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Alfred Yeatman
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Dear Sir/Madam

On behalf of our client, CALA Homes, please find attached representations on the CIL Submission Charing Schedule Consultation.

Your confirmation that these representations have been received would be appreciated. We request to be kept informed regarding the future progress of these policy documents.

Please contact Martin Taylor or me should you have any questions.

Kind regards

Alfie

Alfred Yeatman
Planner
Nathaniel Lichfield & Partners, 14 Regent's Wharf, All Saints Street, London N1 9RL
[REDACTED]

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<http://twitter.com/#!/nlpplanning> <http://www.linkedin.com/company/nathaniel-lichfield-and-partners>

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Community Infrastructure Levy Submission Charging Schedule Comment Form



The Community Infrastructure Levy (CIL) - Submission Charging Schedule Consultation is available at www.stratford.gov.uk/CIL2015

Please use the form to make comments on any part of the consultation document.

Please read the consultation document carefully before commenting on this form.

You can respond to this consultation electronically via the above web address.

Please complete this form using black ink. If you require more space please continue on a separate sheet.

Put your contact details in the box(es) below – please use BLOCK CAPITALS

Person(s) or Organisation Submitting Comments		Agent (if applicable)	
Name	Mr Reuben Bellamy	Name	Mr Martin Taylor
Organisation (if applicable)	CALA Homes (Midlands) Ltd	Organisation	Nathaniel Lichfield & Partners
Address	CALA House Arleston Way Solihull B90 4LH	Address	14 Regents Wharf All Saints Street London N1 9RL
Tel No.		Tel No.	
Email		Email	

If you are using an Agent, future correspondence will be sent to them unless informed otherwise.

Please note that responses cannot be treated as confidential.

Date

Forms should be returned by **5.00pm on Friday 13 November 2015**

By email to planning.policy@stratford-dc.gov.uk or,
post to FREEPOST RSLH – ZYKJ – TYAZ, Stratford on Avon DC, PO BOX 5341, Stratford upon Avon, CV37 1LE

Please note that your response will be published on the District Council's website. However, this will exclude the postal address, telephone number and email address of individual respondents. The details of respondents will only be retained by the District Council for the purposes of Core Strategy/CIL preparation and consultation and will not be used for any other purpose.

Please note that only the CIL Submission Charging Schedule itself will be submitted to an independent examiner following this consultation.

Notification of subsequent stages of the Community Infrastructure Levy (CIL)			
Please specify if you wish to be notified of any of the following:			
Submission of the CIL Submission Charging Schedule for independent examination	Yes	<input checked="" type="checkbox"/>	No <input type="checkbox"/>
Publication of the recommendations of the person appointed to carry out an independent examination of the Submission Charging Schedule	Yes	<input checked="" type="checkbox"/>	No <input type="checkbox"/>
Adoption of the Community Infrastructure Levy	Yes	<input checked="" type="checkbox"/>	No <input type="checkbox"/>

Please make comments on the CIL Submission Charging Schedule consultation document below stating (if applicable) which section you are commenting on:

Our client, CALA Homes (CALA), currently objects to the proposed CIL Submission Charging Schedule and Submission Regulation 123 list. Our concerns are set out as follows.

CALA is promoting Long Marston Airfield (LMA) as a location for a 3,500 dwelling mixed use community, with supporting employment, local centre, school, community facilities and open space. LMA is a largely underutilised previously developed (brownfield) site approximately 3 miles south of Stratford-upon-Avon. The emerging Core Strategy allocates LMA for such development. An outline planning application for 400 dwellings represents the 'first phase' of this development and is due to be determined at committee on 26 November 2015.

The Submission Charging Schedule sets out proposed CIL rates in Table 1 and is intended to be adopted alongside the Core Strategy in June 2016. The Schedule includes rates (per sq m) for residential (£75) and retail (£10) development at LMA. Given the above context, it is likely that 2,015 dwellings would be liable to this rate (3,100 dwellings to be delivered following adoption with 35% affordable housing). Assuming an average dwelling size of 90 sq m (See SDC CIL Economic Viability Study SCS Sept 2015 para 8.2.3) this will equate to c. £13.6 million. This figure is on top of a proposed scheme infrastructure package of c. £83.2million (as detailed in email to Council dated 21 August 2015) to be delivered by s106, s278 and other mechanisms.

As defined in the Planning Act 2008, charging authorities should show, using appropriate available evidence, that their proposed charging rates will contribute positively towards and not threaten delivery of the relevant Plan. Whilst CALA agrees with the principle of applying a district rate with the exception of strategic sites and wholly accepts the premise and principle of a CIL rate specific to LMA, it is not considered there is a clear and appropriate justification in respect of the proposed residential rate at LMA (£75).

Further detail and clarification requests are provided below.

Infrastructure Delivery Plan (IDP)

At the outset it must be noted that the Council's Infrastructure Delivery Plan for LMA has not yet been published and has not been available alongside this consultation. This is despite the Draft Reg123 list cross referencing the IDP in respect of LMA. CALA understands that the Infrastructure Delivery Plan is being updated to include details on the LMA scheme. On this basis CALA withholds judgement and will seek to comment on this document when it is published which we trust will be in reasonable time in advance of the Examination of the Charging Schedule. By way of example, clarification is sought on which elements of the LMA scheme would be delivered under CIL or s106, s278 and other mechanisms. This is of particular importance in ensuring that there is no potential for "double counting" in relation to what is sought through CIL receipts and what is sought through s106 in relation to the LMA site. In particular, what is intended to be provided under "Public transport investments, pedestrian and cycle links where not part of a site specific development/mitigation package" for CIL in respect of LMA (or if for LMA all are assumed 'site specific'). Examples of this could potentially include works to the Stratford Greenway and any Bus Contributions, which, if assumed as coming via CIL within the viability evidence, will lead to a different level of viability than if assumed as being achieved through s106.

This is currently entirely unclear for the specific case of LMA as a strategic site and prevents CALA homes from properly reviewing and understanding the implications of the CIL rate for the scheme. The Council is currently relying upon an evidence base that simply has not been made available for external review.

CIL Preliminary Draft Charging Schedule (October 2013)

Within the Preliminary Draft Charging Schedule (October 2013) LMA was considered alongside Long Marston Estate and calculated to be subject of a proposed rate of £60 per sq m. This figure was based upon an Economic Viability Assessment published (September 2013), Assessment of Potential New Settlements and SUE (June 2013) and Draft Infrastructure Delivery Plan (October 2013).

Regulation 123 List

A Regulation 123 List was not published with the Preliminary Draft stage of consultation. It is not clear whether the now higher proposed CIL rate would in actuality result in the delivery of greater levels of infrastructure on this list than that assumed in October 2013. Notwithstanding, the actual delivery of infrastructure required to support LMA has remained largely the same over this period.

Planning Practice Guidance dictates that local authorities must spend the moneys generated by CIL on infrastructure needed to support the development of their area. A review of the Submission Regulation 123 List suggests the following items will be applicable to the LMA scheme (with all others being explicitly excluded for LMA):

1. Stratford Transport Package (items 1-14 on Infrastructure Delivery Plan) and Warwick Road Dynamic Signage;
2. Public transport investments, pedestrian and cycle links where not part of a site specific development/mitigation package (subject to our above comment)
3. Flood Alleviation;
4. Low carbon energy projects; and
5. High Speed Broadband.

Given the estimated cost of the Stratford Transport Package amounts to c.£11m and costs associated with the other items either may be “double counted” with s106/s278 for LMA or be otherwise modest, it would appear that LMA would pay a disproportionate amount to fund these items, which means that in combination with CIL from other developments across the District, these items would be ‘overfunded’ (i.e. the LMA rate would lead to infrastructure delivery over specified for the purposes of just supporting the LMA strategic site). Again the publication of an IDP for LMA may have made such matters clearer.

Economic Viability Study

The Economic Viability Study (September 2015) underpins the Submission Charging Schedule. Within paragraph 6.2.19 the £75 per sq m rate is recommended by applying a 40% ‘buffer’. This is lower than the buffer applied to schemes of 0 to 10 units (60%) and 11 to 199 units (50%), despite the relative risks surrounding strategic sites (and particularly brownfield strategic sites such as LMA with higher infrastructure costs).

Paragraph 173 of the National Planning Policy Framework (March 2012) requires that sites identified within development plans are not subjected to a scale of obligations and policy burdens that their ability to be developed viably is threatened. Although CALA is confident that the delivery of LMA is a viable prospect and deliverable, the scale and nature of the proposal means it is integral to the delivery of the emerging Core Strategy and the meeting of development needs within the District. It is therefore imperative that the CIL rate is set at a level for LMA which would not prejudice it coming forward. It is also important to note the following factors:

1. Whilst allowance has been made for likely abnormal and contingency costs within the viability calculation, there may still be unknown or hidden costs associated with a development of this scale on a brownfield site. It is important that any viability buffer is not drawn too tightly;
2. Generic assessments of viability have a significant margin of error; and
3. Costs and values are likely to fluctuate over time.

In addition, paragraph 6.2.19 of the Economic Viability Study (September 2015) demonstrates that the authors are tentative with their suggested rate in respect of LMA and states that “*the Council may wish to be more cautious on these large sites given their importance in delivering the plan.*” It is unclear what consideration the Council has given

to this advice. CIL Regulations requires charging authorities to “show and explain” how a proposed rate will support development, the regulations are not being adhered to in this regard.

In relation to the above, there is no clear explanation as to why the rate has been increased from the Preliminary Draft Charging Schedule; particularly as the proposed delivery of infrastructure is expected to remain the same.

Given the above it is considered that the proposed CIL rate provides undue risk on the viability of the LMA scheme, particularly if CIL is not being used to fund public transport, pedestrian and cycling improvements for LMA (which will instead also come through s106/s278). It is therefore at odds with Planning Practice Guidance which states that charging authorities should apply a reasonable rate and avoid setting a charge right up to the margin of economic viability. In all cases, the charging authority should be able to explain its approach clearly.

In advance of seeing the IDP, CALA consider that a lower rate would more be appropriate for LMA, set within the range of £65-70 per sq m. This would ensure that the viability of development proposals will not be undermined, CIL will be collected and housing infrastructure provided.


Summary & Conclusions

Our primary concerns with draft CIL Charging Schedule are summarised out as follows:

- a) The associated Infrastructure Delivery Plan for LMA has not been published alongside this consultation. Therefore CALA has been wholly unable to understand which items of infrastructure related to the LMA site are to be funded via CIL and to ensure there is no double counting; this evidence necessary to support the rate is simply not currently available;
- b) No rationale has been given as to why between the preliminary draft charging schedule in October 2013 and the current proposed charging schedule has increased the rate applicable to LMA from £60 to £75 per sq m. The infrastructure requirements from LMA have not substantially changed in this period;
- c) The Economic Viability Study indicates the “Council may wish to be more cautious” than the concluded £75 rate, albeit the Council has not shown or explained why £75 is appropriate in light of the recommendations within this report.

Based upon the information available, it is considered that a lower rate would be appropriate for LMA, set within the range of £65-70 per sq m. This is considered to particularly be the case if public transport investments for LMA are deemed to be “site specific” and therefore fall outside of this CIL rate.

Do you wish to express an interest to participate in the Examination?	
Yes, I wish to participate at the oral Examination	<input checked="" type="checkbox"/>
No, I do not wish to participate at the oral Examination	<input type="checkbox"/>

Declaration	
I understand that all representations submitted will be made available for public inspection and will be identifiable to my name and organisation (if applicable).	
Signature: 	Date: 13 November 2015