

Leeds City Council Responses to Representations on the Preliminary Draft Charging Schedule

August 2013

Summary of Specific Comment	Representor	LCC Response
CONSULTATION		
Further public consultation must be carried out before any proposals are progressed to further stages as the PDCS is based on superseded guidance.	Sanderson Associates	Revised guidance was published during the PDCS consultation period and the Leeds CIL will be in compliance with it going forwards to Draft stage. However, it is not appropriate to 'retro-fit' the PDCS to it or to re-consult on the PDCS.
Need to make clear the supporting documentation for input/comment such as approach to payments in kind, further guidance etc.	Home Builders Federation Consortium, Land Securities	Relevant guidance and information will be published alongside the DCS.
Previous stakeholder event excluded communities with no front loading with local councils.	Resident - G Hall	The EVS has to be based on viability evidence. Therefore the stakeholder event was to discuss technical viability assumptions and required qualified experts to attend who could provide appropriate comments based on their work experience and professional qualifications. It would not have been appropriate to consult with community groups in relation to the production of this technical viability evidence. The PDCS is the front loading stage and included specific consultation with local communities.
Attached response previously submitted after stakeholder event September 2012 which requested that the EVS specifically consider specialist accommodation for the elderly.	McCarthy and Stone	Unfortunately GVA have no record of receiving the September 2012 letter. However, the matters raised within it have now been considered and are addressed elsewhere in this document.
Would like to meet to discuss the issues ahead of the Draft Charging Schedule stage.	Tesco Stores	If necessary to progress the DCS the Council will make further contact with Tesco or any other representor, but this is not required under the Regulations and it was the aim of the formal PDCS stage to gain such input.
The Leeds Infrastructure Study will be available by early autumn, so request discussion on this before consultation on the Draft Schedule.	Highways Agency	We will work with infrastructure providers in developing the R123 List as appropriate.
Look forward to being consulted further on future work related to the spending and governance mechanisms and the R123 List.	Environment Agency	We will work with infrastructure providers in developing the R123 List as appropriate.

<p>In September 2012 GVA made a presentation to the Scrutiny Board (Housing and Regeneration). Members were not advised of their terms of reference. The presentation raised more questions than it answered. At the October meeting of the Scrutiny Board (Housing and Regeneration), members were advised that the Executive Member considered that the GVA report was not "fit for purpose" and would fail the tests of soundness required by the examiner at the Inquiry. No reason for the Executive Member's view referred to above was provided, therefore it is unclear what changes may have been made to the GVA report that have led to the conclusion that it is satisfactory.</p> <p>In November 2012 the Scrutiny Board (Housing and Regeneration) resolved that a CIL working group should be established to take evidence from all stakeholders and gather evidence to help and inform the decision making process. The working group has never formally met nor taken any evidence, and therefore information and guidance that should have been available to the decision takers is not available.</p>	<p>Resident - G Hall</p>	<p>The tender for consultants to undertake the CIL Viability Study was sent to Mr G Hall on 5th December 2012 in response to a query relating to the Affordable Housing Scrutiny inquiry.</p> <p>GVA and officers gave a presentation to Scrutiny Board (Housing and Regeneration) in September 2012, on an overview of CIL and Viability Study methodology. At the October meeting there was an update on the initial findings of the draft Study. Officers had some concerns with the draft viability report for a number of reasons, primarily that the initial results showed that the charges would be less than currently gained through S106s. The purpose of having a draft report was to be able to discuss such concerns and modify the assumptions and viability assessments accordingly. A great deal of discussion and work by GVA and officers then went into making the necessary changes, with the final report received in January 2013. Officers and Members are happy that this provides appropriate evidence for setting the CIL rates. N.B. There are no tests of soundness for the CIL as it is different to a Development Plan Document examination. The Scrutiny Board agreed to set up a working group for the CIL, but for its first meeting to be postponed until the position had developed further and issues clarified. The PDCS consultation is not directly concerned with any ringfencing of the CIL.</p> <p>Scrutiny Board (Sustainable Economy and Culture) met on 7th March 2013 to consider a call-in request on the PDCS. The call-in request included the exact submission as this CIL representation by Mr Hall. The Scrutiny Board dismissed the call-in request and the Executive Board decision to proceed with the consultation was therefore agreed.</p>
<p>INFRASTRUCTURE FUNDING GAP EVIDENCE</p>		
<p>PDCS is premature and not based on appropriate evidence as UDP is not up to date, and Core Strategy date of adoption cannot be accurately planned due to objections for Examination. Therefore it is not possible to understand the infrastructure required to realise the future development and growth needs of the district. The EVS was published ahead of the IDP April 2013 as a key document on which it should rely.</p>	<p>Ashdale Land, Carter Jonas</p>	<p>The Regulations allow for front loading of the development of the CIL, as long as an up to date development plan is in place by the time the CIL is adopted. It is based on accurate up to date information. The infrastructure gap identified is indicative and is required to demonstrate that there is an aggregate funding gap and, therefore, demonstrates a need to develop a CIL; it is of a different purpose to the Infrastructure Delivery Plan which supports the delivery of the Core Strategy. The CIL rates have to be based on viability, not on infrastructure costs. The Draft IDP fed into the PDCS infrastructure gap paper and this has been updated in August 2013.</p>

<p>Concerned that the IDP at present is aspirational as opposed to a route map for delivery of essential infrastructure. The Charging Schedule and documentation must outline the positive actions proposed from the Council to enable the actual delivery of major infrastructure (e.g. borrowing and forward funding, City Deal etc).</p>	<p>Home Builders Federation Consortium, Land Securities, Leeds Property Forum</p>	<p>CIL has always only been one of the funding streams for new infrastructure. The CIL Guidance recognises that there will be uncertainty in pinpointing other infrastructure funding sources, particularly beyond the short-term (para. 14). Authorities are required to rely on evidence that is appropriate and available (para.12). It is not the role of the CIL to reopen examination for the Core Strategy (as set out explicitly in the guidance). The Charging Schedule needs to be positive and show how it supports the development plan, but equally the CIL is not the only funding source and so the infrastructure and other evidence for the CIL is not required to focus on all the other funding sources.</p>
<p>Greater clarity on how have arrived at the listed infrastructure projects.</p>	<p>East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates, SJS Property Management</p>	<p>The Justification Paper 'Infrastructure Funding gap' sets out the background to how the infrastructure projects were identified. It was based on an update of the February 2012 draft Infrastructure Delivery Plan as a result of further consultation and discussion with infrastructure service providers, with an assessment of whether the CIL was an appropriate tool for plugging any funding gaps. To support the DCS this has been updated in August 2013 based on the April 2013 IDP.</p>
<p>Would like to know what criteria were applied in selecting the four Strategic Route Network schemes in the justification paper in preference to other SRN schemes in the IDP.</p>	<p>Highways Agency</p>	<p>The Justification Paper was based on an update of the February 2012 draft Infrastructure Delivery Plan as a result of further consultation and discussion with infrastructure service providers, with an assessment of whether the CIL was an appropriate tool for plugging any funding gaps. Six SRN schemes were included in the Justification Paper. A further six SRN schemes were identified in the February 2012 draft IDP but not in the CIL Justification Paper because other funding sources were identified:</p> <ul style="list-style-type: none"> - A58(M) Leeds Inner Ring Road Major Maintenance Scheme: fully funded and underway. - M621 J7 improvements and coordinated traffic signal control: to be developer funded as part of planning permission obligations. - M621 J7 as per Valley Park and M1 J44 measures additional to those obligated on Leeds Valley Park: to be developer funded as part of Skelton Grange Power Station planning obligations. - Aire Valley Leeds - M1 J44 measures additional to those obligated on Leeds Valley park: to be developer funded as part of Arla Foods planning obligations. - M621 Junction 2 Islington roundabout: funded via LTP3. - M62 J25-30 Managed Motorway use of hard shoulder and active traffic management during peak periods: under construction.

<p>The justification paper is accurate for swimming pools but difficult to appreciate what other sports proposals are based on, and no projects listed for outdoor sport such as playing fields. Infrastructure gap focuses on LCC owned sites without understanding relationship with voluntary sector. Need to prioritise the list of infrastructure projects before next stage.</p>	<p>Sport England</p>	<p>The projects identified in the Infrastructure Funding Gap Justification paper are only required to “be informed by a selection of infrastructure projects or types (drawn from infrastructure planning for the area) which are identified as candidates to be funded by the levy in whole or in part in that area... The focus is on providing evidence of an aggregate funding gap that demonstrates the need to levy the CIL” (CIL Guidance 2013). There is a clear and large funding gap in Leeds. It does list a number of green infrastructure projects including outdoor recreation and community and city parks (which would encompass playing fields). The R123 List for the DCS stage will be more specific about the projects on which it is intended to spend the CIL, but it is not required to identify priorities within that list. Consideration will be given to the voluntary sector alongside all other infrastructure projects in drafting the R123 List. The 15% or 25% of receipts going to local communities also needs to be borne in mind for local funding of such activities.</p>
<p>The Green Infrastructure projects identified do not represent the true scale of infrastructure needed and focus solely on parks and allotments rather than enhancing the network of green infrastructure at a sub-regional scale. They fail to highlight the key purpose of Policy G1 which is to provide a ‘network of multifunctional green space’.</p>	<p>Yorkshire Wildlife Trust, Natural England</p>	<p>The infrastructure projects identified in the funding gap paper are indicative to show that there is a need to develop a CIL; it is of a different purpose to the Infrastructure Delivery Plan which supports the delivery of the Core Strategy.</p>
<p>Infrastructure gap projects do not mention public realm improvements.</p>	<p>English Heritage</p>	<p>The infrastructure projects identified in the funding gap paper are indicative to show that there is a need to develop a CIL; it is of a different purpose to the Infrastructure Delivery Plan which supports the delivery of the Core Strategy.</p>
<p>S106 EVIDENCE</p>		
<p>Average office S106 is based on only four schemes of which only one is purely City Centre office. Need more fair representation.</p>	<p>Leeds Property Forum</p>	<p>Other evidence alongside signed S106s was produced in particular for City Centre offices in the office justification paper. The S106 evidence was based on an average of the last year’s signed S106s. It was considered representative of the current economy and useful as a broad brush indication of potential S106 levels (and the best available evidence) as required by the CIL guidance, while acknowledging that it is not the only evidence source. This approach has been confirmed e.g. by the Central Lancashire Examiner’s Report: “An analysis of comparative transactions current at the time the appraisal work was undertaken has also been used. The Councils concede that the number of sites examined is limited to ‘less than a handful’, apparently because these were the only current transactions at the time of the evidence gathering exercise. While not ideal in scope, this evidence nonetheless introduces an element of wholly local information with a firm basis in reality. Whether it is entirely representative is questionable, given the sample size. Nevertheless, it lends a reasonable, local reality check.”</p>

<p>Average retail S106 based on only two schemes (Armley and Guiseley). Need more fair representation.</p>	<p>Land Securities, Leeds Property Forum</p>	<p>The S106 evidence was based on an average of the last year's signed S106s. It was considered representative of the current economy and useful as a broad brush indication of potential S106 levels, while acknowledging that it is not the only evidence source. The two retail schemes identified in this period gave an average S106 cost of £57psm and £74 psm. If these were above the CIL rates proposed then it could be an argument that the CIL rate should be increased, based on the demonstrated ability of developments to pay (i.e. the justification for the nominal £5 rate). Historic S106 payments are not the amount which retail can afford to pay, but the amount they have been asked for under the current SPD regime. This has been balanced against the EVS and other additional recent retail evidence.</p>
<p>Do not make sufficient allowance for S106s and/or S278s. More clarity on S106 figures and further evidence used to inform Table 17 of the EVS in relation to the proportion of funds which are to be replaced by CIL per dwelling/residual site specific S106 per dwelling. There is a risk of double dipping.</p>	<p>Asda, East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates, Morrison Supermarkets, Home Builders Federation Consortium, Leeds Property Forum</p>	<p>Consider have given sufficient clarity on S106 figures in the background justification paper. The average contributions secured from S106s is set out at Appendix II of the EVS and this is taken forward into Table 17. However, the majority of existing S106 payments (greenspace, education and public transport improvements) will be replaced by the CIL, plus site specific requirements on large sites. As set out at Section 7.21 of the EVS it applies the full S106 costs when determining the market value benchmarks but when appraising the impact of CIL only the residual site specific S106 costs are applied. This approach removes/avoids the risk of 'double dipping'. The Regulations are clear that double dipping is to be avoided and it is considered that alongside the R123 List and in practice the S106s requested, that double dipping will not occur and has been modelled appropriately.</p> <p>Presently, there are no arrangements for the relationship between S278 agreements and CIL to be visible or regulated in the same way as pooled contributions under section 106 planning obligations. The Government's recent CIL Consultation sought views on the proposal that Reg123 should be extended to include S278 agreements, so that they cannot be used to fund infrastructure which is on the local charging authority's CIL list, the outcome of this is yet to be announced.</p>
<p>No evidence to show if previous S106 evidence has been prepared or considered for benchmarking.</p>	<p>Sainsbury's Supermarkets</p>	<p>S106 evidence was provided in the background justification paper published alongside the PDCS.</p>
<p>The S106 info does not form part of the EVS and should be given no weight.</p>	<p>Ashdale Land, Bupa</p>	<p>The CIL has to be based on appropriate available evidence, and the S106 data is an element of this alongside the EVS and does hold weight. The April 2013 CIL Guidance also now requires data on historic S106s to be provided.</p>
<p>The level of potential highways contributions is excessive in adding the CIL to existing site specific contributions to public transport infrastructure, Travel Plan monitoring and Metrocard provision.</p>	<p>Sanderson Associates</p>	<p>The S106 data in the assumptions already includes travel plan payments which includes, for example, monitoring and Metrocards. The current S106 contributions to public transport infrastructure (as collected through the Public Transport Improvements Supplementary Planning Document) would be subsumed within the CIL, not in addition to it.</p>

<p>In accordance with guidance need to “set out those known site-specific matters where S106s contributions may continue to be sought.”</p>	<p>Land Securities, Leeds Property Forum</p>	<p>This quote is an extract from the CIL Guidance April 2013 (para 15) “The charging authority should set out at examination a draft list of the projects or types of infrastructure that are to be funded in whole or in part by the levy. The charging authorities should also set out those known site-specific matters where S106 contributions may continue to be sought. The principal purpose is to provide transparency on what the charging authority intends to fund in whole or part through the levy and those known matters where section 106 contributions may continue to be sought.” The S106 justification paper provides the overall approach on this, i.e. that it is assumed that travel plans and highways would continue to be provided in future by S106 alongside the CIL, and that the other types (greenspace, public transport improvements, education, community benefit, play areas, and public realm) would normally be subsumed within the CIL. This will be expanded at the Draft Charging Schedule stage by the R123 List and associated explanation, and will also need further elaboration through the Site Allocations Plan.</p>
<p>In the averages of S106 per dwelling for schemes under 50 units, all the figures are between £1,500 - £3,611 per dwelling except two figures of £132 and £138 per dwelling that considerably reduce the average and distort the land value.</p>	<p>Home Builders Federation Consortium</p>	<p>Both of these schemes referred to are under 50 units. As a test the calculations have been rerun without these two schemes included in the S106 data.</p> <p>In the original modelling for schemes under 50 units, the average S106 per dwelling was £2,153. Of this £1,920 were the tariff type contributions which would be replaced by the CIL. Therefore a remainder of £233 per dwelling was allowed for S106 contributions alongside the CIL.</p> <p>Without the two schemes, the average S106 per dwelling is £2,341 (£188 increase). Of this £2,096 are the tariff contributions to be replaced by the CIL (£176 increase). Therefore a remainder of £245 per dwelling would be allowed for S106 contributions alongside the CIL.</p> <p>Therefore the residual site specific S106 per dwelling would only be £12 more than the original figure modelled. Although the EVS attempted to make the S106 input as accurate as possible, it is considered that an additional £12 per house (14 pence per sqm) would not make such a significant difference that all the appraisals need to be rerun as there is a sufficient viability cushion included within the calculations and the PDCS.</p>
<p>Evidence base has been linked to historical S106 which in the last two years have delivered very low levels of funds. Therefore the rates are artificial and have been set very low to encourage development especially in highest zone. It will lead to over development in Harewood and devalue the current housing stock.</p>	<p>Resident - M, L, and A Fox</p>	<p>The CIL Regulations and Guidance is clear that the rates have to be set based on current market conditions and current evidence, therefore the current S106s levels have to be taken into consideration. The CIL rates must also be set taking into consideration the cumulative impact of current planning policies that are likely to remain under a CIL regime. The CIL aims to support the development plan by encouraging development but will not in itself lead to overdevelopment or devaluation of existing housing; housing sites will be identified through the Site Allocations Plan.</p>

CHARGING ZONES AND SPECIFIC BOUNDARIES		
Support the different charging zones.	SJS Property Management	Support welcomed.
<p>Zones in the PDCS are not the same as those within the previous EVA for affordable housing and the SHMA updates and therefore are not consistent. No justification or evidence to demonstrate why this is the case, e.g. land to the east of Garforth. The change of boundary has resulted in Cookridge, East of Leeds, Micklefield, and Otley moving from a medium zone to the highest and will stifle development. Market values demonstrate they are medium value area (£45 psm) and can't sustain the £90 CIL rate.</p> <p>Micklefield, East Leeds, Calverley and Horsforth are in same zone as Aberford, Scarcroft, Thorner, Boston Spa, Wetherby, Yeadon and Bramhope yet are unable to generate same yields.</p>	<p>Home Builders Federation Consortium, Taylor Wimpey, East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates, Ashdale Land</p> <p>East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates</p>	<p>A separate justification paper 'Evolution of Housing Charging Zones' has been produced to respond fully to boundary issues, which includes maps showing the evolution of the approach. Charging zones should only be defined by the viability of development within them. The guidance is clear in that it should not be assumed that existing administrative or policy boundaries will always be appropriate. In responding to such representations there is a risk that it could lead to the level of assessing CIL viability based on every individual settlement/neighbourhood, and this would be contrary to the CIL guidance. However, some changes have been proposed as a result of the representations received and these are set out below.</p> <p>In summary of the Justification paper, the Council's current affordable housing policy comprises both the interim Affordable Housing Policy June 2011, and Supplementary Planning Guidance (SPG) 2003 and SPG Annex 2005, Annex revision 2012). The current targets for affordable housing are split between five housing market zones; outer area / rural north, outer suburbs, inner suburbs, inner areas and City Centre. The affordable housing zones which relate to the interim targets do not align exactly with those identified within the affordable housing EVA. Instead the Council interpreted the results of the EVA and applied these to the original housing market areas. The same approach has been taken in the EVS. The existing SPG and Interim Policy are being replaced with a Supplementary Planning Document (SPD), for consultation later in 2013. A Draft of the SPD was published for consultation in 2008 which identified three main housing areas; the City Centre, the Inner Area and the Outer Area. Representations on the draft SPD included several comments that the Outer Zone was too large and should be split further. It was therefore divided into the Golden Triangle Area (the northern part) and the Outer Area (the southern part) resulting in 4 housing market areas. These housing areas were used as the basis for analysis for producing key sources of evidence including the EVA and the SHMA update 2010. The CIL EVS based its assessment on the same market geographies and beacon settlements as the EVA in order to ensure consistency.</p> <p>However, because the Outer South has diverse housing markets it became apparent that it would need further sub division for the CIL to prevent undermining of the affordable housing targets. This resulted in its split into the 'Outer Central' zone and the 'Outer South' zone in the PDCS. The Regulations require the zone boundaries to be defined on an OS map base and the existing plan was not sufficiently detailed. It has been updated taking into account the EVS evidence. It is inevitable with variable rates that a boundary has to be drawn somewhere.</p>

Summary of boundary changes following PDCS consultation (N.B. the zone names have slightly changed since the PDCS.)

- Land to east of Garforth and Micklefield now in South (£45 psm) with boundary with the North (£90 psm) moved northwards along the M1/A1.
- South (£45 psm) extended to include all of the former Outer Central area to the west/north of the City Centre/Inner Area i.e. Pudsey, Farsley, Bramley, Kirkstall, Meanwood, Moortown, Chapel Allerton, Roundhay.
- Outer (£23 psm) remaining around Middleton but with boundaries extended outwards to the A6110 / railway line to the southwest, and the M62 / M1 to the southeast.
- Outer (£23 psm) to the west of the Inner Area remaining as in PDCS, but boundary moved outwards to lie along the outer edge of the East Leeds Extension, i.e. along the edge of the Green Belt.

Micklefield and land east of Garforth - the nearest settlement to Micklefield is Garforth (a medium value beacon in the outer south). The EVS demonstrates that average land values (market value benchmarks) are approximately £114,500 per acre (excluding small sites) for these settlements. The average land value within medium beacon settlements falls to £87,500 per acre with CIL at £50 psm (assuming Code 4). This is below the £100k threshold for unconstrained sites and reflects a drop in value of circa 24%, so this is marginal. In this context it is proposed that Micklefield and land to the east of Garforth be included within the South zone (£45 psm), with the boundary revised to be the M1/A1.

East Leeds Extension (ELE) – The original Housing Characteristics Areas map placed the majority of the ELE within the Outer South area. The PDCS map for the CIL placed it in the Outer North, with the boundary between the Outer North and the Outer Central being the inside edge of the allocation. This was to reflect that it is greenfield. However, in recognition of the high S106 requirements from this site (in particular the funding of the East Leeds Orbital Route), that its closest housing markets would be Whinmoor and Manston rather than the northern villages, and the representation from the North Quadrant Consortium, it is agreed that it would be more appropriate for it to be within the Outer area (£23 psm). The boundary has therefore been rationalised slightly so that all the ELE allocation is within this zone.

Otley – Otley has always been in the outer north area for modelling in the EVA and the EVS, and the PDCS maintained this with no change.

Cookridge – The EVS has shown that Horsforth (medium value beacon settlement) can sustain a CIL charge of £100 psm. At £100 psm CIL (and assuming Code 4) the land value is £134,000 per acre, which is higher than the £100k benchmark. Whilst there is a difference in the average house prices for Horsforth and Cookridge, they are not considered sufficiently different to warrant it being in a different zone, indeed, semi-detached average sales were higher in the last twelve months in Cookridge than Horsforth. This is also because the rate for the Outer North is an average taken from the low, medium and high beacon settlements, and because of the other requirements in the CIL guidance

		<p>concerning simplicity etc. The Evolution of Housing Zones Justification Paper explains in more detail why Cookridge was included in the Outer North zone. <u>Horsforth, Aberford, Scarcroft, Thorne, Boston Spa, Wetherby, Yeadon and Bramhope</u> are all included within the original 'Golden Triangle Area' on the Housing Characteristic Areas map, which was used as the basis for analysis for producing key sources of evidence including the EVA and the SHMA update 2010. To ensure consistency the EVS also aligned itself with the EVA and based its assessment on the same market geographies. Therefore, the CIL charging schedule has simply carried across the existing value allocation and applied the corresponding rates from the EVS. This was to ensure consistency with the existing evidence base but also to ensure that CIL would not undermine the delivery of the affordable housing targets.</p> <p><u>Calverley</u> – Consider that it exhibits similar characteristics to Horsforth and it was therefore included in the Outer Northern Area in the PDCS.</p>
<p>Would like to see the boundary revised to the previous proposal for 8 market areas of sales values as in Table 15 of EVS.</p>	<p>Taylor Wimpey</p>	<p>A separate justification paper 'Evolution of Housing Charging Zones' has been produced to respond fully to boundary issues. The EVS aligns itself with the market value geographies / housing areas, which have been used as the basis for analysis for producing key sources of evidence including the EVA and the SHMA update 2010. This resulted in 4 housing market areas. However, because the outer area is diverse in terms of housing markets it became apparent that the area would need further sub division to prevent undermining of the affordable housing targets. This has resulted in the outer area being split into the 'outer central zone' and the 'outer southern housing zone'. This has created 5 housing market areas. It is the future intention for the affordable housing boundaries to be aligned with the CIL charging zones.</p>
<p>Inner Area should encompass the Seacroft Hospital site and Cross Gates. Would use the Leeds-York railway to the south and the A6120 to the east of Seacroft Hospital. Would better reflect the characteristics of the local housing market of Osmondthorpe and Harehills rather than e.g. such as Whitkirk and Chapel Allerton, and Seacroft has more in common with the Inner Area in terms of Indices of Multiple Deprivation. It would also align with the EASEL boundary, recognising the importance of the Seacroft Hospital site in helping to deliver regeneration aspirations for that area.</p>	<p>Homes and Communities Agency and Leeds Teaching Hospitals NHS Trust</p>	<p>A separate justification paper 'Evolution of Housing Charging Zones' has been produced to respond in more detail to the issue of boundaries and boundary changes. The Seacroft hospital site was included in the outer area with respect to the housing market areas that informed the EVA and SHMA update 2010, and remained in the 'outer central zone' for the CIL PDCS. It is the future intention for the affordable housing boundaries to be aligned with the CIL charging zones. The new housing to be built on the Seacroft Hospital site is assumed will better reflect Whitkirk and Cross Gates rather than Osmondthorpe and Harehills. In this context it is considered that the A64 York Road provides the best boundary between Seacroft/Cross Gates and Osmondthorpe and Harehills (which have different housing market characteristics). The EASEL boundary was drawn for a different purpose, and the CIL boundaries also cannot reflect regeneration aspirations, only viability.</p>

<p>Zones need more justification. Residential zones are too broad and generalised. Realise that there is national guidance and regulations but not satisfied that the outcome has enough fine tuning to take account of the realities of individual sites. This should be taken up with the government. Concern that greenfield housing development might be diverted towards the cheaper southern zone. A step from £45 sqm to £90 sqm between adjoining areas of land seems unreasonable.</p>	<p>Resident – M, L, and A Fox, Sanderson Associates, Morley Town Council Planning Committee, Resident - G Hall</p>	<p>The creation of more charging zones was considered including by Development Plan Panel, but the CIL guidance is clear that zoning should be as simple as possible, and that all zones need to be supported by viability evidence. Splitting the District into smaller areas would be vastly complex, require a much more time intensive and expensive viability study, and would be very liable to challenge at Examination. Although there will be individual differences within each of the zones, the proposed rates take the range of these factors into account and are based on allowing the majority of development to come forwards. Other authorities have had their CIL zones accepted at Examination with such stepped increases as it is inevitable with variable rates that a boundary has to be drawn somewhere. Detailed information on the site sampling is outlined in the GVA report. The Study methodology is based on guidance and best practice including from the Planning Advisory Service, Planning Officers Society, and Royal Institute of Chartered Surveyors. It is considered to be in line with the CIL Guidance, and in particular with paragraphs 25 – 27 in relation to sampling including fine grained sampling. Therefore the Council considers that the charging zones do recognise the different characters of the areas across Leeds, while being limited to the extent to which further divisions can be reflected in the PDCS.</p>
<p>Should include all the Chapeltown conservation area in the Inner Area as otherwise might potentially discourage investment in the northern part.</p>	<p>English Heritage</p>	<p>The Regulations set out that any zones have to be based on viability, so they cannot be set solely based on regeneration or conservation areas. The northern extent of the Chapeltown conservation area is heavily built up with very little, if any, opportunity for new development without existing conversion or demolition. Any development would be very small scale. Therefore as the CIL is only charged on the net increase in development (i.e. not on conversion or redevelopment after demolition) it is not considered likely that new investment would be discouraged solely by the CIL and there is no need to alter the boundary in this regard.</p>
<p>Unclear on what basis boundary is drawn around the Garforth area, the M1 and A1 might be more appropriate. The land south of the M1 was not included in the Aberford Neighbourhood Plan area as it bore more relationship with Garforth, so a similar exclusion should be in the CIL.</p>	<p>URS Infrastructure and Environment UK</p>	<p>A separate justification paper 'Evolution of Housing Charging Zones' has been produced to respond fully to boundary issues. It is agreed that Micklefield and land to the east of Garforth should be included within the South zone (£45 psm) so that they are in the same zone as Garforth, with the boundary with the North to be the M1/A1.</p>
<p>VARIABLE RATES AND THRESHOLDS</p>		
<p>Support lower retail rate for large retail units in the City Centre to encourage continued investment.</p>	<p>English Heritage</p>	<p>Support welcomed.</p>
<p>Agree in setting variable retail rates.</p>	<p>Aldi</p>	<p>Support welcomed.</p>
<p>Support a higher rate of CIL for developments outside of the City Centre as that will discourage out of town developments.</p>	<p>Resident - M, L, and A Fox</p>	<p>Support welcomed, however, the retail rate (above 500 sqm) is the same for any location outside of the City Centre, whether in a designated centre or out of centre. The rates have been set based on viability rather than on policy considerations of directing retail to in centre locations.</p>

<p>Disagree in setting variable retail rates based on size/scale as at odds with government guidance and no evidence that smaller units are used for a substantially different purpose than larger units.</p> <p>The viability evidence is not sufficiently fine grained to support the proposed size threshold.</p>	<p>Asda, Sainsbury's Supermarkets, Land Securities, Leeds Property Forum</p>	<p>Setting retail rates based on a different use as shown through size and scale is not at odds with government guidance, e.g. Regulation 13(1)(b) allows charging authorities to set different levy rates within their area by reference to "different intended uses of development," and the revised CIL Guidance clarifies that "uses" does not have the same meaning as "use class". This approach has been agreed at various CIL examinations around the country. E.g. the Examiner at the Wycombe DC CIL Examination supported differential retail rates based on viability evidence, which demonstrated differences between supermarkets and other retail and agreed that supermarkets are different uses based on their characteristics and markets. The Government's recent consultation on CIL further reforms proposes to amend the Regulations to allow different rates to be applied to both different uses and scales of development, and if this is taken forwards it would give further support to this approach.</p> <p>The guidance states that where a charging authority is proposing to set differential rates, it may want to undertake more fine-grained sampling to identify a few data points in estimating the zonal boundaries or different categories of intended use'. The EVS therefore specifically provides a range of appraisals for different types and sizes and location of retail schemes which would be appropriate evidence if the results recommended variable rates. This was modelled within and outside the City Centre, and included all the 'A' use class, plus the following breakdown:</p> <ul style="list-style-type: none"> - Convenience Stores 372 sqm on a site area of 0.09 ha - Traditional Retail (non food) A1 800 sqm on 0.09ha. - Retail Warehouse 1,500 sqm on 0.38 ha - Supermarkets 2,500 sqm on 0.63 - City Centre Comparison Retail 4,645 sqm on 0.58 - Superstores 4,000 sqm on 1 ha - Hypermarkets 6,000 sqm on 1.50 ha
<p>No evidence presented by LCC to demonstrate the difference between 499m unit and 501m unit therefore no viability evidence to demonstrate differential rates.</p>	<p>Sainsbury's Supermarkets</p>	<p>The EVS proposed a threshold of 500 sqm as it sought to distinguish between smaller local traders and national / multiple operators, which have very different market characteristics. In considering the threshold regard was had to the definition / size threshold within Sunday Trading Law, set at 280 sqm trading area. A larger threshold of 500 sqm was applied to take into consideration non sales floor space (CIL is charged on the gross area) and to allow some flexibility for both slightly larger convenience stores and smaller supermarkets to be developed (largely discount operators) to be developed providing an appropriate margin between different types of store able to support a CIL charge. Examiners have supported differential retail rates based on viability evidence, which demonstrated differences between supermarkets and other retail and agreed that supermarkets are different uses based on their characteristics and markets.</p>
<p>Viability evidence does not demonstrate the difference between in/out City Centre with no justification for differential rates.</p>	<p>Sainsbury's Supermarkets</p>	<p>The retail appraisals were tested on scenarios both within and outside of the City Centre, across a range of types of retail, as demonstrated in Table 10 of the EVS, and as in the conclusions in Paragraphs 7.37 and 7.38. Therefore it is considered that there is adequate justification for the differential rates proposed.</p>

Statements made on the traffic levels of supermarkets is incorrect as in practice the vast majority of shopping trips to a supermarket are either trips which are already on the network as pass-by or diverted trips. The level of new trips can be as low as 10% and so the impact of a new development does not relate to pure trip rate generations or proposed floor space.	Sanderson Associates	The CIL rates have to be set based on viability, not on the trip rates which new developments would cause.
£5 NOMINAL RATE		
Support the £5 rate for every development rather than a widespread zero rating.	Barwick in Elmet & Scholes Parish Council, Morley Town Council Planning Committee	Support welcomed.
No evidence for nominal £5 psm rate, contrary to EVS.	Ashdale Land, Bupa, Hammerson UK Properties, Morrison Supermarkets, SJS Property Management, Home Builders Federation Consortium, Land Securities, Leeds Property Forum	The evidence for the nominal £5 psm rate is as set out in the Justification Paper 'Leeds Historic Section 106 Data' (and referenced in the EVS). This is based on matching the demonstrated performance of S106 agreements as the very least that should be considered, on the basis that this is a level which is viable. This paper set out S106 data for previous years in order to determine this minimum level of CIL which should be collected. The key conclusion is that a wide range of use types currently pay S106 contributions of more than £5 psm and therefore this is justified as a nominal rate. This is 'real life' evidence to balance against the EVS which is necessarily more hypothetical and strategic in approach. In addition, £5 psm is a very small % of the total development costs and is therefore very unlikely to be the deciding factor as to whether a development becomes viable or not. Paragraph 39 of the CIL Guidance states "If the evidence shows that their area includes a zone or use of development of low, very low or zero viability, charging authorities should consider setting a low or zero levy rate in that area or for that use (consistent with the evidence)." If authorities were required to <u>only</u> set a zero rate where the EVS showed zero viability this would be set out explicitly, but paragraph 39 is clear that it is possible to also set a low levy rate in such situations.
Charging even as little as £5 sqm will encourage the keeping of financial records, which should be helpful during the first review.	Morley Town Council Planning Committee	Agree that having records of developments which pay this nominal fee will be useful in annual monitoring and in any future reviews to the CIL Charging Schedule.
May not be worthwhile collecting payments at £5 rate due to administration costs.	Bupa	It is considered that the amounts potentially to be collected via the £5 rate will be worthwhile in total in terms of administration costs, in the same way in which S106s are collected at present.

PROPOSED ZERO RATE		
Support zero rate and its tight definition.	Morley Town Council Planning Committee, Resident - M, L, and A Fox	Support welcomed.
Zero rate should not be applied to Council developments, offices or bases as there is no justification for LCC not being charged the same as the private sector.	Sanderson Associates	The justification for the Council not being charged the same as the private sector (i.e. within the category 'development by a predominantly publicly funded or not for profit organisation, including sports and leisure centres, medical or health services, community facilities, or education') is that because such developments are not built for profit, they would inherently not be viable on a standard appraisal basis. They are also often grant funded and would be the types of infrastructure development which the CIL would contribute towards, therefore it would be counter intuitive to also charge the CIL on them.
It isn't clear whether this applies to projects built by charitable organisations.	Bardsey Parish Council	CIL Regulation 43 requires that developments are exempt from liability to pay the CIL if owned by a charitable institution and the chargeable development will be used wholly or mainly for charitable purposes.
IMPACT ON DELIVERY OF CORE STRATEGY		
A CIL rate that prevents accommodation for the elderly coming forward would threaten the deliverability of the development plan under the NPPF and CS Policy H8.	McCarthy and Stone	The EVS concluded that residential institutions / care homes were not able to support a CIL charge despite evidence that some schemes had been brought forward for development. In this context the PDCS recommends a nominal charge of £5 psm will apply to these uses which will indirectly support the intention of Core Strategy Policy H8. For the reasons explained below, it is considered that the CIL will also be viable for elderly accommodation which falls within the remit of Class C3 residential.
EVS needs to align with the proportion of planned land supply in the Core Strategy i.e. in line with the housing trajectory in the AMR. Cannot see which market value areas are the most prominent and important in delivering the planned land supply. No analysis as to what proportion of each type of land (i.e. previously developed industrial land, greenfield land, existing residential land) is situated in each value area, thereby identifying the most prevalent combination of value area and land type. It would then be clear as to the most appropriate benchmark land value with which the resulting residual land values should be compared, for each of the market value areas.	East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates, Home Builders Federation Consortium, Land Securities, Leeds Property Forum	All the market value areas are important in delivering the planned land supply. Site phasing has not yet been identified and this will come through the Site Allocations Plan. The Core Strategy does not rely on any strategic sites, therefore all the typologies tested in all the areas will be important. For instance, the Core Strategy (Policy H1) identifies a 65% brownfield target for the first five years. The EVS considers both greenfield and brownfield land supply and reflects this fact in the sites / typologies modelled within each of the value areas. In determining what benchmark values to apply the EVS determines what the appropriate market value would be for each typology by undertaking a residual land value. This benchmark is the market value of the land in question having regard to all the known development costs including the current S106 obligations / requirements. The benchmarks applied within the EVS are set out in Tables 11 to 14 and Tables 22 to 25. The impact of future policy requirements is then assessed by reference to their impact on the benchmark values. The approach is clearly set out within Section 7 of the EVS and accords with RICS Professional Guidance (Financial Viability in Planning (1 st Edition)).

<p>General EVS not viable and damaging to LCC policies and development plan.</p>	<p>Carter Jonas, Hammerson UK Properties, Sanderson Associates</p>	<p>This statement is disagreed with as the EVS does show some development to be viable across the District. Where development is currently unviable this is as a result of current economic conditions and the CIL rates have been set accordingly (zero or nominal charge). Therefore it is not considered that the CIL will be damaging to the development plan. Paragraph 173 of the NPPF requires the Council to take account of the cumulative impacts of proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. The CIL Guidance paragraph 29 states "In proposing a levy rate(s) charging authorities should show that the proposed rate (or rates) would not threaten delivery of the relevant Plan as a whole. They should also take into account other development costs arising from existing regulatory requirements, including taking account of any policies on planning obligations in the relevant Plan (in particular those for affordable housing and major strategic sites)". The EVS methodology has taken these requirements into account and therefore the Council considers it is supportive of the development plan. These respondents have also submitted further detailed points relating to this overarching comment, and these comments have therefore been addressed separately.</p>
VIABILITY BUFFER AND APPROPRIATE BALANCE		
<p>Proposed rates are appropriate and in line with the evidence, led by current viability of developments.</p>	<p>Bardsey Parish Council, Collingham with Linton Parish Council, English Heritage, Harrogate Borough Council, Homes and Communities Agency, Wakefield Council, Yorkshire Water, Highways Agency, Metro, URS Infrastructure and Environment UK</p>	<p>Support for overall CIL rates welcomed.</p>
<p>Rates proposed are not ambitious enough.</p>	<p>Yorkshire Wildlife Trust</p>	<p>The rates are based on viability and have been set at what the Council considers is an appropriate balance. Although a viability cushion has been included from the maximum possible, setting rates higher would risk affecting the viability of development as a whole.</p>
<p>Retail contributions should be lower as they do not create the need for education or greenspace.</p>	<p>Sanderson Associates</p>	<p>The CIL rates have to be set based on viability, not on the specific infrastructure requirements they give rise to.</p>
<p>Office rates have been set very low to stimulate growth, but this will not occur it will just increase the margin for developers.</p>	<p>Resident - M, L, and A Fox</p>	<p>The CIL rates have to be set based on viability.</p>

<p>Welcome the adopting of a lower rate for City Centre retail than suggested in the EVS.</p>	<p>Hammerson UK Properties</p>	<p>Support welcomed. A lower rate has been used to accord with guidance that rates should not be set at the potential maximum. This has been further reduced since the PDCS.</p>
<p>The PDCS is not an appropriate balance.</p>	<p>Ashdale Land, East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Tesco Stores, Thornhill Estates</p>	<p>This statement is disagreed with as consider an appropriate balance has been set, and that it reflects the evidence accordingly. The Harman report states as one of its key principles is that “planning authorities will often need to strike a balance between the policy requirements necessary to provide for sustainable development and the realities of economic viability.” There is a clear and large funding gap which justifies the requirement to charge a CIL. However, these respondents have also submitted further detailed points relating to this overarching comment, and these comments have therefore been addressed separately.</p>
<p>10% should be applied to all categories (or zero where zero viability in the EVS). No evidence to demonstrate why in the outer southern areas a 4% deduction is acceptable. Must be a viability buffer incorporated either into the benchmark land value or elsewhere through the CIL assessment process.</p>	<p>Home Builders Federation Consortium, Ashdale Land</p>	<p>In the Outer Central area it is accepted that the standard 10% reduction from the EVS figure of £25 would be £23 (rounded from £22.50), not the £24 cited in the PDCS. It is therefore proposed to alter this rate in the final Charging Schedule from £24 to £23 psm. Viability buffers have been set through the EVS including a 5% overall contingency.</p>
<p>No evidence to demonstrate how the 10% reduction from maximum viability has been established, it is not high enough. Shows too much confidence in EVS.</p>	<p>Home Builders Federation Consortium, Ashdale Land, East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates</p>	<p>It is up to each authority to decide the appropriate balance of their CIL based on their own evidence and circumstances. This is clear in the CIL Regulations and Guidance, e.g. Regulation 14, where the Charging Authority “must <u>aim</u> to strike <u>what appears</u> to the charging authority to be <u>an</u> appropriate balance...” (emphasis added). There is no singular appropriate balance, it is a matter of judgement, and it therefore appears to Leeds City Council as the charging authority that 10% for residential is appropriate. This is because of the confidence in the approach taken in the EVS and the viability cushions and contingencies already included within it, the historic S106 evidence, and the large infrastructure gap. Together these mean it is considered appropriate to discount by 10% without affecting the viability of development as a whole across the District. This confidence is reflected for instance in that the Leeds rate which is 10% below the EVS maximum in the Outer North, is only £5 more than the bordering Harrogate rate which is around 38% of their viability assessment maximum.</p>
<p>Many authorities set at 50% of maximum. The EVS states it is important that the rates are not set at the maximum but this has been ignored. Rates at 90% of EVS maximum are not suitable to retail which is often site specific and so the appraisal assumptions can vary widely.</p>	<p>Morrison Supermarkets</p>	<p>It is up to each authority to decide the appropriate balance of their CIL based on their own evidence and circumstances. In Leeds the confidence in the approach taken in the EVS and the viability cushions and contingencies already included within it, the historic S106 evidence, and the large infrastructure gap mean that it was considered appropriate to ‘only’ discount by 10% for the retail rate without affecting the viability of development as a whole across the District. The rates have not been set at the maximum and therefore are in accordance with the guidance. However, further evidence has been produced since the PDCS which the Council has taken into account in its judgement of the appropriate balance and resulted in a further decrease in the retail rates.</p>

ECONOMIC VIABILITY STUDY – GENERAL		
<p>Difficult to see anywhere within the supporting evidence base how the rates have been arrived at in light of the results provided. Do not feel the evidence clearly demonstrates that the proposed rates would not jeopardise the delivery of the planned land supply. EVS doesn't contain sufficient evidence and is lacking the actual appraisals, all input data and calculations, and source of land values. It is not explicit in the methodology how the calculations have been applied to achieve the CIL rate. Appraisal assumptions and sensitivity analysis have also not been made clear.</p>	<p>Home Builders Federation Consortium, Land Securities, Leeds Property Forum, Morrison Supermarkets</p>	<p>The methodology is clearly set out in Section 7 of the EVS. The EVS calculates the market value (benchmarks) for each of the development typologies by way of a residual appraisal and assumes current values and all known costs including S106 contributions but excluding the costs associated with CIL and other emerging policy requirements. To assess the impact of emerging development plan policies (including CIL) a second set of appraisals is then run which appraises what impact each emerging policy has on the market value (benchmark). This is the recognised approach in RICS Guidance (Financial Viability in Planning).</p> <p>All input data used within the appraisals is set out in detail at Appendix III of the EVs. Individual appraisals were not provided as part of the Study because it appraised more than 275 residential scenarios, however, these can be provided on request and are being compiled. The sensitivity analysis is also clearly set out within Section 8 of the EVS. The EVS considers both greenfield and brownfield land supply and reflects this fact in the sites/typologies modelled within each of the value areas. The CIL rates have been set based on the viability results and, therefore, the rates in isolation are not considered to jeopardise the delivery of the planned land supply.</p>
<p>The overall methodology of seeking to determine viability on a residual valuation exercise is appropriate, but do not agree with the land values adopted.</p>	<p>Home Builders Federation Consortium</p>	<p>The RICS Guidance (Financial Viability in Planning) defines 'site value' whether this is an input into a specific scheme appraisal or as a benchmark, as the market value subject to the assumption that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. For the purpose of the EVS the benchmarks (market values) have been calculated via the residual appraisal process and assume current values and all known development costs including S106 contributions (set out at Appendix III of the EVS) but excluding the costs associated with CIL and other emerging policy requirements. This mimics the approach of virtually all developers when purchasing land and establishes the true / accurate reflection of market value which is then used as the benchmark for assessing the impact of emerging policy (including CIL). This approach accords with the RICS Guidance.</p>
<p>Many of the viability assumptions are completely divorced from reality and so PDCS is fundamentally flawed.</p>	<p>McCarthy and Stone</p>	<p>It is disagreed that the PDCS is fundamentally flawed, but this respondent has also submitted further detailed points relating to this overarching comment, and these comments have therefore been addressed separately.</p>
<p>Need flexibility in the Schedule to allow consideration of the viability of a development scheme in order to gain the appropriate level of contribution.</p>	<p>Hammerson UK Properties</p>	<p>The CIL Regulations do not allow flexibility in negotiations on individual developments over CIL payment once the CIL is adopted (other than for exceptional circumstances relief). It is considered that this flexibility will be within the Charging Schedule by virtue of the appropriate balance which has been considered.</p>

VIABILITY - RESIDENTIAL		
Should not have one CIL rate for all forms of residential development given the extent of projected housing need for older person's accommodation. Including retirement housing within a general residential heading fails to acknowledge the very specific viability issues associated with such specialist accommodation for the elderly.	McCarthy and Stone	The EVS concluded that residential institutions / care homes were not able to support a CIL charge despite evidence that some schemes had been brought forward for development. In this context the PDCS recommends a nominal charge of £5 psm will apply to these uses. The elderly accommodation as proposed by McCarthy and Stone would fall into the C3 use class (normal housing). Whilst it is accepted that certain schemes will adopt different figures (inputs) to those used within the EVS the assumptions used within the EVS generally align with normal figures expected in the majority of developments. The Regulations are quite clear in that rates should not be based on a particular business model, as this would result in 'selective advantage' and the PDCS would then be at risk of being contrary to State Aid requirements.
Question if Inner City residential could increase to a £10 rate, and Outer Central to £30.	Barwick in Elmet & Scholes Parish Council	Although there is some evidence from the historic S106 data that the nominal rate could be increased to £10 psm rather than £5, it is considered that on balance £5 is the appropriate balance bearing in mind the EVS conclusions that inner city residential is not viable and that most of the development there will be brownfield. The EVS shows that the Outer Central area can only sustain a £25 psm maximum CIL charge and so increasing it would put development at risk.
VIABILITY - COMMERCIAL		
Given that no new office development has commenced in Leeds in recent years the office charge, particularly in the City Centre, should be carefully reviewed. City centre offices allow Leeds to compete with other northern cities. £40 psm may still render some developments unviable. Need further evidence to demonstrate otherwise.	Sanderson Associates, Leeds Property Forum	The Regulations are quite specific in that CIL should be based on viability and not policy objectives/aspirations. There is increasing buoyancy in the office market and rental demand in Leeds City Centre although this has not as yet translated into new developments. The characteristics of the City Centre and comparison of the CIL rate against other cities is included in the City Centre Offices background justification paper. This evidence did lead to a careful review, and subsequently is why the 10% reduction from the EVS maximum proposed CIL rate was increased to 60% reduction for City Centre offices. This is further reduced to £35 in the DCS.
£40 psm for City Centre office substantially exceeds the £10 psm average for such development secured through recent Section 106 Agreements, this may be viable but is not appropriate.	SJS Property Management	The S106 payments currently received are based on policy requirements, which in the case of City Centre offices would be primarily for public transport improvements, plus site specific issues such as travel plans. These are therefore generally based on a formula calculation which may be very different from what the development could afford to pay, which is the basis of the CIL assessment as it has to be based on viability. £40 psm is on average only 1.8% of total costs as set out in the background City Centre Offices justification paper and this rate is therefore considered to be viable and appropriate. However, in reflecting the representations this is further reduced to £35 in the DCS.

<p>Support statement that the City Centre office market is fragile, and therefore why is City Centre office rate still 8 times that of offices outside of it? Especially important where the latter can sometimes offer greater incentives such as more parking.</p>	<p>Leeds Property Forum</p>	<p>There is increasing buoyancy in the office market and rental demand in Leeds City Centre although this has not as yet translated into new developments. The characteristics (rents and yields) of the City Centre and out of town office markets are completely different meaning out of centre schemes are not able to sustain a CIL charge. However, in reflecting the representations this is further reduced to £35 in the DCS.</p>
<p>Retail rate for >500 sqm is extremely high and is likely to deter investment. Retail rate is too high, particularly the £248 sqm rate, it will deter future development.</p>	<p>Land Securities, Leeds Property Forum, Aldi, Asda</p>	<p>The justification paper 'Further Evidence on Retail Rates' discusses these points alongside other retail considerations, resulting in a reduction in the retail rates in the Draft Charging Schedule.</p>
<p>Need to take into account discount retail operators with very different business model based on low profit margins based on high levels of efficiency and lower overheads.</p>	<p>Aldi</p>	<p>The EVS adopted a threshold of 500 sqm as it seeks to distinguish between smaller local traders and national / multiple operators, which have very different market characteristics. In considering the threshold regard was also had to the definition/size threshold within Sunday Trading Law. This is set at 280 sqm trading area. A larger threshold of 500 sqm was applied to take into consideration non sales floor space and to allow some flexibility for both slightly larger convenience stores and smaller supermarkets to be developed providing an appropriate margin between different types of store able to support a CIL charge. The retail rates have been further reduced for the DCS which would further support discount operators.</p>
<p>Give breakdown of S106 costs for Middleton Asda as an example, which would have to pay £1.5m CIL which may have stopped it occurring.</p>	<p>Asda</p>	<p>The Guidance recognises that not all developments will be viable under a CIL regime and states that CIL rates should not be set by reference to individual development schemes. Instead the emphasis is on demonstrating that the majority of development will not be jeopardised by the CIL rates. The EVS considered a range of retail scenarios including greenfield and brownfield land. The rates included in the PDCS were based on the brownfield assessments and therefore, the majority of development schemes are unlikely to be rendered unviable by the CIL charge.</p> <p>The representation on the Preliminary Draft from Asda (a 6,265 sqm supermarket) considers the total S106 cost of their Middleton scheme to be £2.36m, or £377 psm. Under the CIL regime there would no longer be the requirement to pay the £1.05m public transport improvements or the £40k district centre improvements, so Asda would have paid a S106 of £1.27m (£202 psm). This leaves an additional £174 psm (£1.09m) as a minimum CIL which could be paid without increasing the overall amount.</p> <p>The Preliminary Draft rate of £258 would have resulted in a payment of £470,000 more than the signed S106, and therefore to infer that the CIL would add on an unreasonably large amount to this scheme and be the reason why it may become unviable is considered to be inaccurate. However, bearing in mind all considerations as set out in the 'Further Evidence on retail rates' paper, the rates in the Draft Charging Schedule have been reduced. This does indicate that in the case of the Middleton Asda as an example, there would be no difference under the proposed CIL regime of £175.</p>

VIABILITY – AGRICULTURAL INDUSTRY		
<p>The EVS has not considered the agricultural industry and seek exemption from the CIL for agricultural development otherwise any CIL would make all/most agricultural development unviable. Because of the importance of food security it is essential that farmers have the confidence to invest in new buildings. Agricultural developments place no or in a few cases a very limited extra burden on infrastructure. The CIL is a levy on the enhanced value of development land but there is no enhanced land value with agricultural development and therefore the CIL would have to be paid from revenue.</p>	<p>National Farmers' Union</p>	<p>There are some reasons to be sympathetic to the NFU's arguments including that the Council is not relying on agricultural buildings for delivery of the Core Strategy, rather, the Core Strategy aims to support the agricultural industry, and is not relying on a large CIL receipt from it to fund the infrastructure gap. However, £5 is only a nominal charge and the same principles and evidence apply as for other types of uses under this charge, and that it is not considered to be the tipping point to make a scheme unviable. In particular it is considered that the great majority of agricultural development such as barns or livestock pens would be 'buildings into which people do not normally go' and therefore would be exempt from the CIL under the Regulations anyway. Additionally, erecting a building would give some enhanced land value especially because of the future potential for change of use (and change of use would not generate a future CIL charge). It is therefore appropriate to charge £5.</p>
<p>Make sure not to impose urban-focused CIL charges on new development in rural areas, which would impact on the long term sustainability of the rural economy and jobs.</p> <p>Request a nil rate for a change of use of a redundant farm building, which involves an extension and/or a new build that, for example provides for incubator units for new small business start-ups</p>	<p>Country Land and Business Association North</p>	<p>The Council does need to make sure that the CIL doesn't affect viability of development as a whole, and it must support the development plan which includes support for the rural economy in particular through Policy SP8 and explained in Paragraph 4.7.13. However, at present as long as a building has been in lawful use for 6 months out of the last 12 months then a change of use would not be liable for the CIL. It is therefore considered that most developments of redundant farm buildings would not be required to pay, and any extensions for business start-ups which were below 100 sqm would also not be liable. If business start-ups were entirely removed from the requirement to pay the CIL, there would be potential State Aid issues and the CIL cannot be based on policy proposals, so it is not proposed necessary to alter the CIL requirement specifically for redundant farm buildings. The Government has also recently consulted on further changes to the CIL Regulations, which included the potential to remove the current CIL liability on all vacant buildings as long as the use has not been abandoned.</p>
<p>Not viable to charge for agricultural occupancy dwellings.</p>	<p>Country Land and Business Association North</p>	<p>Social housing is not liable to pay the CIL, and the CIL Regulations set out that social housing includes rented dwellings where the dwelling will be let by a private registered provider of social housing / a registered social landlord / a local housing authority on an assured agricultural occupancy (or an arrangement that would be an assured agricultural occupancy but for paragraph 12(1)(h) or 12ZA of Schedule 1 to the Housing Act 1988).</p>
<p>Not viable to charge for farm shops and new village shops and post offices.</p>	<p>Country Land and Business Association North</p>	<p>The PDCS CIL rates only have a nominal £5 psm charge for retail development under 500 sqm and therefore it is considered that the majority of farm shops and new village shops would be below this threshold. They may also be change of use in which case they would not be liable for the charge.</p>

ECONOMIC VIABILITY STUDY – SPECIFIC ASSUMPTIONS AND VALUES		
In addition to viability, the proposals should also be considered against vehicle trips as a fair means to assess material impact and to gauge the requirement for highway related infrastructure and contributions towards sustainable transport.	Sanderson Associates	The CIL rates have to be set based on viability, not on the trip rates or specific impact which new developments would cause.
Examiner’s report for Greater Norwich CIL concluded an over-simplistic approach to finance and cash flow considerations, in which the use of build costs rather than GDV as a basis for calculating over heads and low profit margins was specifically cited.	McCarthy and Stone	Different authorities have different approaches to finance and cash flow in their viability evidence. Therefore while the Greater Norwich Examiner’s report cites this in paragraph 24, the Examiner’s resulting 35% reduction of the residential rate was also based on a number of other matters not relevant to Leeds.
Need to conduct a separate development scenario for specialist accommodation for the elderly as it has a higher proportion of communal floorspace built to a higher specification, a slower sales rate, and higher empty property costs. Provide a development scenario for a typical flatted retirement housing scheme, located on a previously developed site within 0.5 miles of a town or local centre.	McCarthy and Stone	<p>The EVS concluded that residential institutions / care homes were not able to support a CIL charge despite evidence that some schemes had been brought forward for development. In this context the PDCS recommends a nominal charge of £5 psm will apply to these uses. The elderly accommodation as proposed by McCarthy and Stone would fall into the C3 use class (normal housing). Whilst it is accepted that certain schemes will adopt different figures (inputs) to those used within the EVS the assumptions used within the EVS generally align with normal figures expected in the majority of developments. The Regulations are quite clear in that rates should not be based on a particular business model, as this would result in ‘selective advantage’ and the PDCS would be at risk of being contrary to State Aid requirements. The typologies / development scenarios used in the EVS align / are consistent with those used in the EVA; these have been tested through formal consultation.</p> <p>In addition, the point raised about the need for sites to be within 0.5 miles of a town or local centre mean that a large amount of the Leeds main urban area and outlying settlements are encompassed within this; the Core Strategy identifies 27 town centres and 33 local centres. In Leeds therefore it is not considered to be as restrictive a requirement as it may be in other authorities.</p>
East Leeds Extension has a sales value of £160 per sq ft. With CIL at £90 psm the land value drops below an acceptable rate and will leave sites unviable – calculations submitted.	Taylor Wimpey	Whilst it is accepted that certain schemes will adopt different figures (inputs) to those used within the EVS the assumptions used within the EVS generally align with normal figures expected in the majority of developments. In addition the majority of the inputs used within the EVS including sales values have been aligned with those in the Council’s Affordable Housing Economic Viability Assessment (and reduced to reflect changes in the market since the EVA was published), which have been tested and agreed through formal stakeholder consultation. The calculations submitted with the representation demonstrate a land value of circa £56,000 per acre when applying a CIL at £90 psm and assuming a sales figure of £160 psf. Assuming unconstrained / greenfield land this is below the £100k benchmark applied within this EVS. However, the calculations submitted charge CIL on the social housing, which is exempt under

		<p>the Regulations. This would remove around £45,000 from the costs which would be added to the land value and crudely this would increase the price per acre to £60,000, which is still below the benchmark. The calculations submitted also include other inputs which differ to those used within the EVS including professional fees and profit (both higher than the figures within the EVS) and in this context it is misleading to say that the reduction in sales value is the sole reason why CIL is not viable at £90 psm when assuming a sales rate of £160 psf.</p> <p>Notwithstanding the above, the original Housing Characteristics Areas map did place the majority of the East Leeds Extension within the Outer South area. The CIL PDCS map placed it in the Outer North, with the boundary between the Outer North and the Outer Central being the allocations' inside edge, to reflect that it is greenfield. In recognition of the high S106 requirements from this site (in particular the funding of the East Leeds Orbital Route), that its closest housing markets would be Whinmoor and Manston rather than the northern villages, and the representation from the Taylor Wimpey, it is agreed that it would be more appropriate for it to be within the Outer area (£23 psm). The boundary has therefore been rationalised slightly to bring all the ELE allocation within this zone.</p>
<p>Micklefield has a sales value of £185 per sq.ft. With CIL at £90 psm the land value drops below an acceptable rate and will leave sites unviable – calculations submitted.</p>	<p>Taylor Wimpey</p>	<p>Whilst it is accepted that certain schemes will adopt different figures (inputs) to those used within the EVS the assumptions used within the EVS generally align with normal figures expected in the majority of developments. In addition the majority of the inputs used within the EVS including sales values have been aligned with those in the Council's Affordable Housing Economic Viability Assessment (and reduced to reflect changes in the market since the EVA was published), which have been tested and agreed through formal stakeholder consultation. The calculations submitted with the representation demonstrate a land value of circa £129,000 per acre. Assuming unconstrained / greenfield land this is thought to be reasonable and well in excess of the £100k benchmark applied within this EVS. The calculations submitted also charge CIL on the social housing, which is exempt under the Regulations. This would remove around £110,000 from the costs which would be added to the land value and crudely this would increase the price per acre to £137,840. The calculations also include other inputs which differ to those used within the EVS including professional fees and profit (both higher than the figures within the EVS) and in this context it is misleading to say that the reduction in sales value is the sole reason why CIL is not viable at £90 psm when assuming a sales rate of £185 psf.</p> <p>However, the nearest settlement to Micklefield is Garforth (a medium value beacon in the South zone). The EVS demonstrates that average land values (market value benchmarks) are approximately £114,500 per acre (excluding small sites) for these settlements. The average land value within medium beacon settlements falls to £87,500 per acre with CIL at £50 psm (assuming Code 4). This is below the £100k threshold for unconstrained sites and reflects a drop in value of circa 24%, so this is marginal. In this context it is proposed that</p>

		Micklefield and land to the east of Garforth be included within the South zone (£45 psm), with the boundary revised to be the M1/A1.
The evidence base highlighted many sites in the Outer South Area, including land at Micklefield, being only just viable or unviable in the £45 per square metre charging area, so it is clear that they will not be viable in an area with £90 CIL rate. Submitted detailed calculations/viability appraisals to support arguments.	Ashdale Land	<p>A separate justification paper 'Evolution of Housing Charging Zones' has been produced to respond fully to boundary issues. The EVS aligns itself with the market value geographies / housing areas, which have been used as the basis for analysis for producing key sources of evidence including the EVA and the SHMA update 2010. However, because the Outer South is diverse in terms of housing markets it became apparent that it would need further sub division for the CIL to prevent undermining of the affordable housing targets. This resulted in its split into the 'Outer Central' zone and the 'Outer South' zone in the CIL PDCS. The Regulations require the Council to define the zone boundaries on an Ordnance Survey map base and the existing plan was not sufficiently detailed. It has been updated taking into account the EVS evidence. It is inevitable with variable rates that a boundary has to be drawn somewhere.</p> <p>The nearest settlement to Micklefield is Garforth (a medium value beacon in the outer south). The EVS demonstrates that average land values (market value benchmarks) are approximately £114,500 per acre (excluding small sites) for these settlements. The average land value within medium beacon settlements falls to £87,500 per acre with CIL at £50 psm (assuming Code 4). This is below the £100k threshold for unconstrained sites and reflects a drop in value of circa 24%, so this is marginal. In this context and in recognition of the representation from Ashdale Land it is proposed that Micklefield and land to the east of Garforth be included within the South zone (£45 psm), with the boundary revised to be the M1/A1.</p>
Need evidence that landowners are prepared to accept a reduction in land values of 25%, i.e. for residential landowners would sell for anything over £75,000/acre.	Sanderson Associates, Home Builders Federation Consortium	The RICS Guidance (Financial Viability in Planning) recognises that the market value (benchmarks) used in viability testing will need to be adjusted to reflect emerging policy (including CIL). However, it is also accepted that there must be a cap / boundary placed on the impact to the market value. The guidance states this is a judgement for the practitioner, which must be reasonable having regard to the workings of the property market. The examiner recently accepted the principle of a 25% reduction in the Greater Norwich CIL Examination; "Obviously what individual land owners will accept for their land is very variable and often depends on their financial circumstances. However in the absence of any contrary evidence it is reasonable to see a 25% reduction in benchmark values as the maximum that should be used in calculating the impact of emerging policy (including CIL)."

<p>The Wokingham Inspector concludes a return to the landowner should include a reasonable share of the development land value equating to half the uplift of the unfettered value.</p>	<p>Ashdale Land</p>	<p>The EVS has adopted the approach set out within the guidance published by the RICS (Financial Viability in Planning). The Guidance defines 'site value' whether this is an input into a specific scheme appraisal or as a benchmark, as the market value subject to the assumption that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. For the purpose of the EVS the benchmarks (market values) have been calculated via the residual appraisal process and assume current values and all known development costs including S106 contributions (set out at Appendix III of the EVS) but excluding the costs associated with CIL and other emerging policy requirements. This mimics the approach of virtually all developers when purchasing land and establishes the true/accurate reflection of market value which is then used as the benchmark for assessing the impact of emerging policy (including CIL). It is accepted that CIL will be deducted from the land value. The EVS has placed a cap on this impact (25% reduction on current market value), which accords with the principles outlined within the RICS Guidance.</p>
<p>Based on the EVS 20% developer profit on costs would not provide sufficient incentive for developers of specialist accommodation for the elderly to take on the risk of return. Developer profit for a retirement scheme would be 20% of GDV. The EVS proposes 15% on costs for residential and commercial development. The September workshop proposed 18% GDV why has this lowered? It should be based on profit on GDV.</p>	<p>McCarthy and Stone</p>	<p>Whilst it is accepted that certain schemes will adopt different figures (inputs) to those used within the EVS the assumptions used within the EVS generally align with normal figures expected in the majority of developments. The Regulations are quite clear in that rates should not be based on a particular business model, as this would result in 'selective advantage' and the PDCS would be at risk of being contrary to State Aid requirements. Profit can be benchmarked against GDV or Costs and the EVA based profit on IRR (this was consulted upon and accepted). The EVS shows net profit of 15% but 6% is also included for developer overheads. The figures quoted in the workshop in September were gross margins inclusive of overheads.</p>
<p>Need justification for the £100,000 value applied to all greenfield land and the assumption it should be valued as agricultural land, this is extremely low.</p>	<p>Home Builders Federation Consortium, East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates</p>	<p>It is generally accepted that greenfield land is undeveloped land in a city or rural area either used for agriculture, landscape design, or left to naturally evolve. These areas of land are usually agricultural and this is the assumption taken forward within the EVS. The £100,000 per acre benchmark is based on a premium over and above existing use value for agricultural land, based on information from UK Land and Farms (UKLAF) the EUV for agricultural land is around £6,500 per acre. Based on guidance from the HCA (Area Wide Viability – Annex 1 Transparent Viability Assumptions) a suitable premium over and above existing use value would be between 10 and 20 times EUV for agricultural land. Taking the mean figure of 15 this equates to £97,500, which has been rounded up to £100,000.</p>

<p>Need more regard to hidden costs e.g. business rates, borrowing costs, utilities etc.</p>	<p>Leeds Property Forum</p>	<p>Business rates and utilities etc. are normally costs passed on to the end occupier and would not normally be incurred by the developer and therefore, should not be included in the assessment. If a scheme is built out on a speculative basis it is accepted that the developer (as owner of the property) would incur empty rates liability. However, because of this reason many developers are now unwilling to build speculatively or require a significant proportion of the space to be pre-let. It is also accepted that there will be scenarios in which sites have been assembled and subject to holding costs. However, such holding costs could be offset by any income received such as temporary car parking etc. For the purpose of the EVS, which is a strategic piece of work it is not possible to consider every eventuality and this is why the rates have not been set at the maximum levels to reflect the fact it has not been possible to consider all of the costs on every potential site within the EVS.</p>
<p>Much higher rates of CIL are possible as developers are land banking and taking options on agricultural land at agricultural prices.</p>	<p>Resident - M, L, and A Fox, Resident - G Hall</p>	<p>A developer will not bring a site forward if it is unviable for them to do so, even if they own the land (including if they have historically paid too much for it). Equally a landowner will also not sell land for a figure which is considerably less than market value. The EVS does not take into consideration the previously paid purchase price of land – instead the EVS determines what the appropriate market value would be for each typology by undertaking a residual land value. This benchmark is the market value of the land in question having regard to all the known development costs including the current S106 obligations/requirements. The impact of future policy requirements is then assessed by reference to their impact on the benchmark values. The approach is clearly set out within Section 7 of the EVS and accords with RICS Professional Guidance (Financial Viability in Planning (1st Edition)). In this context the CIL rates are based on a true / accurate reflection of market value and not historic purchase prices. A similar principle applies for ‘option agreements’ where a developer agrees to purchase the land but only upon securing planning permission. The option does not force the developer to acquire the land and so they will not acquire it or build on it if it is not viable to do so.</p>
<p>Retail rates are too low and do not reflect the types of retail development aspired to such as Trinity which will command very high rents.</p>	<p>Resident - M, L, and A Fox</p>	<p>The EVS is based on viability and whilst it has considered the values attributable to schemes such as Trinity (i.e. high rental values) it must also consider the higher costs associated with developing schemes of this scale / type. The justification paper ‘Further Evidence on Retail Rates’ discusses the retail considerations in the current difficult economic market, resulting in a reduction in the retail rates for the Draft Charging Schedule. The rates are considered to be a fair reflection of what can be afforded within the City Centre without prejudicing the delivery of development.</p>

<p>Need to have appraised viability of major City Centre retail developments such as Victoria Gate. Complex land assembly and associated development costs for major schemes.</p>	<p>Hammerson UK Properties</p>	<p>The EVS does consider a hypothetical City Centre retail scheme but given the nature of the EVS, which is a strategic piece of work it is not possible to consider every possible cost and it becomes extremely difficult especially when considering the issue of site assembly etc. the costs of which are often scheme specific. The Regulations state that CIL must not be based on specific schemes. The EVS demonstrates that City Centre comparison retail and large convenience stores can afford much higher rates that are being proposed. However, reflecting the issues associated with major retail schemes (i.e. complex land assembly etc) and the fact that they are often promoted as enabling development (especially large convenience stores) it was considered sensible to recommend a charge which was consistent with the maximum unconstrained rates for City Centre traditional retail (non food) - £175 psm. The PDCS then applied a further discount of 10% resulting in a rate of £158 psm.</p> <p>The Hammerson UK representation states the Victoria Gate floorspace is up to 131,286 sqm, of which Class A1 retail floorspace is up to 117,080 sqm. The current 2013 first phase applications are for: John Lewis GIA 26,427 sqm and other retail 9,036 sqm = total 35,463 sqm. The PDCS CIL at £158 psm = £5.6m (minus any net demolition/change of use which could be up to 1,549 sqm i.e. £244,742). The 2012 outline permission S106 agreed: £9,000 for car club for one year, £247,497 for public transport contribution (and £502,425 for phase two); £15,000 travel plan admin fee. The public transport contribution would be subsumed within the CIL. Therefore under a CIL regime at PDCS rates it would pay approximately £5m more than the current 1st phase scheme.</p> <p>The justification paper 'Further Evidence on Retail Rates' discusses this alongside other retail considerations, resulting in a reduction in the retail rates in the Draft Charging Schedule. The Victoria Gate first phase scheme would pay £35 psm and would therefore contribute £942.5k more under the CIL regime, which is considered to be reasonable.</p>
<p>PDCS is not consistent as it only applies a single rate for all 'Retail' over 500 sqm in the City Centre but EVS is based on separate assessments of convenience and comparison.</p>	<p>Hammerson UK Properties</p>	<p>The EVS demonstrated that City Centre comparison retail and large convenience stores can afford much higher rates that are being proposed. However, reflecting on all the issues as outlined in the 'Further Evidence on Retail rates' justification paper, the retail rates have been reduced for the Draft Charging Schedule. In addition, the retail category has now been split into convenience and comparison.</p>

<p>% Professional fees are extremely low. Other authorities' CIL evidence base uses 8% to 10% for standard residential. McCarthy and Stone typically allocate 10% of GDV for professional fees. The EVS statement that "based on our experience many residential developers have 'off the shelf products' which result in significant cost savings. In circumstances such as this it is normal for fees to be included at 5%" is completely unrepresentative of the market. Plus given experience in the Leeds market with the Council's high design standards an 'off-the shelf' product is not suitable in Leeds and does not reflect many months work and several meetings with officers.</p>	<p>McCarthy and Stone</p>	<p>Whilst it is accepted that certain schemes will adopt different figures (inputs) to those used within the EVS the assumptions used within the EVS generally align with normal figures expected in the majority of developments. The Regulations are quite clear in that rates should not be based on a particular business model, as this would result in 'selective advantage' and the PDCS would be at risk of being contrary to State Aid requirements. The charges have also been set 10% below the optimum / maximum rates set out within the EVS to take into consideration that in some cases the figures / assumptions adopted within the EVS may be different to those applied in actual development schemes.</p>
<p>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 specification. Typically an open market flatted residential development will provide 16% non-saleable floorspace, whereas this increases to 30% for sheltered accommodation and 35% for Extra Care accommodation. So the ratio of CIL rate to net saleable area would be disproportionately high when compared to other forms of residential accommodation.</p>	<p>McCarthy and Stone</p>	<p>The elderly accommodation, as proposed by McCarthy and Stone would fall into the C3 use class (normal housing). The typologies / development scenarios used in the EVS align / are consistent with those used in the EVA; these have been tested through formal consultation and generally align with the majority of developments. The Regulations are quite clear in that rates should not be based on a particular business model, as this would result in 'selective advantage' and the PDCS would be at risk of being contrary to State Aid requirements,</p>
<p>EVS marketing costs for residential are 1.25% of GDV. This is extremely low and unjustified. Other local authorities typically use 3% and the September workshop proposed to use 3%. Marketing fees for specialist accommodation for the elderly is in excess of 6% of GDV.</p>	<p>McCarthy and Stone</p>	<p>The September workshop previously included an allowance for sales and marketing costs at 3%. This was split 1.75% for direct sale and legal fees and 1.25% for standard marketing. These assumptions have been carried forward into the PDCS. Whilst marketing fees for specialist accommodation for the elderly may be higher (reflecting the age restrictions placed on the product – albeit without specific evidence little weight can be given to this) this is specific to the business model of McCarthy and Stone. The Regulations are quite clear in that the rates cannot be set having regard to a particular business model and must accord with normal market dynamics.</p>

<p>Ensure that the baseline land value against which the viability of the retirement scheme is assessed properly reflects the spatial pattern of land use in the locality. Therefore the viability of retirement housing should be assessed against both likely existing site values, and potential alternative uses. Due to occupants relying on public transport and being of lower mobility, retirement housing can only be built on a limited range of sites in close proximity to town centres, which are high value and previously developed. Concern that CIL could prejudice the delivery of retirement housing against competing uses on these relatively scarce suitable sites.</p>	<p>McCarthy and Stone</p>	<p>The elderly accommodation, as proposed by McCarthy and Stone would fall into the C3 use class (normal housing). The typologies / development scenarios used in the EVS align / are consistent with those used in the EVA; these have been tested through formal consultation and generally align with the majority of developments.</p> <p>The EVS has adopted the approach set out within the guidance published by the RICS (Financial Viability in Planning). The Guidance defines 'site value' whether this is an input into a specific scheme appraisal or as a benchmark, as the market value subject to the assumption that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. For the purpose of the EVS the benchmarks (market values) have been calculated via the residual appraisal process and assume current values and all known development costs including S106 contributions (set out at Appendix III of the EVS) but excluding the costs associated with CIL and other emerging policy requirements. This mimics the approach of virtually all developers when purchasing land and establishes the true / accurate reflection of market value which is then used as the benchmark for assessing the impact of emerging policy (including CIL). It is accepted that CIL will be deducted from the land value. The EVS has placed a cap on this impact (25% reduction on current market value), which accords with the principles outlined within the RICS Guidance</p> <p>The Regulations are quite clear in that rates should not be based on a particular business model, as this would result in 'selective advantage' and the PDCS would be at risk of being contrary to State Aid requirements.</p> <p>A large amount of the Leeds main urban area and outlying settlements are encompassed within the McCarthy and Stone requirement to be within 0.5 miles of a town or local centre; the Core Strategy identifies 27 town centres and 33 local centres. In Leeds therefore it is not considered to be as restrictive a requirement as it may be in other authorities.</p>
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<p>Elderly accommodation has much longer sales period with significant effects on empty property costs, borrowing and finance costs and sales and marketing. Current typical sales rate is one unit per month, so average sized scheme of 45 units can take 3-4 years to sell out.</p> <p>Provide figures setting out £/m² gross internal floor area comparing sheltered housing against other housing types based on BCIS data for Leeds. Sheltered housing costs 5.8% more expensive per sqm than the cost of building apartments and 24.4% more than estate housing.</p> <p>Specialist accommodation for the elderly can only be sold upon completion of the development and the establishment of all the communal facilities and on-site house manager. Service charge monies that would be provided from empty properties are subsidised by the Company, a typical 45 unit McCarthy and Stone development has empty property costs of £200,000.</p>	<p>McCarthy and Stone</p>	<p>Whilst it is accepted that certain schemes will adopt different figures (inputs) to those used within the EVS the assumptions used within the EVS generally align with normal figures expected in the majority of developments. The Regulations are quite clear in that rates should not be based on a particular business model, as this would result in 'selective advantage' and the PDCS would be at risk of being contrary to State Aid requirements.</p>
<p>Need explicit evidence on:</p> <p>a) Residual land value – threshold land value = margin for CIL</p> <p>b) margin for CIL / gross floor area of typology = maximum CIL rate £ psm</p>	<p>Morrison Supermarkets</p>	<p>The EVS has adopted the approach set out within the guidance published by the RICS (Financial Viability in Planning). The Guidance defines 'site value' whether this is an input into a specific scheme appraisal or as a benchmark, as the market value subject to the assumption that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. For the purpose of the EVS the benchmarks (market values) have been calculated via the residual appraisal process and assume current values and all known development costs including S106 contributions (set out at Appendix III of the EVS) but excluding the costs associated with CIL and other emerging policy requirements. This mimics the approach of virtually all developers when purchasing land and establishes the true / accurate reflection of market value which is then used as the benchmark for assessing the impact of emerging policy (including CIL). It is accepted that CIL will be deducted from the land value. The EVS has placed a cap on this impact (25% reduction on current market value), which accords with the principles outlined within the RICS Guidance.</p>

<p>Retail 5% yield is too high and the EVS assumes all developers are national operators</p>	<p>Morrison Supermarkets</p>	<p>The EVS provides a range of appraisals for different types, sizes and location of retail schemes, including:</p> <ul style="list-style-type: none"> - Convenience Stores 372 sqm on a site area of 0.09 ha - Traditional Retail (non-food) A1 800 sqm on 0.09 ha. - Retail Warehouse 1,500 sqm on 0.38 ha - Supermarkets 2,500 sqm on 0.63 - City Centre Comparison Retail 4,645 sqm on 0.58 - Superstores 4,000 sqm on 1 ha - Hypermarkets 6,000 sqm on 1.50 ha <p>The EVS considered a range of retail yields which were thought to represent / distinguish between national and local operators. A size threshold of 500 sqm is set out within the PDCS with any scheme which is less than 500 sqm exempt from the CIL payment. This is to reflect the fact that small developments are typically operated by local operators and the majority of scheme above 500 sqm are national operators. It is considered that without specific evidence proving that the retail yield is too high there is only a limited amount of weight which can be given to this.</p>
<p>Retail benchmark land values are confusing and too low, it is also unclear how these valuations have been made and with what evidence. Land owners will make their own land value assessment not the one used.</p>	<p>Morrison Supermarkets</p>	<p>The EVS has adopted the approach set out within the guidance published by the RICS (Financial Viability in Planning). The Guidance defines 'site value' whether this is an input into a specific scheme appraisal or as a benchmark, as the market value subject to the assumption that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan. For the purpose of the EVS the benchmarks (market values) have been calculated via the residual appraisal process and assume current values (rents and yields) and all known development costs including S106 contributions (set out at Appendix III of the EVS) but excluding the costs associated with CIL and other emerging policy requirements. This mimics the approach of virtually all developers when purchasing land and establishes the true / accurate reflection of market value which is then used as the benchmark for assessing the impact of emerging policy (including CIL). This approach correctly values the land in accordance with RICS Guidance and provides an appropriate viable level of planning obligations, whilst ensuring land is brought forward for development.</p>

<p>Retail 6 month pre-construction phase is unrealistic and should be 24+ months.</p> <p>Retail commercial agency fees set at 7.5% are unrealistic as industry standard is 15%.</p> <p>Retail finance charges at 6.5% are too low 7% are the industry average and a £200k average finance arrangement fee has not been included as well as holding fees.</p> <p>Retail typologies have used an unrealistic 40% site coverage, it should be 30%.</p> <p>Retail total profit has been calculated at 21% while it should be 25%.</p>	<p>Morrison Supermarkets</p>	<p>The PDCS rates for large convenience retail within the City Centre are 55% less than the optimum figures set out within the EVS. Outside of the City Centre the figures are around 42% lower than the optimum figures set out within the EVS. This reflects the issues associated with major retail schemes (i.e. complex land assembly etc) and the fact that they are often promoted as enabling development (especially large convenience stores).. Whilst it is accepted that certain schemes will adopt different figures (inputs) to those used within the EVS the assumptions used within the EVS generally align with normal figures expected in the majority of developments.</p> <p>However, the appraisals have been remodelled using the Morrisons different assumptions. These changes in base assumptions also need to be used to recalculate the benchmark / market value against which the impact of CIL and other policies are tested. The benchmark drops from £2.435m per ha down to £1.635m for greenfield sites. The benchmark for brownfield sites drops from £2.265m per ha to £1.490m per ha. In applying the impacts of policy EN1 and EN2 the brownfield values drop to £1.340m (assuming 'outstanding' BREEAM, as worst case). This is a reduction of 10% on the benchmark value which is well within the threshold of 25%. The unconstrained value falls to £1.488m (assuming 'outstanding' BREEAM, as worst case). This is a reduction of 9% and is again well within the threshold of 25%.</p> <p>If the CIL is then added at £248psm (PDCS rate) for greenfield sites the land value drops to £1.270m per ha (assuming 'Outstanding' BREEAM). This is a reduction on the benchmark value (£1.635m) of 22%. This is within the threshold of 25% but does not leave much headroom and is a further justification for reducing the retail rates. For City Centre brownfield sites CIL is £158psm (PDCS rate) and applying the CIL reduces the value of the land to £1.230m per ha (assuming 'Outstanding' BREEAM and CIL at £158psm), a reduction on the brownfield benchmark of 17%.</p> <p>In consideration the analysis shows that despite the changes put forward by Morrisons the evidence still suggests that the CIL rates are sustainable based on the methodology put forward in the EVS. However, taking into account the wider discussion of retail issues, the rates have been further reduced as set out in the 'Further Evidence on retail rates' paper which will therefore greatly improve the viability even using the Morrisons assumptions.</p>
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Retail large site assembly fees have not been taken into account	Morrison Supermarkets	Given the nature of the EVS, which is a strategic piece of work it is not possible to consider every possible cost and it becomes extremely difficult especially when considering the issue of site assembly, as the costs are often scheme specific and can't be considered in a study of this nature. The Regulations state that CIL must not be based on specific schemes. The EVS demonstrated that City Centre comparison retail and large convenience stores can afford much higher rates than are being proposed. However, reflecting the issues associated with major retail schemes (i.e. complex land assembly etc) and the fact that they are often promoted as enabling development (especially large convenience stores) it was considered sensible to recommend charges which are substantially lower than the EVS. The PDCS then applied a further discount of 10% and this has since been reduced even further in the DCS. In this context it is considered that a suitable cushion has been built into both the EVS and DCS to take into account the costs associated with large site assembly fees.
VIABILITY OF BROWNFIELD SITES - RESIDENTIAL		
Concerned with EVS justification that as development in the outer north with primarily come forwards on greenfield sites therefore the CIL rate has been set at the greenfield level. To discourage brownfield development in such a way would be contrary to both local and national policy as it is considered this is the most sustainable form of development.	Home Builders Federation Consortium	The EVS considered brownfield and greenfield scenarios but did not recommend a separate charge for brownfield sites. The rates set out within the PDCS are considered sustainable and reflect the viability evidence (i.e. a nominal charge of £5 psm is proposed for all residential development within the City Centre reflecting the fact that the majority of its land for housing will be brownfield) and will allow the majority of land to be brought forward for development. However, it is accepted that some sites, particularly brownfield (constrained and contaminated sites), will not be able to sustain the CIL charges proposed. This fact is also recognised within the Guidance. In these circumstances the Council will need to work with developers to consider flexibility in relation to other planning obligations.
GVA has not appraised the policy implications arising from BREEAM / Carbon reduction standards for constrained / brownfield sites, simply assuming that as for unconstrained / greenfield sites, the impact will be negligible / minimal.	Hammerson UK Properties	As set out within the EVS the costs associated with the emerging policies covering BREEAM / Carbon reduction do not have a significant impact on the current market value benchmarks. Whilst the EVS only appraised the unconstrained site the same cost increases would apply to the brownfield scenarios. In this respect it is logical to conclude that the impact on the brownfield market values will also be minimal.
Difficult developments in the centres of towns such as Otley and Morley might be disadvantaged by having to pay at the same rate as straightforward greenfield development nearby.	Morley Town Council Planning Committee	The EVS has considered brownfield and greenfield scenarios and the rates set out within the PDCS are considered sustainable and should not prevent the majority of land from being brought forward for development. However, it is accepted that some sites, particularly brownfield sites, will not be able to sustain the CIL charges proposed. This fact is also recognised within the Guidance. In these circumstances the Council will need to work with developers to consider flexibility in relation to other planning obligations.

<p>Brownfield sites should only be charged £25 in the Outer South as stated in the EVS.</p>	<p>McGregor Brothers Ltd</p>	<p>The EVS considered brownfield and greenfield scenarios but did not recommend a separate charge for brownfield sites. Whilst the CIL Regulations require the zones to be shown on an OS map base it is simply not possible to differentiate between every brownfield site across Leeds, and any that were identified may have selective advantage and be at risk of being contrary to State Aid requirements. There is also no scope in the Regulations to make a specific distinction for brownfield sites. Paragraph 7.28 of the EVS states "CIL is considered unfeasible on Brownfield / constrained sites within the Outer Area(s). Whilst the impact on current benchmarks is within tolerance levels when CIL is at £25 psm (see Table 28) absolute site values are very low/marginal at best.</p> <p>This was the reason for the splitting of the original outer area into two zones (Outer South and Outer Central) to set a lower rate for the Outer Central area and reflect the value geographies across that broad area. The rates set out within the PDCS are considered sustainable and should not prevent the majority of land from being brought forward for development. However, it is accepted that some sites, particularly brownfield sites, will not be able to sustain the CIL charges proposed. This fact is also recognised within the Guidance. In these circumstances the Council will need to work with developers to consider flexibility in relation to other planning obligations.</p>
<p>There is no regard to brownfield being encouraged ahead of greenfield. CIL is encouraging green belt development in the outer north as the Council will get the highest CIL rate there.</p>	<p>Resident - M, L, and A Fox</p>	<p>The CIL is not the mechanism to encourage brownfield development over greenfield, as the rates have to be based on viability not on policy considerations. The Regulations do not permit a distinction to be made for brownfield sites. The viability appraisals have taken into account the difference in brownfield and greenfield land values. Other policies in the development plan such as Core Strategy SP6, H1, and the methodology underpinning the site selection in the emerging Site Allocations Plan aim to encourage brownfield development, and it is primarily the current difficult economic conditions which are impeding it at the present time as Leeds has an excellent history of exceeding brownfield targets. The CIL is not encouraging green belt development in the outer north in order to maximise its CIL receipts, the outer north is zoned simply because if development does occur there then it will be able to sustain the highest rate. The EVS has considered brownfield and greenfield scenarios and the rates set out within the PDCS are considered sustainable and should not prevent the majority of land from being brought forward for development.</p>

<p>The CIL should work in conjunction with wider national and local planning objectives. Therefore developers and the Council would benefit from exempting residential development on brownfield land.</p>	<p>McCarthy and Stone</p>	<p>The EVS considered brownfield and greenfield scenarios but did not recommend a separate charge for brownfield sites. Whilst the CIL Regulations require the zones to be shown on an OS map base it is simply not possible to differentiate between every brownfield site across Leeds, and any that were identified may have selective advantage and be at risk of being contrary to State Aid requirements. There is also no scope in the Regulations to make a specific distinction for brownfield sites. The rates set out within the PDCS are considered sustainable and should not prevent the majority of land from being brought forward for development. However, it is accepted that some sites, particularly brownfield sites, will not be able to sustain the CIL charges proposed. This fact is also recognised within the Guidance. In these circumstances the Council will need to work with developers to consider flexibility in relation to other planning obligations.</p> <p>It is considered that in accordance with the CIL Guidance April 2013, the Leeds CIL Charging Schedule will contribute towards the implementation of the Core Strategy and support the development of the Leeds District by helping to provide the infrastructure required as a result of new growth, and allowing delivery of the scale of development set out in the Core Strategy. If the charging rates are too low, development will be constrained by insufficient infrastructure and a lack of local support. The CIL evidence base has been produced in line with the NPPF especially Paragraph 173 which requires that “the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.”</p>
<p>No evidence to suggest the 10% reduction would enable brownfield sites to be viable. No justification as to why the lower £50 rate is not used as proposed in the EVS to account for brownfield land, which would be contrary to policy.</p>	<p>Ashdale Land, East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates</p>	<p>The EVS has considered brownfield and greenfield scenarios but did not recommend a separate charge for brownfield sites. The rates set out within the PDCS are considered sustainable and reflect the viability evidence (i.e. a nominal charge of £5 psm is proposed for all residential development within the City Centre and Inner Area reflecting the fact that the majority of land for housing will be brownfield) and will allow the majority of land to be brought forward for development. However, it is accepted that some sites, particularly brownfield (constrained and contaminated sites), will not be able to sustain the CIL charges proposed within the PDCS. This fact is also recognised within the Guidance. In these circumstances the Council will need to work with developers to consider flexibility in relation to other planning obligations.</p>

<p>The EVS identifies that the level of CIL proposed would potentially render schemes unviable especially on brownfield, constrained and large sites. This is considered counterproductive given that the Council wishes the majority of housing to take place on previously developed land.</p>	<p>Carter Jonas</p>	<p>The Council has a strong desire to promote development on brownfield land, but in reflecting the geography of the Leeds District and the available sites, the Core Strategy sets out in Policy H1 that there is a brownfield land target of 65% for the first five years, and 55% thereafter. It is inherent within the CIL regime at national level and as set out explicitly in the guidance that some development may be at risk, and it is therefore inevitable that this would be most likely to be brownfield sites as these are less viable. Setting CIL rates so low that no brownfield sites were at risk would in itself be counter-productive as it would raise only very minimal receipts to provide the infrastructure required as a result of the new growth. The EVS has considered brownfield and greenfield scenarios but did not recommend a separate charge for brownfield sites. The rates set out within the PDCS are considered sustainable and reflect the viability evidence (i.e. a nominal charge of £5psm is proposed for all residential development within the City Centre reflecting the fact that the majority of land for housing will be brownfield) and will allow the majority of land to be brought forward for development.</p>
<p>The Seacroft Hospital site requires significant infrastructure for a transport solution for the site, SUDs, and major reconfiguration of electricity supply network. The imposition of a CIL charge will have a negative impact on the scheme and the extent to which it can help deliver the city's regeneration and housing objectives.</p>	<p>Homes and Communities Agency and Leeds Teaching Hospitals NHS Trust</p>	<p>The Regulations stipulate that the rates within the Charging Schedule cannot be based on specific schemes. The EVS considered a range of development typologies including greenfield and brownfield scenarios and the rates have been considered and set within the context of this evidence. The PDCS also applied a discount of 10% to the maximum rates set out within the EVS. In this context it is considered that a suitable cushion has been built into the PDCS to take into site specific circumstances that can't be reflected in a strategic piece of work such as the EVS. However, it is accepted that some sites, particularly brownfield constrained/contaminated sites, will not be able to sustain the CIL charges proposed. This is also recognised within the Guidance. In these circumstances the Council will need to work with developers to consider flexibility in relation to other planning obligations. Specifically in the case of Seacroft Hospital this is clearly an allocated site which will help with the area's regeneration and the Council will continue to work with the HCA and Teaching Hospitals to progress the scheme. It is in the £23 psm zone and therefore £2,024 CIL per average house is not considered to be the tipping point to make the scheme unviable.</p>
<p>VIABILITY OF BROWNFIELD SITES - COMMERCIAL</p>		
<p>Disagree with charging lower rates for retail in the City Centre. Not established by the EVS that sites outside it are significantly less constrained, which in Leeds is not likely. It will also penalise in-centre retail which is required by planning policy.</p>	<p>Asda</p>	<p>The lower City Centre retail rates reflect the fact that City Centre schemes are often complex and more challenging in terms of site enabling costs etc. There is only a nominal charge (£5 psm) for retail less than 500 sqm both inside and outside of the City Centre, which reflects the fact that such developments are normally undertaken / occupied by local operators and therefore can't provide the covenant strength of a national retailer, which is reflected in the value and ultimately the viability of schemes. The rates have to be set based on viability rather than on policy considerations of directing retail to in centre locations.</p>

<p>Para 9.23 of the EVS discusses site constraints: “for smaller convenience stores a much reduced CIL charge of circa £200 psm could be sustained on unconstrained sites but CIL is not feasible on constrained sites.” Paragraph 9.24 states that “it is recommended that rates be set with reference to the constrained/brownfield assessments. By taking this approach it is hoped that the impact on their enabling qualities is not adversely affected.” This has not been carried forwards into the PDCS.</p>	<p>Aldi</p>	<p>The phrase ‘smaller convenience stores’ relates to store with a trading area of less than 280 sqm (as outlined in footnote 29 on page 46) and therefore does not relate to the £248 psm charge above 500 sqm, indeed it is a reason for implementing the 500 sqm threshold below which smaller convenience stores would only be charged £5 psm. This is outlined in the EVS paragraph 9.25: “It is proposed that a distinction is made as to the size of unit to which a charge would apply. The size distinction arises from the type of occupier likely to take a larger unit, bringing a stronger covenant and better rents and yields. Smaller units are likely to come forward with a local covenant (i.e. they are unable to provide the covenant strength of a national retailer). It is recommended that a threshold of 500 sqm be adopted, as this would allow flexibility for both slightly larger convenience stores and smaller supermarkets to be developed providing an appropriate margin between different types of store able to support a CIL charge.” The average size of a discount supermarket such as Aldi is 1,500 sqm and therefore falls within the description of a smaller supermarket, rather than smaller convenience stores.</p>
<p>Retail sites are generally in centres and so are considerably constrained which adds further costs e.g. complicated highways solutions and de-contamination. It also affects their optimum requirements and standard business model regarding e.g. car parking floor area and build costs.</p>	<p>Aldi</p>	<p>The EVS demonstrated that City Centre comparison retail and large convenience stores can afford much higher rates than are being proposed. However, reflecting the issues associated with major retail schemes (i.e. complex land assembly etc) and the fact that they are often promoted as enabling development (especially large convenience stores) it was considered sensible to recommend charges which are substantially lower than the EVS considers viable to take into consideration issues such as land assembly and enabling qualities.</p> <p>A rate of £175 psm in line with other traditional retail (non-food A1) was therefore taken as the rate for City Centre retail and a rate of £275 psm was considered as a viable charge for retail outside of the City Centre. The PDCS then applied further discounts of 10%. In this context the rates for large convenience retail within the City Centre are 55% less than the optimum figures set out within the EVS. The rates for City Centre comparison retail are 30% less than the optimum / maximum rates set out within the PDCS. Based on the ‘Further Evidence for Retail Rates’ paper they have been further reduced in the DCS. The Regulations are clear in that rates should not be based or have regard to a particular business model, as this would result in ‘selective advantage’ and the PDCS would be at risk of being contrary to State Aid requirements.</p>
<p>COMPARISON WITH OTHER AUTHORITIES</p>		
<p>The proposed rates are reasonable on the basis of comparison with rates adopted or under consideration by other local planning authorities.</p>	<p>Highways Agency</p>	<p>Support welcomed.</p>

<p>Supportive of the approach taken so far and not aware of any cross-boundary issues at this stage. Would have concerns if the 10% rate below the maximum level in the EVS for residential meant setting a rate substantially higher than in Harrogate and Selby Districts, as 10% is high in relation to viability buffers being set elsewhere nationally.</p>	<p>North Yorkshire County Council</p>	<p>Support welcomed. As demonstrated by comparison with the Harrogate PDCS, the 10% rate below the Leeds EVS maximum for residential is only £5 more along the boundary than the Harrogate rate, which is based on a larger reduction from their maximum rate.</p> <p>While the CIL rates are based on the bespoke evidence for the Leeds District, officers have worked alongside neighbouring authorities both formally through City Region meetings, and informally through individual discussions and information sharing, especially for Bradford, Kirklees, and Harrogate as these authorities have been working at broadly the same timescales. Therefore throughout the rate setting process the rates proposed in the Leeds PDCS were benchmarked and considered in order that they broadly 'match up' with those being proposed in neighbouring authorities, albeit there are inevitable differences in viability, local markets, and in each authority's evidence base. This cross-boundary work is ongoing.</p>
<p>The residential rate of £90 psm for the Outer Northern is broadly similar to Harrogate Borough Council's proposed PDCS residential rate of £85 psm.</p>	<p>Harrogate Borough Council</p>	<p>Agree that despite some differences between Leeds and Harrogate in the methodologies and assumptions used, including the percentage reduction from the 'maximum' CIL rates, the resulting rates are comparable along the boundary and for the other non-geographical uses.</p>
<p>Rates set should reflect those in neighbouring districts.</p>	<p>Sanderson Associates</p>	<p>The CIL rates have to be based on the bespoke evidence for the Leeds District. Officers have worked alongside neighbouring authorities both formally through City Region meetings, and informally through individual discussions and information sharing. Some consideration of other authorities' rates does need to be born in mind, in order to ensure that the rate would not harm the economic development of the District as a whole by virtue of directing development to other cheaper CIL locations. However, it is of key importance that the rates are set based on local viability evidence, otherwise there is the risk that the PDCS will be in breach of State aid regulations.</p>
<p>Compared with other cities' retail rate is disproportionately high.</p>	<p>Aldi</p>	<p>Some consideration of other authorities' rates does need to be born in mind, in order to ensure that the rate would not harm the economic development of the District as a whole by virtue of directing development to other locations with lower CIL rates. However, it is of key importance that the rates are set based on local viability evidence, otherwise there is the risk that the PDCS will be in breach of state aid regulations. It is considered that the rates for retail development in Leeds would not discourage development of this sector as a whole even if CIL rates may be cheaper elsewhere. There are also other authorities (not referenced in the Aldi representation), excluding London, which propose a CIL retail rate comparable to or higher than the proposed Leeds rate. These include Exeter, Solihull, and Trafford. Officers have worked alongside neighbouring authorities both formally through City Region meetings, and informally through individual discussions and information sharing. However, the DCS now proposed lower retail rates.</p>

<p>Most local authorities propose a nil rate for offices, so Leeds should have further evidence to support above zero and no higher than £10psm as in the S106 data.</p>	<p>SJS Property Management</p>	<p>The respondent's point that the office rate needs further evidence has been addressed further under a different section. The rates within the Charging Schedule need to be based on local viability evidence; otherwise there is the risk that the PDCS will be in breach of State aid regulations. Leeds is the hub of the Leeds City Region and one of the largest cities in the UK. It therefore has a different and more buoyant office market to the vast majority of authorities and the evidence produced demonstrates that a CIL charge is justified and viable. Although not their final rates and therefore subject to change, Newcastle is proposing to charge a City Centre office rate of £64 psm, and Birmingham is proposing £55 psm for City Centre core offices (with £25 psm charge for City Centre fringe offices and £15 psm for all other offices). Other local authorities outside of London are also proposing charges on B1 office development: Dartford – £25 psm, Oxford - £20 psm, Dover - £25 psm, Hambleton – offices included in all other development charged at £10 psm, Harrogate – offices included in all other development charged at £10 psm.</p>
<p>In considering the difference between the average highest retail rates across the country compared with their highest residential rates, comparatively Leeds would be significantly out of step. Only 15 maximum retail rates across the country are higher than Leeds, with only Trafford in the north. Comparative rates across the region will directly affect investment decisions.</p>	<p>Land Securities, Leeds Property Forum</p>	<p>The PDCS rates were based on current available evidence with respect to the Leeds local property markets. Some consideration of other authorities' rates does need to be born in mind in order to ensure that the economic development of the District as a whole would not be harmed by virtue of directing development to other cheaper CIL locations. However, it is of key importance that the rates are set based on local viability evidence, otherwise there is the risk that the Charging Schedule will be in breach of state aid regulations. It was considered that the rates set out in the PDCS would not discourage retail development in Leeds as a whole even if rates are cheaper elsewhere. Leeds was ranked 7th in the CACI Retail Rankings in 2011, which has improved with the opening of Trinity and Leeds is now considered to be 4th in the rankings (although unconfirmed). Both rankings suggest that the retail charges for Leeds are not out of step and reflect the market attractiveness of Leeds as a retail destination. However, in responding to further retail evidence, the DCS rates are now substantially lower than the PDCS.</p>

<p>The PDCS assumes Leeds is the key area in West Yorkshire which is no longer true, development will simply go to the neighbouring areas which do not have CIL.</p>	<p>Sanderson Associates</p>	<p>The rates within the PDCS were based on current available evidence with respect to the local property market(s) in Leeds. However, it is of key importance that the rates are set based on local viability evidence, otherwise there is the risk that the PDCS will be in breach of State aid regulations. It is considered that the rates set out in the Charging Schedule would not discourage development in Leeds as a whole even if CIL rates may be cheaper elsewhere. Leeds is the hub of the Leeds City Region and one of the largest cities in the UK and therefore it does have different markets and investor interest to neighbouring authorities. While the CIL rates are based on the bespoke evidence for the Leeds District, officers have worked alongside neighbouring authorities both formally through City Region meetings, and informally through individual discussions and information sharing, especially for Bradford, Kirklees, and Harrogate as these authorities are working at broadly the same timescales. Do not consider that it is as simple as if an authority does not charge a CIL then all the development in that region will go there. If lower CIL rates (or none) are charged it is primarily because of poor viability, and therefore it will be just as viable for development to locate in an area with or without the CIL.</p>
<p>REVIEW MECHANISMS</p>		
<p>Not clear if the rates will be reviewed to reflect any changes in the economic climate and the timetable / process to do this.</p>	<p>Metro</p>	<p>These matters are primarily set out in the Regulations; there must be monitoring and annual reporting; the rates are index linked to the Building Cost Information Service index to account for changes in the economic climate and costs; and any changes to the Charging Schedule must undergo the same evidence gathering and consultation/examination process. It has been broadly accepted across the country that a three year period after adoption is suitable to undertake a formal review of the rates but it does depends on the outcome of the monitoring and any changes to the wider economy.</p>
<p>Reassured that the first CIL Charging Schedule is, to some extent, experimental and that it will be subject to early review.</p>	<p>Morley Town Council Planning Committee</p>	<p>There is a balance to be struck in having a CIL with enough certainty and longevity that developers and landowners can confidently factor it into their projections, against the need to monitor its impact including against any broader market changes. Monitoring will be undertaken on an annual basis.</p>
<p>Should have a mechanism to take account of wider market fluctuations. Need a more frequent review of the charges than 2016/2017. At the very least, the CIL evidence must be subject to annual reviews.</p>	<p>URS Infrastructure and Environment UK</p>	<p>The Regulations set out that the CIL rates are index linked to the national all-in tender price index by the Building Cost Information Service of the Royal Institute of Chartered Surveyors, to take into account any difference between the year when the charging schedule took effect and the year in this planning permission was granted. The Council will also monitor the CIL annually. It has been broadly accepted across the country that a three year period after adoption is suitable to undertake a formal review of the rates but it does depends on the outcome of the monitoring and any changes to the wider economy.</p>

Suggest monitoring every 6 months.	Home Builders Federation Consortium, Land Securities, Leeds Property Forum	The Council will monitor the CIL annually as part of the Authority Monitoring Report (as set out in the Regulations) and it may be appropriate to undertake this more frequently. It has been broadly accepted across the country that a three year period after adoption is suitable to undertake a formal review of the rates but it does depend on the outcome of the monitoring and any changes to the wider economy.
Support an early review of the Charging Schedule in 2016 / 2017.	Hammerson UK Properties	It has been broadly accepted across the country that a three year period after adoption is suitable to undertake a formal review of the rates but it does depend on the outcome of the monitoring and any changes to the wider economy.
The rates cannot be increased quickly enough via review when market conditions change.	Resident - M, L, and A Fox	The Regulations set out that the CIL rates are index linked to the national all-in tender price index by the Building Cost Information Service of the Royal Institute of Chartered Surveyors, to take into account any difference between the year when the charging schedule took effect and the year in this planning permission was granted. The Council will also monitor the CIL annually. It has been broadly accepted across the country that a three year period after adoption is suitable to undertake a formal review of the rates but it does depend on the outcome of the monitoring and any changes to the wider economy.
EXCEPTIONAL CIRCUMSTANCES POLICY		
Support principle of exceptional circumstances policy (albeit some representors have caveats).	Asda, Ashdale Land, English Heritage, McGregor Brothers Ltd, Morrison Supermarkets, Sainsbury's Supermarkets, SJS Property Management, Home Builders Federation Consortium, Land Securities, Leeds Property Forum	Support welcomed.
Object to any exceptional circumstances policy, every development must pay in full as every development should be stand alone in its funding package.	Resident - M, L, and A Fox	The Government has introduced the exceptional circumstances policy as an option to avoid rendering sites with specific and exceptional cost burdens unviable should exceptional circumstances arise. It is considered that, especially due to State Aid considerations, it would be very rarely used but is useful to have as an option.
Should be more detailed with different options to suit different situations.	Asda	The exceptional circumstances policy is effectively as set out in Annex 4, as the Council will need to comply with the description in the Regulations when deciding whether or not to have such a policy.

Should be set with clear evidence, viability assessment and subject to full consultation and consideration of comments prior to being adopted, rather than just by Development Plan Panel.	Ashdale Land	The exceptional circumstances policy is effectively as set out in Annex 4, as the Council will need to comply with the description in the Regulations when deciding whether or not to have such a policy.
Should state that the CIL will be waived if evidence is submitted demonstrating that the charge would make the development unviable because the site has contamination.	McGregor Brothers Ltd	The Regulations do not allow for this mechanism of waiving the CIL, other than through the exceptional circumstances policy which has set criteria.
INSTALMENTS POLICY		
Support principle of the instalments policy.	Asda, Ashdale Land, Metro, Morley Town Council Planning Committee, Morrison Supermarkets, Sainsbury's Supermarkets, SJS Property Management, McCarthy and Stone, Sanderson Associates, Home Builders Federation Consortium, Land Securities, Leeds Property Forum	Support welcomed.
Object to any instalments policy otherwise there is a major risk that the developer could go in to liquidation.	Resident - M, L, and A Fox	It is considered that this may occur only in very rare cases and so the benefits of having an instalments policy in promoting growth and viability therefore outweigh the negative result in isolated cases if liquidation did occur.
Extending instalments timescales should have no bearing on the actual provision of the necessary infrastructure to support that particular development as the CIL aim is to sever this link.	Home Builders Federation Consortium, Land Securities, Leeds Property Forum	Agree that the Government's aim of the CIL is to sever this link, but it is still to provide infrastructure for growth overall and therefore delaying its collection for a much longer period would impact on the Council's (and other providers') ability to support growth. The meaningful proportion is also directly relevant to a specific site and local communities will want to receive their portion of the CIL receipts in time to mitigate any local impacts before the development is finished and occupied.
In order to keep consistency, payments over £100,000 could be split into 5 equal payments at 60 day intervals. This would reduce the initial payment but result in a quicker payment of the full amount.	Metro	Although this would give consistent payments, it is considered that this would not be appropriate as would require the full payment in under a year which would not improve cashflow over the build out period of a major scheme.

<p>Impact on viability regarding the instalments policy needs to be considered in more detail. Dates should be put back to give more leeway and improve cashflow.</p> <p>Instalments policy phasing should be amended to enable development to be completed before payment, or phased depending upon occupation levels.</p>	<p>Home Builders Federation Consortium, Land Securities, Leeds Property Forum, Ashdale Land, McCarthy and Stone</p>	<p>The instalments policy is discretionary therefore the EVS assumed that CIL would be paid upfront on commencement of development. As such, the rates have been set based on a worst case scenario with respect to impacts on cash flow. Any instalment policy proposed by the Council will therefore improve the overall cash flow and overall viability. The vast majority of authorities with instalment policies are using time periods based on months, rather than being linked to stages of the development scheme e.g. completion of x% of units. This reflects the initial instalments proposal in the Regulations (subsequently removed by amendment to allow authorities to set their own policy, so that Regulation 69B(d) sets out the specifics of how an instalments policy must be drafted and includes that it must state the timescales). While this is different to the current mechanisms for S106 payments, the Leeds CIL collection and apportionment regime is already complex. It is therefore considered that adding further complexity with differing and uncertain payment timescales on each development would be too complex and would also not allow proper planning of CIL spending for the authority and for local communities.</p>
<p>Provides example instalments policy with additional bracket for over £500,000.</p>	<p>Home Builders Federation Consortium, Land Securities, Leeds Property Forum</p>	<p>A very broad range of approaches to the instalments policy and the threshold of its upper bracket has been taken by other authorities, but it is agreed that it is reasonable to provide an additional bracket for CIL payments of over £500,000. The draft instalments policy has therefore been amended broadly in line with the suggestions.</p>
<p>Instalments policy needs negotiating on site by site basis.</p>	<p>East Leeds Extension North Quadrant Consortium, Great North Developments, John Wilson, The Burford Group, Thornhill Estates</p>	<p>Regulation 69B sets out the specifics of how an instalments policy must be drafted and includes that it must state the number of instalment payments, the proportion payable in each instalment, and timescales. It is therefore not possible or appropriate to negotiate CIL instalments on a site by site basis.</p>
<p>Instalments policy should ensure that developers are not disadvantaged by the decision to submit a full planning application for a phased development scheme rather than outline.</p>	<p>Asda</p>	<p>Developers may choose to alter their approach to phased developments and the type of planning applications they submit following the introduction of the CIL. The Government's recent consultation on further reforms to the CIL addressed the issue of phased developments e.g. the possibility of having site preparation as a separate phase of planning permission in order to avoid CIL payment. The outcome of the consultation will influence the Council's approach on this.</p>
<p>More details on instalment policy for phased developments. Assume the phased payments only apply to the intended build in each particular phase and will not all have to be tied in to the first set of instalments.</p>	<p>Bardsey Parish Council</p>	<p>Bardsey Parish Council have the correct interpretation relating to phased development, i.e. the CIL for each phase will be paid in instalments. There may be a number of phases for which each CIL payment would be subject to instalments.</p>
<p>Should be more flexible on instalment policy for rental dwellings built as part of farm diversification.</p>	<p>Country Land and Business Association North</p>	<p>Regulation 69B sets out the specifics of how an instalments policy must be drafted. It is therefore not possible or appropriate to negotiate CIL instalments based on the type of use, this would be far too complex.</p>

Need to clarify when the CIL will be payable.	Save Our Scholes	The CIL will be payable on commencement of development, subject to the instalments policy. The Government's recent consultation on further reforms to the CIL addressed the issue of phased developments e.g. the possibility of having site preparation as a separate phase of planning permission in order to avoid CIL payment.
Note: Table C band >£60,000 - £99,000 should be £99,999.	Metro	Noted and agreed.
Support potential for payment in kind over £50,000.	Home Builders Federation Consortium, Land Securities, Leeds Property Forum	Support welcomed.
It would be vital if in kind contributions could include: free use of an operative and a JCB, and donations of topsoil / timber / building materials (e.g. as have been donated by recent PFI contractors).	Leeds and District Allotment Gardeners Federation	The current Regulations only allow in kind contributions to be paid in the form of land. The Government's recent consultation on further CIL reforms poses the question whether in kind payments could include the provision of infrastructure, so subject to the outcome of that consultation it may be possible for additional elements of an allotment to be provided alongside the land itself.
SPENDING AND APPORTIONMENT		
Accept that meaningful proportion is set by Government, and giving 75% to the Council will give the flexibility to direct these monies to the most urgent and beneficial projects for the whole area.	Barwick in Elmet & Scholes Parish Council	Support welcomed.
The CIL contribution is minor in relation to the overall infrastructure need so the more relevant comparison is with the replacement of S106 money which seems to be of the right order.	Bardsey Parish Council	Support welcomed. It is correct that the CIL will only be a small element of the required infrastructure funding. The aim of the CIL is to receive at least as much income from development as a whole across the District as under the current S106 regime.
It would be hugely helpful if CIL could be spent outside of the area in which it was levied. Although we are active city-wide we all have our own local interests centred on our local allotment site. Would therefore support an equitable share of CIL investment being made available both locally and across the District.	Leeds and District Allotment Gardeners Federation	The Government's intention for the CIL is to fund strategic infrastructure across a wider area than where the specific development is located. Support therefore welcomed. It is possible that the Council will ring-fence a further amount of the CIL to be spent in local areas, including to make spending more equal for those areas where only a low CIL rate can be charged.
The 15% may unfairly impact on some communities who have yet to get involved with neighbourhood plans. It is not right to be penalised for agreeing to the Council's request about NP boundaries.	Bardsey Parish Council, Barwick in Elmet & Scholes Parish Council, Leeds and District Allotment Gardeners Federation	The Government has set the relation of the CIL to neighbourhood plans with the clear intent to incentivise localism through neighbourhood planning. However, it is possible that the Council will ring-fence a further amount of the CIL to be spent in local areas, regardless of whether there is a neighbourhood plan in place.

<p>Lack of calculation of administrative costs, should not take 5% of meaningful proportion for costs, no details of how passed to parish councils and if will be charged.</p>	<p>Resident - G Hall, Save Our Scholes</p>	<p>The Regulations provide that up to 5% of the CIL receipts can be used by the Council to offset the set up and ongoing costs of the CIL. However, the rates set must be based on viability and therefore a 5% increase cannot be added to the Leeds CIL to account for this. Any CIL used to offset the costs would be taken from the total CIL received, and not reduce the meaningful proportion %.</p>
<p>NPPF refers to 'meaningful proportion' to ensure that development in the area is sustainable. The evidence base and proposals do not address the conflict between sustainability and viability, meaningful proportion needs to be higher as is not an incentive to accept development. PDCS assumes maximum meaningful proportion will be as set out by government.</p>	<p>Resident - George Hall, Save Our Scholes, Bardsey Parish Council</p>	<p>Paragraph 175 of the NPPF states "The CIL should support and incentivise new development, particularly by placing control over a meaningful proportion of the funds raised with the neighbourhoods where development takes place." The Regulations set the meaningful proportion of the CIL (25% in an area with a neighbourhood plan, 15% in an area without) and this is reported in the PDCS. It is possible that the Council will ring-fence a further amount of the CIL to be spent in local areas, including to make spending more equal for those areas where only a low CIL rate can be charged. This would be separate to the national provisions for the meaningful proportion.</p>
<p>It is wrong for the CIL from a development that affects one community which loses their quality of life being used to benefit other communities not impacted by it. Those directly affected should receive all the CIL, it should not be used as a bail out for wider council projects, otherwise it is not localism.</p>	<p>Resident - M Brown, Resident - M, L, and A Fox, Save Our Scholes</p>	<p>The Government's specific intention for the CIL is to fund strategic infrastructure across a wider area than where the specific development is located. The Council has to balance localism and local infrastructure priorities with the strategic infrastructure needs of the District as a whole. In addition, in some areas it is only viable to set a £5 psm rate. Those areas would therefore receive a very low amount of CIL even if they had the same amount of development as the £90 psm zone, and therefore equality across the District needs to be a key consideration for the Council.</p>
<p>The current PDCS will be challenged as its impact will be to make any development forced upon Scholes unsustainable and unviable. It is in effect a tax on development in greenspace in order to supplement the Councils budget in other areas of the City.</p>	<p>Save Our Scholes</p>	<p>The CIL rates have been set at a level which are viable. The CIL can be viewed as a development land tax as the intention at the national and Leeds level is for it to be paid effectively through a decrease in land value land. The changes to the current S106 regime which will come into force in April 2014 mean that if we do not progress with a CIL then the amount of funding gained through S106s will dramatically reduce anyway. Other policies and requirements in the development plan will help to ensure that development is sustainable both across the District and at the site specific level.</p>
<p>A clear spending protocol needs to be in place to ensure that funding is allocated to infrastructure projects in a transparent manner. Establishing a ranking system of infrastructure scheme across a number of sectors (Highways, Public Transport, Education etc) would be very difficult to achieve. Could instead divide the CIL monies by sector, and then each sector would then be able to priorities where the CIL money was spent within the sector. A risk with this approach is that delivery of schemes within each sector could be restricted if the level of CIL money collected is low.</p>	<p>Metro</p>	<p>This will be considered in the discussions relating to the spending and apportionment of the receipts. It is agreed that ranking priority and need across different sectors will be difficult. However, the CIL will already be very complex to administer based on the meaningful proportion (including neighbourhood plan split between 25% and 15% and the cap per existing dwelling), other potential local ringfencing and equitable sharing across the District, and the need to have a clear R123 List. The CIL will only be a small element of overall infrastructure funding and therefore splitting the remainder into further sectors for their own priorities would probably not allow sufficient pooling to fund larger scale strategic items.</p>

All CIL revenue gained from non residential development should be directed to highways and transport as clearly they would not be directly associated with the need for affordable housing or education.	Sanderson Associates	The CIL is based on viability and not on the impacts of a specific development. It is the Government's stated intention for the CIL to break the link between a development and local infrastructure delivery, to fund strategic infrastructure. Therefore the CIL will not be spent according to its source type of development. It would also introduce further complexity into an already complex spending and apportionment process. N.B. the CIL cannot be spent on affordable housing.
CIL receipts should be spent locally and on related infrastructure. E.g. office developments should not fund the education shortfall created by new housing.	SJS Property Management	The CIL is based on viability and not on the impacts of a specific development. It is the Government's stated intention for the CIL to break the link between a development and local infrastructure delivery, to fund strategic infrastructure. Therefore the CIL will not be spent according to its source type of development. It would also introduce further complexity into an already complex spending and apportionment process. It is possible that the Council will ring-fence a further amount of the CIL to be spent in local areas.
Spending needs to be transparent and justified including for the meaningful proportion.	Sanderson Associates	Spending will be monitored and reported annually (both by Leeds City Council and by parish councils in relation to their meaningful proportion) as required by the Regulations and Guidance. This will allow for transparency.
This consultation has revealed fears that CIL receipts might be taken from where a development has taken place to fund prestige or other projects elsewhere. Developers fear that CIL charged against their schemes might not be used to provide infrastructure to support them. The % for the meaningful proportion has not dispelled these fears and some effort must be made to produce a policy on the spending and distribution of CIL.	Morley Town Council Planning Committee	The Council is considering the mechanisms for the spending and distribution of the CIL so that these are in place on adoption of the CIL, although it is not a part of the Charging Schedule (other than the links with the R123 List). It is the Government's stated intention for the CIL to break the link between a development and local infrastructure delivery, to fund strategic infrastructure. It is possible that the Council will ring-fence a further amount of the CIL to be spent in local areas. Developers will still be required to sign up to S106 agreements for site specific issues where this is directly necessary to implement their site.
Needs more clarity - want to avoid a scenario where public transport S106 contributions (especially bus service enhancements, required in the areas with the highest CIL rates) are reduced to allow CIL to be collected, and then not spent on public transport infrastructure schemes.	Metro	It is acknowledged that Metro will not want to gain less funding from the CIL than it currently gets from the Council via S106 contributions. This will be considered in the discussions relating to the spending and apportionment of the receipts. It is possible that the Council will ring-fence a further amount of the CIL to be spent in local areas, and alongside the community's meaningful proportion this may be a funding method whereby infrastructure such as bus services could be enhanced.
Need to prepare R123 List alongside PDCS with justification for the priority afforded to each element.	Sainsbury's Supermarkets, Sanderson Associates, Ashdale Land, Carter Jonas	The draft R123 List will be published alongside the Draft Charging Schedule. It should be noted that the R123 List itself is not required to identify priorities within it.
SPECIFIC REQUEST FOR INFRASTRUCTURE FUNDING		
Very few of the infrastructure projects identified will benefit Outer North East residents, particularly in relation to public transport. This should be addressed in the spending priorities.	Bardsey Parish Council	The Government's intention for the CIL is to fund strategic infrastructure across a wider area than the location of a specific development. The Council has to balance localism and local infrastructure priorities with the strategic infrastructure needs of the whole District. It is possible that the Council will ring-fence a further amount of the CIL than the meaningful proportion to be spent in local areas.

<p>Need to prioritise CIL funding for the improvement of the towpath along Leeds Core Cycle Routes 1 and 8.</p>	<p>Canal & River Trust</p>	<p>Specific infrastructure requests will be taken into account in the separate prioritisation of spending once the CIL starts to be collected. However, the Council does want to manage expectations in that the CIL will only be a small element of the overall infrastructure funding gap and will not be able to fund all requests. It may be that certain projects can be funded by the local communities from their meaningful proportion if identified as priorities.</p>
<p>Keen to ensure that any pinch-points on the local road network, in the vicinity of the Strategic Route Network that may impact on its operation, are also included in the R123 List. The Leeds Infrastructure Study will be available by early autumn, so request discussion on this before consultation on the Draft Schedule.</p>	<p>Highways Agency</p>	<p>Specific infrastructure requests will be taken into account in the drafting of the R123 List and the separate prioritisation of spending once the CIL starts to be collected. The Council will work with the major infrastructure providers in these tasks. The Leeds Infrastructure Study is unlikely to be complete in time for the consultation on the Draft Schedule (including the R123) but its emerging results will be taken into account.</p>
<p>New housing development may prompt allotment demand so would be helpful if CIL could bring back into use a local unused allotment site or further enhancing an existing local site.</p>	<p>Leeds and District Allotment Gardeners Federation</p>	<p>Specific infrastructure requests will be taken into account in the separate prioritisation of spending once the CIL starts to be collected. However, the Council does want to manage expectations in that the CIL will only be a small element of the overall infrastructure funding gap and will not be able to fund all requests. It may be that certain projects can be funded by the local communities from their meaningful proportion if identified as priorities.</p>
<p>CIL funding should be directed towards projects which will maintain, restore and enhance strategic Green Infrastructure corridors. How the CIL is to deliver a strategic approach to networks of biodiversity and green infrastructure as required by the NPPF is not set out. The local plan may not be consistent with the NPPF if CIL funding does not enhance the natural environment as the only enhancements would be ad hoc which would not deliver a strategic approach.</p>	<p>Yorkshire Wildlife Trust, Natural England</p>	<p>The infrastructure gap justification paper is used to identify a funding gap to justify the need for a CIL. Paragraph 1.10 states that “Table 1 should not therefore be considered to be the Council’s programme for spending on infrastructure, or the definitive list of the infrastructure items to which the CIL will contribute. The infrastructure projects or types of infrastructure that LCC intends will be wholly or partly funded by CIL will be set out in its Regulation 123 list. Table 1 is the best available information at this time on the funding gap for the infrastructure needed to support planned development in the District, and for which CIL is a suitable mechanism for contributing to filling that gap.”</p> <p>It is therefore considered that while the CIL may contribute to networks of biodiversity and green infrastructure, the other policies of the Core Strategy (e.g. SP13 Strategic Green Infrastructure, and policies G1 to G6) will also ensure compliance with the NPPF and particularly paragraph 114. The spending of the CIL is not to be directly examined other than through consideration alongside the R123 List. However, it is useful for Natural England to have identified potential additions to the R123 List and these will be taken into account. It has been accepted at other CIL examinations that the CIL can be spent to mitigate the Habitats Directive, if necessary.</p>
<p>The infrastructure for transport schemes must be aligned with the LTP priorities. Metro are keen to be involved with this and together we need to determine if any project can be brought forward early with payback coming from CIL. Want to ensure that the level of public transport contributions secured through CIL is no worse than currently secured through the SPD.</p>	<p>Metro</p>	<p>Specific infrastructure requests will be taken into account in the drafting of the separate prioritisation of spending once the CIL starts to be collected. The Council will work with the major infrastructure providers in these tasks.</p>

MISCELLANEOUS		
Refer to the sport England objection to Core Strategy evidence base regarding sport.	Sport England	The CIL Regulations are clear that the CIL examination is not to re-examine infrastructure evidence or issues associated with the development plan. Therefore this comment is not a matter which can directly influence any changes to the CIL Charging Schedule. The CIL infrastructure gap justification is based on the Infrastructure Delivery Plan (supporting the Core Strategy). The sports and greenspace infrastructure projects and information were identified with full input from LCC departments Parks and Countryside, and Children's Services.
In the past, the rigid application of planning contribution requirements has resulted in many being renegotiated or needing new applications which takes time and money.	URS Infrastructure and Environment UK	The aim of the CIL is to provide more up front transparency and certainty and reduce lengthy S106 negotiations.
Clarification on whether appraisals consider Policy EN2 and Code 4.	Home Builders Federation Consortium	Yes the EVS has taken this into account. For particular discussion see the EVS from paragraph 7.19, and Appendix 3.
The Council may only agree to a plan or project after having ascertained that it will not adversely affect the integrity of a European site. CS policy G1 supporting text states that consideration will need to be given to the proximity of the South Pennine Moors Special Protection Area and Special Area of Conservation. If the Habitats Regulations Assessment of the Site Allocations Plan concludes that residential and/or employment allocations will adversely affect their integrity (or effects remain uncertain), GI and/or other measures will be required to mitigate their effects. The Council should therefore consider whether the CIL (reinforced by Site Allocations Plan) can contribute to the funding of GI mitigation. To ensure compliance with the Habitats Regulations, the Council needs to demonstrate in advance of adopting a Charging Schedule, that there is sufficient certainty of the required financial commitment to deliver mitigation, if necessary, to the required quality and in perpetuity. Any mitigation with respect to European sites should be prioritised with CIL as the potential mechanism for delivery.	Natural England	<p>There is the potential for the CIL to contribute to the funding of GI mitigation. However, it is not the only funding source and therefore it is not considered essential in the CIL supporting evidence in advance of adopting the Charging Schedule to demonstrate certainty of Habitats Directive mitigation as a direct consequence of the CIL.</p> <p>The Core Strategy has already undergone Habitats Directive screening, and the CIL will be implemented in conformity with the Core Strategy including Policy ID1 and ID2. The Council has also undertaken a Habitats Directive screening for the Site Allocations Plan. There is only one Habitats Directive site within the District therefore it is considered that any application/development which impacted upon it would be required to provide mitigation as a direct result, notwithstanding the CIL. The Council is happy to continue to work alongside Natural England in this regard.</p>
Smaller developments previously exempt from S106 payments will be affected resulting in the extra cost being passed onto the end buyer rather than the land owner, or will make sites unviable.	Bardsey Parish Council	The intention of the CIL is for it to be borne by the landowner, i.e. they have a lower receipt at the point of sale. This is the basis for the residual appraisals methodology used across the country. The CIL has been set at rates which will not impact on sites' viability. In individual circumstances it may be that the cost is born by the developer if they are able to do so. However, it unlikely that the cost will be 'added on' to the price of a house, as the market will not bear the cost, there would be little demand for the end product. The new build properties will need to be competitively priced in the context of the existing residential properties on the market.

Affordable housing will suffer as developers will look to negotiate it.	Carter Jonas	The EVS assumptions include the full provision of the affordable housing targets therefore affordable housing should not be negotiated as a result of the CIL.
No information is provided indicating the extent to which affordable housing and other targets have been met.	Home Builders Federation Consortium	This was not a requirement during the preparation period for the PDCS but this information will be provided at the Draft Charging Schedule stage.
It is unclear whether 'Retail' applies to all Class A1-A5 development, or just Class A1. This requires clarification for the avoidance of doubt.	Hammerson UK Properties	The term 'retail' in the Schedule applies only to Class A1.