within the viability assessment.</p> <p>Noted. A draft Instalments Policy will be published with the Draft Charging Schedule.</p>

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			infrastructure to be in place before development commences	
Westbuild Homes	14	Residential, General Development	<ul style="list-style-type: none"> <li>• There should be different rates for different value areas</li> <li>• The rate for smaller sites should be lower than for SDLs</li> <li>• The rate should be set low enough not to prevent social housing being built, and in line with similar councils in the region</li> <li>• Failure to appreciate that land values have a direct correlation to house prices, regardless of the infrastructure costs over the plan period. As assessment of house prices compared to proposed CILs reveals significant failures</li> <li>• Feel that based on comparable councils and the data they provide, in order to deliver both private and social housing in the plan the rates should be: <ul style="list-style-type: none"> <li>○ £118 psm for the lower market areas such as Earley, Winnersh, Spencers Wood, Woodley, etc</li> <li>○ £280 psm for all SDLs and sites allocated in the Site Allocations DPD</li> <li>○ £150 psm for the higher value areas of the council (Wokingham, Finchampstead, Twyford and villages)</li> <li>○ £118 psm for small sites of less than 10 units regardless of the area</li> </ul> </li> </ul>	<p>The CIL Guidance states that “Charging authorities should use an area-based approach, which involves a broad test of viability across their area as the evidence base to underpin their charge.” CIL is not set on the basis of the burden schemes generate on local infrastructure; rates are set on the basis of what schemes can viably provide, not on the need they generate. The cumulative impact of all the Council’s planning policies, including affordable housing, has been tested within the viability assessment.</p> <p>CIL rates must be set having regard to local viability assessment, which considered a range of sales values. Other local authority CIL rates are irrelevant. No evidence to substantiate the respondent’s proposed CIL rates has been provided (other than reference to other local authorities’ CIL charges).</p>

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Woodley Town Council	15	General	<ul style="list-style-type: none"> <li>Unable to comment on residential rate.</li> <li>Councillors believe that there should be a contribution from retail and other types of development in the range of £0 - £20.</li> <li>Councillors didn't believe that overall development in Wokingham would be put at significant risk by the proposed rates. The viability report findings were that the proposed charges were consistent with existing 106 charges</li> <li>Agree to instalments policy – as long as this works in a similar way to S106 arrangements at present and that the town/parish council will receive its percentage at the same time as instalments are paid by the developer</li> </ul>	<p>Noted. A rate of £0 is proposed for town centre retail and other types of development. The Council has revisited its retail rates in light of comments received on the PDCS. Noted.</p> <p>The CIL Regulations only allow for instalments based on time periods following commencement of development rather than specific development triggers (as is the case with Section 106 arrangements). Regulation 59D sets out the payment periods associated with the neighbourhood funds that are passed directly to parish councils.</p>
Rachel Francis, BBOWT (Berkshire, Buckinghamshire and Oxfordshire Wildlife Trust)	16	General	<ul style="list-style-type: none"> <li>Concerns that when CIL is introduced, there will be significant flexibility in terms of how the council spends CIL monies and the direct link between a development and its contribution to Habitats Regulations mitigation could be lost</li> <li>Measures must be put in place to ensure that Habitats Regulations avoidance and mitigation</li> </ul>	<p>The Council is in ongoing discussions with Natural England the other SPA local authorities to agree a way forward. The expectation is that SANG will still be delivered on-site and secured through S106 on the Strategic Development Location sites within the Borough.</p> <p>Further clarity on this issue will be included in the Draft Charging</p>

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			<p>measures are prioritised in CIL spending or will be secured by other legal mechanisms. Without this, there will be a loss of certainty, accountability and transparency in the delivery of SANG.</p> <ul style="list-style-type: none"> <li>Invites the council to clarify how it proposes to deal with the issue of CIL and SANGs</li> <li>Consideration must also be given to                             <ol style="list-style-type: none"> <li>Whether any instalment policy would affect the ability to provide SANG prior to occupation</li> <li>How to address any issues of exempt or nil chargeable development (such as affordable housing), which would have a likely significant effect on the SPA, coming forward in advance of SANG paid for by chargeable development</li> <li>How CIL will be monitored to demonstrate that development across the Borough is coming forward with the correct amount of SANG necessary quality prior to occupation</li> </ol> </li> </ul>	Schedule.
Finchampstead Parish Council	17	General	<ul style="list-style-type: none"> <li>No comments to make on the schedule</li> <li>Would like to know how long the schedule is fixed for once agreed, i.e. when will a review take place</li> <li>In reference to paragraphs 3.9, 4.4 and 4.8, would like to see and have the opportunity to comment on the schedule of infrastructure at the earliest opportunity</li> </ul>	<p>Noted.</p> <p>The Charging Schedule can be updated at any time, but will be subject to the full consultation and examination process.</p> <p>Noted.</p>

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Blandy & Blandy solicitors	18	General	<ul style="list-style-type: none"> <li>• Sets out some of the issues with the CIL regime that are not covered in the PDCS, including: <ul style="list-style-type: none"> <li>○ Forecasting the revenue derived from the CIL regime and what infrastructure will be funded by CIL payments</li> <li>○ What section 106 obligations there will be in addition to CIL</li> <li>○ How the concept of “in use” for existing buildings should be interpreted</li> <li>○ The extent of the “meaningful proportion” to go to local communities</li> <li>○ Whether or not a Local Planning Authority will grant exceptional relief</li> </ul> </li> <li>• Comments around striking an “appropriate balance” on viability and development. The Council seems to be proposing a CIL rate “as high as possible”.</li> <li>• The council should publish the Regulation 123 List before the EiP.</li> <li>• CIL is non-negotiable, so the only remaining flexibility is affordable housing. Little reference in the PDCS to affordable housing and the need to set a rate that would enable affordable housing to be delivered. Refers to</li> </ul>	<p>Noted.</p> <p>Further detail will be contained in the documents and reports supporting the Draft Charging Schedule.</p> <p>Further detail will be contained in the documents and reports supporting the Draft Charging Schedule.</p> <p>This is covered within the Regulations and the Government has recently consulted on changing the “in use” criteria. The “meaningful proportion” is set out in the Regulations.</p> <p>An exceptions policy can be introduced at any time and is not part of establishing the CIL charging schedule. The documents and reports supporting the Draft Charging Schedule will clarify this.</p> <p>The proposed rates are based on viability as required by the Regulations and have not been set at the margin of viability.</p> <p>A Draft Regulation 123 will be published with the Draft Charging Schedule.</p> <p>The cumulative impact of all the Council’s planning policies, including affordable housing, has been tested within the viability assessment. The viability evidence supports the</p>

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			<p>Mid Devon examination. Suggests possible appropriate way forward is to amend the Affordable Housing Policy.</p> <p>Existing uses values and a competitive return to the landowner must be accounted for.</p> <ul style="list-style-type: none"> <li>Reference should be included to reviewing the Charging Schedule.</li> </ul>	<p>proposed CIL rate AND affordable housing in line with Core Strategy Policy CP5.</p> <p>Noted.</p> <p>The Charging Schedule can be updated at any time and will be subject to the full consultation and examination process.</p>
English Heritage	19	General	<ul style="list-style-type: none"> <li>EH agrees with the council's opinion that the charging schedule is not likely to have any significant environmental impacts and that therefore a SEA is not required</li> <li>Advises that CIL charging authorities identify the ways in which CIL, planning obligations and other funding streams can be used to implement the policies within the Local Plan aimed at achieving the conservation and enhancement of the historic environment, heritage assets and their setting</li> <li>Ask the council to consider whether any heritage-related projects within the borough would be appropriate for CIL funding</li> <li>Need to be aware of the implications of any CIL rate on the viability and effective conservation of the historic environment and heritage assets in development proposals in striking the "appropriate balance" required by the CIL regulations</li> <li>Encouraging local authorities assert their CIL charging schedules their right to offer CIL relief in exceptional circumstances where development which affects heritage assets</li> </ul>	<p>Noted. The Final SEA determination has been published.</p> <p>Noted.</p> <p>We are not aware of any such projects within the Borough that are required to support growth.</p> <p>Noted.</p> <p>An exceptions policy can be introduced at any time and is not part of establishing the CIL charging schedule.</p>

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			and their settings may become unviable if it was subject to CIL	
Swallowfield Parish Council	20	Residential, Retail, General Development, Instalments Policy, General Comments	<ul style="list-style-type: none"> <li>Residential rate is too low – there is a significant funding gap which more than justifies the CIL level proposed. This gap needs to be closed and viability of the new developments is more likely to suffer as a consequence of inadequate infrastructure being in place to support them rather than the developments being priced out of the market as the result of a higher CIL. The CIL tariff must be considered to be mitigation of the impact that development will have on infrastructures which in this case are already near or at capacity.</li> <li>Does not agree with proposed retail rate – feel that food store developments are generally capable of providing a significant contribution and such developments in the SDLs should be required to do so. Will generate more traffic. A differential proportionate charge would seem justified instead of a blanket rate.</li> <li>Greatest risk is that inadequate infrastructure will be provided to support the developments which will then become unsustainable</li> <li>Do not agree with the instalments policy - concerned that the majority of infrastructure to be funded through CIL needs to be in place either ahead of or in the early stages of development of the SDLs because these are completely new communities where the</li> </ul>	<p>The Council accepts that there is a significant infrastructure funding gap, but the Regulations stipulate that CIL rates must be set having regard to viability. CIL is not set on the basis of the burden schemes generate on local infrastructure; rates are set on the basis of what schemes can viably provide, not on the need they generate.</p> <p>There will still be scope to secure certain site-specific infrastructure through legal agreements, including on commercial uses. The Council has revisited its retail rates in light of comments received on the PDCS.</p> <p>Noted.</p> <p>Noted. An instalments policy will assist with the viability of developments to pay CIL.</p>

# Statement of Consultation on Preliminary Draft CIL Charging Schedule (May 2013)



Respondent	Rep Number	Section of CIL PDCS	Summary of Comments	Council Comment & Response
			<p>starting point is essentially no infrastructure and much of the existing infrastructure (e.g., highways) is already strained to breaking point.</p> <ul style="list-style-type: none"> <li>• Welcome the fact that Flood Defences are specifically mentioned in Section 3.6 of the Preliminary Draft Charging Schedule.</li> <li>• Accept that in certain circumstances a payment of CIL might be made by transfer of land (section 3.8), would expect an undertaking from WBC that the full value be made available at the same time as if a money transfer had occurred. Section 3.13 refers to monies only being released at the full rate where a Neighbourhood Plan is in place. Producing such a plan is not a financially viable option for many smaller communities that would be impacted by development. For smaller communities the full level should be payable where a suitable document (e.g., Parish Plan or Village Design Statement) is in place.</li> <li>• In section 4.6 would like to see Flood Mitigation recorded as a line item and an assessment made on the funding shortfall on the infrastructure required.</li> <li>• Section 4.14 is a very weak statement that needs to be strengthened to ensure that WBC will be obligated to provide adequate infrastructure for development it agrees.</li> </ul>	<p>The reference to flood defences in para 3.6 is lifted from the Planning Act 2008 definition of infrastructure and is not specific to Wokingham Borough. The CIL (Amendment) Regulations 2013 cover the arrangements for passing a proportion of CIL receipts to parish/town councils (depending on whether or not there is a neighbourhood plan in place), as well as mechanisms where land has been accepted in lieu of CIL.</p> <p>Flood mitigation is likely to be site-specific and secured through a planning obligation or condition.</p> <p>A detailed list of infrastructure will be published with the Draft Charging Schedule, as will details on other funding sources.</p>
Jeremy Hardman, Ruscombe Parish	21	General	<ul style="list-style-type: none"> <li>• Further clarification needed on how the proposed CIL of £365 per sq m will be</li> </ul>	Detail on the calculation of CIL liability is prescribed within the CIL Regulations

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Council (in a personal capacity)			<p>calculated. 'Internal floor space' is open to misunderstanding. For example:</p> <ul style="list-style-type: none"> <li>○ Does this mean the total of floor space from all floors?</li> <li>○ What allowance is made for low roof space under eaves?</li> <li>○ What about outside floor space (e.g., habitable summerhouse)?</li> <li>○ How might CIL be applied to Affordable Housing?</li> <li>○ Are extensions considered subject to CIL?</li> </ul> <ul style="list-style-type: none"> <li>● To apply CIL to a new, single domestic dwelling (where no S106 contribution is currently sought) will discourage such development, which usually represents a private, family initiative and not a commercial, for-profit development. For this reason, believe that the threshold should be set at a minimum of 2 or more dwellings.</li> </ul>	<p>2010.</p> <p>Affordable housing is subject to 100% social housing relief.</p> <p>The CIL Regulations set the threshold as one dwelling or 100 sq m floorspace (net). The rate will only apply to the net increase in floorspace.</p>
Red Kite Development Consultancy on behalf of several local developers (including Hicks Developments Ltd, Luff Developments Ltd and other local developers with interests in	22	General	<ul style="list-style-type: none"> <li>● Concerned that PDCS consultation happened at same time as MDD DPD examination. Will include new policies which propose additional costs to construction. Fundamental concern that all development costs have not been taken into account adequately</li> <li>● Much emphasis placed on SDLs on greenfield sites. Situation is different for small local developers.</li> <li>● Feels the proposed charging rate of £365 per sq m on all new developments will either: <ul style="list-style-type: none"> <li>○ Eliminate market interest in delivery,</li> </ul> </li> </ul>	<p>The initial findings from the Inspector are that the submission MDD DPD policies are sound. The cumulative impact of all the Council's planning policies, including those proposed in the MDD DPD, has been tested within the CIL viability assessment.</p> <p>The bulk of the development in the Local Plan will come forward on the SDL sites. The viability evidence shows that the proposed CIL rate is viable on small sites across the borough.</p>

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the Borough)			<p>due to excessive additional cost, or</p> <ul style="list-style-type: none"> <li>○ Prevent the delivery of the related affordable housing required on these sites, though substantially reducing viability, or</li> <li>○ Drive up house prices significantly, both for new and second hand properties (there would be a point at which development would not take place if costs of delivery exceeded market appetite)</li> </ul> <ul style="list-style-type: none"> <li>• Feel the different nature of the smaller non-SDL developments have not been taken fully into account when undertaking the viability assessment – a specific rate for non-SDL residential schemes is required to take into account genuine viability</li> <li>• 3 examples of small sites provided to show impact of CIL on profit and affordable housing.</li> <li>• PDCS only refers to residential land uses, and does not distinguish between different C classes. Unclear as to what the council's approach is in relation to care homes/specialist housing. Strong case that a substantially lower or zero rate should be set for specialist accommodation – demographic data demonstrates that specialist accommodation is urgently required in the borough to meet the needs of an ageing population, but unless a dramatically lower or zero CIL rate is applied there will be a major disincentive to provision in the future.</li> </ul>	<p>No evidence to substantiate this claim has been provided. The proposed residential rate has been informed by viability evidence and has not been set at the margins of viability. The viability evidence supports the proposed CIL rate AND affordable housing in line with Core Strategy Policy CP5.</p> <p>The Viability testing has included appropriate assumptions for smaller sites, including brownfield site values and upper quartile BCIS build costs.</p> <p>None of the examples show the impact of CIL on land value as is intended. The Council has commissioned additional viability work on accommodation for older people. Subsequently, a lower CIL rate for “Residential Institutions and Extra Care Housing” is proposed in the Draft Charging Schedule. This will support delivery of this form of accommodation.</p>

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			<ul style="list-style-type: none"> <li>• Longer payback period should be set for Build to Rent/long term residential rental development.</li> <li>• Queries the estimated projected CIL income and funding gap. Based on SHLAA, believe CIL income would be nearer £2.3m and funding gap £37m.</li> <li>• WBC needs to produce a detailed Infrastructure Delivery Plan as the evidence base for CIL charging</li> <li>• Unrealistic in the current market for the Council to adopt CIL charging rates which effectively increase all local house prices, block delivery or fail to deliver affordable housing</li> <li>• Wokingham Borough does not display exceptional features in the wider housing market area – the top and median of the range of residential values are higher in other areas locally. Small developers have the ability to up sticks and move delivery to another LPA if costs in one are prohibitive</li> <li>• No sound, up to date evidence base on which to demonstrate the need for charges to be set at the rate proposed</li> </ul>	<p>No evidence has been provided to substantiate the need for this.</p> <p>Further detail on projected CIL income will be published with the Draft Charging Schedule.</p> <p>Further detail on the infrastructure list and a Draft Regulation 123 list will be published with the Draft Charging Schedule.</p> <p>The proposed CIL rates have been informed by robust viability evidence, including affordable housing.</p> <p>CIL rates must be set at a level that will not stifle overall development and the Council's viability evidence supports this.</p> <p>The proposed CIL rates are based on recent viability assessment.</p>
South Oxfordshire District Council	23	Residential, Retail, General Development, Instalments Policy	<ul style="list-style-type: none"> <li>• Residential rate is consistent with the evidence.</li> <li>• Agrees with the proposed retail rate – it would be useful if additional information was available on the rationale for selecting the lowest suggested rate in the viability report</li> </ul>	<p>Noted.</p> <p>Noted.</p>

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			<ul style="list-style-type: none"> <li>The proposed residential rate appears high compared to adopted rates outside of London. The rate is however consistent with the published viability assessment and as such should not place development at risk</li> <li>Agrees with the instalment policy – the proposed rate is significant for residential development. It is noted that the expected payments per unit are expected to be less than the current S106 demands. S106 payments would presumably however be phased payments. The absence of an instalments policy could create a prohibitive barrier to strategic development requiring early payment</li> </ul>	<p>Noted.</p> <p>Draft instalments policy to be published with Draft Charging Schedule.</p>
Environment Agency	24	General	<ul style="list-style-type: none"> <li>No comments in regards to the rate of the proposed charges</li> <li>With regards to the Regulation 123 list, would like to work with WBC to compile the list and progress environmental infrastructure projects, including Heath Lake SSSI, Kingsmere Lake, Emm Brook and St Patrick's Stream.</li> <li>Reference is made throughout the Core Strategy to improvements to the sewage network capacity. CIL money will aide with these improvements. The Local Authority should liaise with Thames Water at the earliest possible opportunity to determine where and when any improvements are to be made, the form they will take and how they will be implemented. We would require that</li> </ul>	<p>Noted.</p> <p>Further detail on the infrastructure list and a Draft Regulation 123 list will be published with the Draft Charging Schedule.</p> <p>Noted.</p>

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			<p>sufficient sewage network capacity (including treatment) exist for any new development prior to construction/occupation.</p> <ul style="list-style-type: none"> <li>• Not aware of any flood defence schemes planned in Wokingham Borough. No cost effective options for flood schemes on Emm Brook and Lower Loddon identified in pre-feasibility studies, but would still advise WBC discuss with drainage engineers.</li> <li>• Environmental infrastructure is key infrastructure to support existing and new communities. Funding for environmental infrastructure projects will ensure that Wokingham is supporting future growth, protecting its communities from flooding, protecting and enhancing water quality and water resources in the Borough, enhancing biodiversity and habitats, and helping to deal with climate change issues</li> </ul>	<p>Noted</p> <p>Noted</p>
Gladman Developments Limited	25	General	<ul style="list-style-type: none"> <li>• Commissioned Carter Jonas to analyse CIL Preliminary Draft Charging Schedule (their assessment also submitted).</li> <li>• Councils must set their CIL rate at a level that allows development to come forward and so that Local Plan is delivered (in conformity with NPPF).</li> <li>• Councils must show an infrastructure need and funding gap (not an unrealistic wish list). Councils must take into account every possible income streams, including statutory undertaker asset management plans. Infrastructure needs should be drawn from</li> </ul>	<p>Noted.</p> <p>CIL rates must be set at a level that will not stifle overall development and the Council's viability evidence supports this.</p> <p>Further detail on the infrastructure list and a Draft Regulation 123 list will be published with the Draft Charging Schedule. This is based on Appendix 7 of the Council's Core Strategy.</p>

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			<p>infrastructure planning that underpins Development Plans and should distinguish between new and existing demands. The Council needs to have a full understanding of costs.</p> <ul style="list-style-type: none"> <li>• Councils can set differential rates (supported by viability evidence) for different geographical areas and intended uses. Local planning authorities have an obligation to consult at various stages of the CIL preparation process and the Council must appoint an independent examiner with appropriate qualifications and experience.</li> <li>• Urge council to adopt an instalments policy for CIL payments as this will give developers the flexibility to pay contributions in line with development phasing schemes and will facilitate cash flow and therefore development viability</li> <li>• CIL rates will need to be reviewed over plan period.</li> </ul> <p><b>Carter Jonas Report:</b></p> <ul style="list-style-type: none"> <li>• The level of tariff currently proposed has been incorrectly assessed, and if implemented without modification would have a significant adverse impact on the delivery of new housing (including affordable housing)</li> <li>• Rate is higher than elsewhere in South East. Council relies on Section 106 contributions secured on the SDLs. No evidence or</li> </ul>	<p>Noted. The Council is fully aware of, and complying with, all of these regulatory requirements.</p> <p>Noted. A draft Instalments Policy will be published with the Draft Charging Schedule.</p> <p>The Charging Schedule can be updated at any time and will be subject to the full consultation and examination process.</p> <p>The Council disagrees with this point. The proposed CIL rate is based on robust viability evidence.</p> <p>CIL rates must be set having regard to local viability assessment. Further information on Section 106</p>

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			<p>information presented on the S106 contributions secured on other sites in the Borough, outside of the SDLs.</p> <ul style="list-style-type: none"> <li>• WBC should adopt at least a two tier rate for residential development, with the SDLs set at one level, and other development locations set at a lower rate</li> <li>• Copies of the various viability appraisals have not been included – makes it difficult to analyse the methodology and relevant assumptions. Would be helpful if this could be made available at the next consultation stage of CIL</li> <li>• Suggest that GL Hearn is applying a gross acreage rate to net development areas and that the scheme densities appraised are too high. Furthermore, there is a market trend towards 2, 3 and 4 bedroom 2-storey houses at lower densities (research shows 23.15 dwellings per gross hectare). Research should be undertaken on actual densities in the Borough.</li> <li>• GL Hearn used 35%/40% affordable housing requirement and assumed value of £1,722 psm, which is considered reasonable. Concern in relation to how the assumptions used in the GL Hearn work fit with those made in the Affordable Housing Viability Study for the Core Strategy. This assumed S106 costs of £18,000 to £23,000. The proposed flat rate will increase the development costs on many sites meaning that the delivery of affordable</li> </ul>	<p>contributions secured will be provided with Draft Charging Schedule. However, the basis for CIL rates is the viability of development, which is an entirely different basis of calculation than S106. The Council has commissioned additional viability work on the Strategic Development Location (SDL) sites. This would inform differential rates for the SDLs (higher or lower). The Council believes that it has published sufficient viability evidence to justify its proposed CIL rates. We believe that our approach is consistent with the majority of other CIL studies. Sensitivity testing at 30 dph has been undertaken and this still supports the proposed CIL rate.</p> <p>Noted. The Affordable Housing Viability Study was undertaken in 2008 (updated in 2009). The CIL viability study is the most up-to-date viability assessment and shows that the proposed CIL rate is viable along with 35-40% affordable housing.</p>

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			<p>housing is likely to suffer.</p> <ul style="list-style-type: none"> <li>• GL Hearn have modelled four value points from £275-£403 per sq ft. Given that most of the housing to be delivered in the borough is in the SDLs, the view is that the weighting should be focused on value point 4 (£275 psf) or lower (as in Shinfield appeal decision).</li> <li>• The allowance of £1000 per dwelling for S278 contributions and any residual S106 contributions is considered to be low</li> <li>• For greenfield sites, VTLP (Viability Testing Local Plans) advice recommends the use of benchmarks based on local market evidence and typical minimum price provisions used in developer/site promoter agreements involving similar sites. No such evidence is provided in the GL Hearn viability report. Inspector at Shinfield appeal agreed £250k per acre on core area and £25k per acre on urban fringe areas. Examples also given for Horsham and Oxfordshire. A more appropriate range is £250-300k per net developable acre.</li> <li>• Marketing fees – the 1% figure for the 500 and 100 unit schemes is considered to be on the low side, although there will be economies of scale, particularly on the 500 unit scheme</li> <li>• The comparables information provided at Appendix 5 of the viability report makes no allowance or reference to needing to discount from the marketing price. A 10% discount would be a reasonable assumption.</li> <li>• Whilst the minimum developer return will vary</li> </ul>	<p>The range of sales values used in the viability study is considered appropriate. The Council has and will continue to track new build sales values across the Borough, which confirms values significantly above that reviewed as part of the Shinfield appeal. The Council has commissioned additional viability work on the Strategic Development Location (SDL) sites, including higher residual S106 assumptions. Our appraisals adopt thresholds of £300,000, £500,000 and £1.5m per hectare, which we believe are reasonable assumptions based on the limited information provided to us. We have not seen any evidence of prices written into option contracts within the Borough and these could, in any case, be renegotiated to reflect the introduction of CIL. We believe that our approach is consistent with the majority of other CIL studies.</p> <p>The Council is regularly tracking new build sales values to ensure that the sale values used in the viability study are appropriate.</p> <p>The blended 17.5% of GDV figure used</p>

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			<p>between house builders at any one time depending on their own particular circumstances, there is a much closer degree of consistency with traditional bank funders' minimum requirements. For a standard build, the minimum return has been on average 20% of Gross Development Value (for the last two to three years).</p> <ul style="list-style-type: none"> <li>Table 1 in the viability report makes no reference to build cost contingency provision. This should be included at a minimum of 5%.</li> <li>Page 24 summary table incorrectly orders BLV references.</li> </ul>	<p>in the Council's viability study broadly equates to 20% private/6% affordable housing return and is consistent with CIL viability studies elsewhere.</p> <p>A 5% contingency has been included in the viability study.</p> <p>Noted. This error has been corrected.</p>
Savills and Pinsent Masons (on behalf of the SDL Consortia Group)	26	General	<ul style="list-style-type: none"> <li>Concerns over: <ul style="list-style-type: none"> <li>the necessity of seeking to secure S106 framework agreements before the grant of planning consent, effectively in return for lower CIL rates</li> <li>Residential rate proposed for CIL of £365 per sq m which is neither justified by evidence of economic viability nor the required 'site specific' infrastructure contributions/provision, as planned through the Core Strategy and subsequent infrastructure delivery plans</li> </ul> </li> <li>Recommends the CIL process is paused due to Government consultation (April 2013) on proposed CIL Regulatory Reforms.</li> <li>The SDL Consortia Group considers that a lower rate of residential CIL for the SDLs (less than 50% of proposed rate) is justified owing</li> </ul>	<p>The Council must set its CIL rate having regard to local viability evidence. The Council cannot set a lower rate for the SDLs without this. The Council could reasonably include higher Section 106 assumptions for the SDLs where these have been secured (i.e. through a Framework Agreement). The proposed residential rate of £365 psm is based on robust and up-to-date viability evidence.</p> <p>Noted.</p> <p>The Council has commissioned additional viability work on the Strategic Development Location (SDL) sites,</p>

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			<p>to the increased cost burdens of specific mitigation/strategic infrastructure delivery, which given the scale of the SDLs is effectively 'site specific' (dependent on the formation of the CIL Regulation 123 list).</p> <ul style="list-style-type: none"> <li>The evidence supporting CIL must clearly outline the key infrastructure projects required to support development. An analysis for three of the four SDLs has been provided suggesting residual mitigation/S106 costs averaging £17,830 per dwelling (mid-points). This differs considerably from £1,000 allowed for in the viability study.</li> <li>The Council is required to publish information on historic s106 agreements and affordable housing delivery. The proposed CIL rate (plus residual S106) marks a notable jump in infrastructure burdens to circa £38,500 per dwelling. SDL viability work by Levvels in 2010 for the Core Strategy outlined figures ranging from £27,183 to £33,372 per dwelling. There will also be enabling costs.</li> <li>The Consortia Group were presented with a Position Statement on 28<sup>th</sup> March in respect of the use of planning obligations and conditions, setting out the Council's preference for a Framework Agreement. The Consortia Group feels that developer-led delivery of scheme mitigation supported by proportionate CIL is possible without a Framework Agreement and it would not be realistic to agree to it within the timescale. WBC's preferred approach will be</li> </ul>	<p>including higher residual S106 assumptions that reflect these site-specific requirements reviewed with the consortia.</p> <p>Further detail on the infrastructure list and funding and the Draft Regulation 123 list will be published with the Draft Charging Schedule. The SDL specific modelling will include higher residual Section 106 assumptions, but the Council does not agree with the level quoted in the representation. Further information on Section 106 contributions secured will be provided with Draft Charging Schedule. However, the basis for CIL rates is the viability of development, which is an entirely different basis of calculation than S106. The combined cost of CIL and residual S106 is still in the order of the Levvel Report figures. Noted. The Council is disappointed that the SDL Consortia Group has not been willing to explore the application of Framework Agreements further. There is no certainty that the Government will proceed with works in lieu of CIL in a manner that is workable.</p>

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			<p>unnecessary and inappropriate if the Government's proposal to allow infrastructure works in kind to offset CIL liability is enacted.</p> <ul style="list-style-type: none"> <li>• The Consortia Group have a number of concerns with the GL Hearn Viability Report, including: <ul style="list-style-type: none"> <li>○ Sales values on the SDLs will subject to volume pricing ranging from £280 to £300 per sq ft. Suggests a weighted average of £291 per sq ft.</li> <li>○ Benchmark land values not supported by factual evidence from land agents or developers.</li> <li>○ Typographical error on page 24 of viability report with BLVs.</li> <li>○ GL Hearn has not tested a typology similar to an SDL of at least 2,000 dwellings.</li> <li>○ Simplistic approach used to value affordable housing. Variable values should be applied based on tenure and value point.</li> <li>○ £1,000 per dwelling residual Section 106 is too low. Suggest average S106 cost on SDLs will be £17,800 per dwelling.</li> <li>○ A generic £5,000 assumption for Code for Sustainable Homes is too low. CLG guidance equates to 6-8% of build costs. Based on 7%, this averages £6,650 per dwelling. This assumption should be reflected as a % of build</li> </ul> </li> </ul>	<p>The sales values quoted all fall within the range tested (between value point 3 and 4).</p> <p>The Council has requested BLV/option agreement information on a number of occasions, but land agents/developers have not been willing to disclose these details. The appraisal has therefore had to focus on best practice assumptions as appropriate and available evidence. The BLV labelling error has been corrected.</p> <p>The Council has commissioned additional viability work on the Strategic Development Location (SDL) sites. The Council is confident in its affordable housing assumptions.</p> <p>The SDL modelling includes higher residual S106 assumptions.</p> <p>The Council is confident in its assumptions for Code for Sustainable Homes and externals, based on local evidence.</p>

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			<p>cost.</p> <ul style="list-style-type: none"> <li>○ The 15% externals figure is underestimated as it is based on an unrealistic build cost figure as a result of the Code for Sustainable Homes undervalue.</li> <li>○ On top of site mitigation/residual S106, an allowance of £17,000 - £23,000 per dwelling should be allowed for enabling costs in line with Viability Testing for Local Plans document.</li> <li>○ No allowance included for site promotion and site abnormalities.</li> <li>○ The net land take on strategic sites can be as low as 40% of gross land take. No adjustment has been made for this.</li> <li>○ The minimum acceptable profit margin for the SDL Consortia Group is 20% GDV. It could be higher still for smaller, higher risk sites.</li> <li>○ A contingency of 5% should be included.</li> <li>○ CIL should not be set at the margin of viability. Would like to see evidence of a viability buffer.</li> </ul> <ul style="list-style-type: none"> <li>● Given the above concerns, Savills produced alternative viability appraisals for 500 dwellings (Scenario 1). The combined effect is a reduction in the residual land value of 67.6%. Further allowance would be required for net to gross land take. At these levels,</li> </ul>	<p>As above. The Council does not agree with this point.</p> <p>An appropriate assumption around enabling costs has been included in the SDL modelling.</p> <p>No information has been provided on site abnormalities for the SDLs. The SDL specific modelling has been based on lower density assumptions.</p> <p>The blended 17.5% of GDV figure used in the Council's viability study broadly equates to 20% private/6% affordable housing return and is consistent with CIL viability studies elsewhere. A 5% contingency has been included in the viability study.</p> <p>The proposed residential rate has been informed by viability evidence and has not been set at the margins of viability. The Council does not agree with the assumptions used by Savills. The Council has commissioned its own SDL modelling.</p>

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			<p>unlikely to generate reasonable returns to a willing landowner.</p> <ul style="list-style-type: none"> <li>• Prior to the examination, would welcome information on how to calculate the relevant “chargeable development”/level of CIL, liability to pay CIL/appeals process, instalments policy, approach to payments in kind and exceptional circumstances relief. Accept that this guidance is not tested at the examination.</li> <li>• Charging schedule should be clear that double counting of CIL and Section 106 contributions is not permitted in law.</li> <li>• The CIL Charging Schedule should be reviewed every 2-3 years.</li> </ul>	<p>The Council intends to provide some additional guidance prior to the examination, although it is under no regulatory obligation to do so.</p> <p>Noted.</p> <p>The Charging Schedule can be reviewed and updated at any time.</p>
The Planning Bureau (on behalf of McCarthy and Stone Retirement Lifestyles Ltd)	27	General	<ul style="list-style-type: none"> <li>• The effect of CIL will be to constrain land supply. Retirement development tends to be sited in close proximity to town and local centres where there is a high existing use value.</li> <li>• Important that the emerging CIL rate accurately assess the development of specialist accommodation for the elderly in Wokingham – demographic profile is expected to age, with the proportion of the population aged 65 and over increasing from 13.57% to 19.9% between 2008 and 2033. The largest proportional increases in the older population is expected to be of the ‘frail’ elderly, those aged 75 and over, who are more likely to require specialist care and accommodation.</li> <li>• The Council’s Core Strategy (policies CP2 and CP5) addresses the need for</li> </ul>	<p>Noted.</p> <p>The Council is committed to meeting the accommodation needs of older people and is fully aware of the Borough’s demographic profile.</p> <p>Noted. Policy TB09 of the Submitted Managing Development Delivery DPD</p>

## Statement of Consultation on Preliminary Draft CIL Charging Schedule (May 2013)



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			<p>development of specialist accommodation for the elderly. It is therefore important that CIL does not prohibit this form of development from coming forward and threaten delivery of the Development Plan.</p> <ul style="list-style-type: none"> <li>• The Council is proposing a uniform CIL rate for residential development, which does not differentiate for accommodation for the elderly.</li> <li>• Viability assessment does not appear to include a development scenario for sheltered housing – crucial element of the CIL viability appraisal will be to ensure that the baseline land value against which the viability of the retirement should be assessed against both likely existing site values and of potential alternative uses.</li> <li>• The viability assessment should provide a development scenario for a typical flatted retirement housing scheme, located on a previously developed site within 0.4 miles of a town centre</li> <li>• In comparison to open market, flats the communal areas in specialist accommodation for the elderly are considerably larger in size, fulfil a more important function and are accordingly built to a higher spec. Typically an open market flatted residential development will provide 16% non-saleable floorspace, whereas this increases to approximately 30% for sheltered</li> </ul>	<p>expands on the Council’s approach to meeting the housing needs of vulnerable groups, with an emphasis on the provision of extra care housing and enhanced sheltered housing.</p> <p>The Council has commissioned additional viability work on accommodation for older people to inform whether a differential rate is necessary. Subsequently, a lower CIL rate for “Residential Institutions and Extra Care Housing” is proposed in the Draft Charging Schedule.</p> <p>The viability appraisal has considered three benchmark land values as it is likely that some specialist accommodation will come forward on the SDLs.</p> <p>The viability assessment has considered an enhanced sheltered housing scheme (30 units), an extra care housing scheme (60 units with and without affordable housing) and a care home (60 beds).</p> <p>The viability assessment has taken into account the communal areas required in the above scheme typologies.</p>

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			<p>accommodation and 35% for extra care accommodation.</p> <ul style="list-style-type: none"> <li>• The sales rate of retirement housing is longer than typical housing development (can be up to 3-4 years). Typical sales and marketing fees for specialist accommodation for the elderly are typically in excess of 6% of GDV, not the conservative 1% in the viability assessment.</li> <li>• Empty property costs (typically £200,000) have to be factored in for retirement housing.</li> <li>• The build costs for sheltered housing are higher than general needs housing - typically in the region of 5% more expensive to construct than apartments and generally between 15 to 20% more expensive than estate housing. No analysis of the build costs for sheltered accommodation is provided in the viability study.</li> <li>• Developer returns of 17.5% GDV proposed by the Council would not provide sufficient incentive for developer of specialist accommodation.</li> <li>• Would welcome flexibility in the timing of CIL payments as on commencement would introduce an additional financial cost impacting on the viability of the development. This is compounded for specialist accommodation. It should be phased by occupation levels with the earliest payment upon first occupation.</li> <li>• Suggest either a bespoke CIL rate is prepared</li> </ul>	<p>The viability assessment has taken into account the longer sales periods associated with specialist accommodation.</p> <p>The viability assessment has included an allowance for empty property costs. The viability assessment has applied the appropriate BCIS build costs for this type of accommodation.</p> <p>The blended 17.5% of GDV figure used in the Council's viability study broadly equates to 20% private/6% affordable housing return and is consistent with CIL viability studies elsewhere. Draft instalments policy to be published with Draft Charging Schedule. The regulations only allow for instalments based on time periods following commencement of development.</p> <p>A lower CIL rate for "Residential</p>

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			for sheltered housing and other forms of specialist accommodation, or that the CIL levy is restricted to the saleable areas of these forms of development	Institutions and and Extra Care Housing” is proposed in the Draft Charging Schedule taking account of additional detailed viability assessment.
Highways Agency	28	General	<ul style="list-style-type: none"> <li>No comment to make at this time</li> </ul>	Noted.