

Leeds City Council Responses to Representations on the Draft Charging Schedule

March 2014

REPRESENTOR	AGENT
Agfa Graphics	DTZ
Aldi	Planning Potential
Asda Stores Limited	Thomas Eggar LLP
Canal & River Trust	-
Conservative Group, LCC	-
Environment Agency	-
Gladman	-
Harron Homes	-
Health and Safety Executive	-
Home Builders Federation Consortium: Hallam Land Management, Linden Homes, Miller Homes, Redrow Homes, Taylor Wimpey UK	Savills
Horsforth Town Council	-
Indigo Planning	-
Land Securities Plc	Savills
Ledsham Parish Council	-
Leeds and District Allotment Gardeners Federation	
Leeds Federated Housing Association	-
Leeds Property Forum	Savills
McCarthy & Stone Retirement Lifestyles, and Churchill Retirement Living	Planning Issues
McGregor Brothers Ltd	West Waddy
Metro	-
Miller Homes	Spawforths
Morley Town Council Planning Committee	-
Natural England	-
Network Rail	-
North Yorkshire County Council	-
Resident - Foxes	-
Resident – Mr Hall	-
Sainsbury's Supermarkets	Turley Associates
Scarcroft Parish Council	-
Sport England	-
Taylor Wimpey	Johnson Brook
The Burford Group	ID Planning
Theatres Trust	-
Thornhill Estates	ID Planning
Trustees of SW Fraser	Smiths Gore
URS Infrastructure and Environment UK	-
Wakefield Council	-
West Register	Indigo Planning
Woodland Trust	-
Yorkshire Gardens Trust	-
TOTAL	41

Type of representor	Total
Community group	1
Consultancy	2
Developer and Developer Consortium	11
Infrastructure provider	4
Landowner	3
Local authority	2
Other (Conservative Group, Environment Agency, Health and Safety Executive, Leeds Federated Housing Association, Natural England, Theatres Trust, Woodland Trust, Yorkshire Gardens Trust)	8
Parish Council	4
Resident	2
Supermarket	3

Leeds City Council Responses to Representations on the Draft Charging Schedule

Representor	Summary of Specific Comment	LCC Response
GENERAL SUPPORT		
URS	Pleased to note that our representations have been considered in redrawing the boundary to the north and east of Garforth which better reflects the geographic and economic realities of this particular area.	Noted.
Horsforth Town Council	Supports the CIL Draft Charging Schedule (with caveat regarding North rate).	Support welcomed.
Ledsham Parish Council	Express, with one caveat, support for the DCS.	Support welcomed.
Sainsbury's Supermarket Ltd	Supports the principle of CIL as an efficient means of ensuring that funding is in place to deliver the infrastructure needed to enable and support planned development and growth.	Support welcomed.
Conservative Group	Broadly supports the areas as defined in the charging zone map (with caveat).	Support welcomed.
Morley Town Council Planning Committee	<p>We continue to support the decision to charge a minimum rate of £5 per square metre on many types of development, rather than having widespread zero rating. Charging even as little as £5 sq m will encourage the keeping of financial records, which should be helpful during the first review.</p> <p>The adjustment of the Housing Outer City £24 per sq m charge to £23 per sq m to correct a mathematical error is noted and supported, as is the drawing of more realistic Housing Zone boundaries, including that between Middleton and Morley.</p>	Support welcomed.
Asda	Pleased to note that the Council has considered some of our concerns in its Further Justification Papers.	Noted.
The Burford Group	The changes to the East Leeds Extension and Micklefield are welcomed.	Support welcomed.
The Theatres Trust	Support a zero rate for community facilities.	Support welcomed.
Wakefield Council	Confirm that the Council's view is that the proposed CIL charges appear suitable and determined in accordance with evidence on viability.	Support welcomed.
North Yorkshire County	Confirm that there do not appear to be any significant cross-boundary issues for the County Council.	Noted.

Council		
Land Securities	Welcome the changes made, particularly the decision to further sub-divide the retail typologies into different charging categories and overall the reductions in the retail and office rates, and the increase in the minimum size charged for comparison retail from 500m2 to 1000m2.	Support welcomed.
Leeds Property Forum	Welcomes the changes made to the DCS, particularly the decision to further sub-divide the retail typologies into different charging categories, the increase in the minimum size charged for comparison retail from 500m2 to 1,000m2, and the reduction in the overall retail and office rates.	Support welcomed.
The Woodland Trust	The Woodland Trust supports the approach which Leeds City Council is taking.	Support welcomed.
Sport England	Sport England welcome the zero rating for sports and recreation facilities and those predominately publicly funded. Sport England fund capital projection using exchequer and national lottery money and equally would not like to see sports club paying. The statement 'predominately publicly funded' is welcome, we have been approached by private gym companies wanting to develop new health and fitness facilities on school sites, offering the school usage off peak. We would see this a predominately private funded facility.	Support welcomed.
The Burford Group	The approach of the original EVS is supported in principle.	Support welcomed.
	RESIDENTIAL RATES ARE TOO HIGH. INCLUDES DETAILED VIABILITY COMMENTS	
Harron Homes	Believe that the CIL Charging Schedule is set too high. In its current format it will delay or prevent the delivery of high quality housing across the district. Given the current shortfall in housing land supply in Leeds and wider national pressures it would be prudent to lower the amount per sqm on residential developments to allow for the delivery of homes of all types including affordable housing. This would be in keeping with the spirit of the NPPF and reflect the difficult economic and social situation which is currently affecting the house building industry and the economy at large.	Without in-depth viability information provided alongside this representation to support the statements, then the Council considers the evidence shows that the rates proposed are appropriate.
Land Securities	In order to properly test whether the rates now proposed in the DCS strike an appropriate balance, Land Securities still wishes to review and if necessary make comment upon the appraisal information it has asked for. LCC has indicated that it will now make the appraisal information available and will accept further comments in respect of that information by 10 th January 2014.	After receipt of the appraisal information Savills have now indicated on behalf of Land Securities that the appraisals reiterate comments made within the representation and therefore are not making any further additional comments.
Home Builders Federation Consortium: Hallam Land	In setting the rate of CIL the Regulations state that "an appropriate balance" needs to be struck between "a) the desirability of funding from CIL (in whole or in part)" against "b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development".	Noted and consider that LCC has struck an appropriate balance.

Management, Linden Homes, Miller Homes, Redrow Homes, Taylor Wimpey	The term 'taken as a whole' implies that it may be acceptable for some schemes to be rendered unviable by the level of CIL charge and it is clear that it is up to local authorities to decide 'how much' potential development they are willing to put at risk through CIL. Clearly this judgement needs to consider the wider planning priorities, there is a clear requirement to ensure that most developments are able to proceed, not least due to the NPPF requirement for a deliverable five year housing land supply, plus a 20% buffer provision for those Authorities which have persistently undelivered. The Government has provided further guidance on the meaning of the appropriate balance in Paragraph 8 of the Consultation on CIL further reforms. The recent Government response to the consultation places an increasing responsibility on LPAs to demonstrate that they have struck an appropriate balance, as per the above.	
Home Builders Federation Consortium	Must have due regard to the Guidance and Regulations – the representation gives an overview of these including the meaning of the appropriate balance within the CIL Guidance (April 2013), the proposed amendments to the Regulations, and links to the NPPF e.g. it is important that the preparation of CIL is in the spirit of the NPPF, notably that it is delivery focused and 'positively prepared'. The Consortium therefore considers that it is very important that, in order to satisfy these overarching requirements, the evidence supporting CIL is sound, so that the most appropriate balance is struck and justified. Therefore it is imperative that the evidence supporting CIL outlines an up to date, consistent and well informed evidence base of economic viability in order to test realistic scenarios against CIL rates.	Noted and consider that LCC has demonstrated due regard to the Guidance and regulations and the evidence base requirements.
Home Builders Federation Consortium	Despite the narrow regulatory requirements of the examination, Savills urge LCC to make clear at an early stage the supporting documentation needed to operate CIL and to make it available for input/comment. Whilst not tested at examination, it is critical to allow for the successful implementation of CIL, notably buy-in from key stakeholders, including landowners and developers within Leeds.	Noted and it is intended to make this available and give further guidance and training sessions (and gain feedback) as soon as a final CIL adoption date is determined.
Home Builders Federation Consortium	With regard to reviewing CIL, the Consortium welcomes a review of CIL on an annual basis or as a result of any major economic changes, as suggested within the DCS. Monitoring data and reviews should be regularly published. Regular monitoring is key to ensure that CIL does not stifle development in the right locations.	Noted and agree that there will be at least annual monitoring and reporting.
Home Builders Federation Consortium	<u>Viability appraisal:</u> We are pleased to see that GVA have gone into considerable detail about the various methodologies advocated by the RICS. However, there appears to be some confusion on how this is practically applied. It appears from the Economic Viability Study (EVS) - prepared by GVA -that	The RICS Guidance (Financial Viability in Planning 1 st Edition Guidance Note) 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

<p>the appraisals have been run assuming two different methodologies: -</p> <p>(i) Greenfield / unconstrained benchmarks (ii) Brownfield / constrained benchmarks</p> <p>We understand the following benchmarks have been assumed:</p> <p>(i) Greenfield - £100,000 per acre (ii) Brownfield: - City Centre - £1,000,000 per acre Inner Area - £400,000 per acre Outer Area (including Golden Triangle) - £500,000 per acre Please can the consultants confirm our understanding is correct.</p> <p>We disagree with the analysis proposed by GVA and ask them to provide evidence showing land transactions reflecting £20,000 per hectare or £8,093 per acre. We are aware of transactions that reflect a much higher rate per acre. For instance Crossroad Farm (near Tadcaster) comprised a Georgian farmhouse (derelict) and 120 acres. It sold earlier this year and reflected in excess of £10,000 per acre. We have further comparable evidence, which we would be happy to provide. On the basis of £10,000 per acre and a multiplier of 15 (the median point between 10 and 20 times agricultural value – HCA Guidance) this equates to £150,000 per acre.</p> <p>Of particular note, Harrogate Borough Council recently published their Draft Charging Schedule for consultation. Para 4.33 states - “Some of the land on which new residential development will take place is likely to be agricultural. The VOA’s 2011 Property Market Report indicates that the highest average value agricultural land in North Yorkshire is worth approximately £21,000 per hectare. In order to inform residential land values, a multiplier of between 15 and 25 times is often applied. This would give residential land values in the region of £315,000 per ha and £525,000 per ha”. This reflects between £127,000 and £210,000 on a per acre basis. Furthermore, Central Lincolnshire Joint Strategic Planning Committee published their Draft Charging Schedule for consultations. Para 4.48 states - “For the purposes of this study, we have used the following threshold land values for un-serviced SUEs residential land:</p> <ul style="list-style-type: none"> □ Lincoln / PUA Sustainable Urban Extensions £450,000 per ha □ Sleaford Sustainable Urban Extensions £380,000 per ha □ Gainsborough Sustainable Urban Extensions £320,000 per ha” <p>Taking an average of the figures above, this reflects £380,000 per ha or £153,000 per acre. This clearly shows that the £100,000 currently assumed is too low and it is unlikely to motivate a vendor to sell their land.</p>	<p>contrary to the development plan.</p> <p>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. The methodology is clearly set out in Section 7. 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 also accords with the RICS Guidance and the Harman Report.</p> <p>Assuming all else remains equal the cost of introducing CIL and other emerging local plan policies adds an extra layer of costs to the project which reduces the site value (market value). The Regulations expect that the cost of CIL will be reflected in the lowering of land values. Therefore, to assess the impact of emerging development plan policies (including CIL) the EVS includes a second set of appraisals which consider the impact of each policy on the market values (benchmark). This is the recognised approach in the RICS Guidance. However, it is accepted that the adjustment in market value should not prevent competitive returns to a landowner. The EVS refers to the site’s EUV (plus a premium) to address the reasonableness of the adjusted land value.</p> <p>This process was undertaken for greenfield and brownfield typologies. With respect to the benchmarks GVA confirm the following:</p> <ul style="list-style-type: none"> • Greenfield - £100,000 per acre • Brownfield CC and Inner Areas – The EVS demonstrated that development was currently unviable in these areas, therefore, there was no requirement to establish a benchmark value for assessing the impact of emerging local plan policy (including CIL). <p>The EVS draws on information from a variety of sources including local agents and the web based database, UK land and farms. Whilst there was limited information the available evidence highlighted that land values typically range between £7,000 and £9,000 per acre for agricultural land across the Leeds District. The HBF have drawn attention to a transaction in York which equates to £10,000 per acre but have not provided evidence to support this. In addition Savills show on their own web site three agricultural land transactions (undertaken in 2013) whereby the land value</p>
---	--

		<p>ranges between £6,000 and £7,500 per acre. The EVS adopted a median value of £8,000 per acre, which on the basis of the evidence presented seems reasonable, and applied a multiplier of 12.5, which results in the benchmark of £100,000 per acre. This is within the range as set out in Annex 1; Transparent Viability Assumptions of the HCA Area Wide Viability Model User Guide August 2010 (this Guide is not formal guidance but is a point of reference).</p> <p>£21,000 per hectare (£8,498 per acre) as in the Harrogate evidence is very similar to the agricultural land value applied within the Leeds EVS. The EVS which supports the Harrogate Draft Charging Schedule does states that a multiplier of between 15 and 25 times EUV is often applied and this would create land values of between £315,000 per ha (£127,473 per acre) and £525,000 per ha (£212,455 per acre). Whilst this different to the assumptions adopted in the Leeds EVS it should not be considered in isolation. For example the evidence which underpins the Harrogate CIL charges only assumes 10% external works whereas the Leeds EVS allows 18% for general estate housing. What is more pertinent to note is that the Leeds rate which is 10% below the EVS maximum in the Outer North (£90 psm) is only £5 more than the bordering Harrogate rate which is around 38% of their viability assessment maximum. Therefore, whilst there are clear differences in the assumptions the CIL rates are generally aligned.</p> <p>It should be noted that the maximum CIL charge of £100 psm, as modelled in the EVS, would yield the following land values (refer to Table 21 of the EVS) within the outer north (Golden Triangle Area).</p> <ul style="list-style-type: none">• Small sites = £368,789 per acre• Medium sites = £156,075 per acre• Large sites = £117,519 per acre <p>In addition the EVS has applied the worst case scenario with respect to a number of other cost assumptions (as demonstrated through responses to other representations) which provide a significant viability cushion over and above the standard 10% reduction applied to the EVS maximum rates. The EVS has set the CIL rates inclusive of the costs associated with Code Level 4. The latest changes to Part L Regulations (2013) raised the national minimum requirements for all new homes to between Code Level 3 and 4. Therefore the EVS has considered a more onerous position than Current Regulations require. However, policy EN2 requires Code Level 4 from 2013. The net effect of these cushions is to artificially</p>
--	--	--

		<p>suppress the land value over and above that which would be typically achieved in the open market. It is also worth noting that because LCC has chosen to implement a CIL Instalments Policy this will also improve viability.</p>
<p>Home Builders Federation Consortium</p>	<p>Profit: Our representations previously highlighted our concern over the level of developer's profit that was included within the EVS. It highlighted that the minimum profit margin that the lending institutions are currently prepared to accept on private and affordable housing is 20% on Gross Development Value (GDV), which equates broadly to 25% Profit on Cost (POC). In the sample of appraisals provided by GVA and in Appendix III of the EVS it is apparent that a 'net profit' of 15% POC and 'developer overheads' of 6% on total costs has been adopted. This equates to circa 21% POC. As highlighted above, 20% on GDV is the minimum lending institutions are prepared to accept and where the development is risky or is longer term, a higher profit is often required. A number of the Consortium members have also confirmed to us that when bidding for a site the minimum profit level that they are able to adopt is 20% on GDV, which is representative of the house building industry. Putting this into context with other viability work completed in the UK, there is a clear emerging theme in relation to the profit level assumed. The following authorities have assumed 20% on GDV including High Wycombe, Portsmouth, Poole, Bristol, Neward and Sherwood, East Cambs, Redbridge, Croydon, Southampton, Elmbridge, Bassetlaw, Oxford, Cambridge City, South Cambs and Barnet. This clearly demonstrates that the current assumption is incorrect and needs to be revised.</p>	<p>Profit is the reward to a developer for investing resource and capital into a development project. The level of profit required by a developer will be dependent on numerous factors but will primarily relate to the actual or perceived risk associated with a project. If debt funding is required, a minimum level of profit may be demanded by the lender. Whilst developers normally quote a profit on GDV this is not particularly transparent as within this return they will be seeking to recover their overheads and finance costs – the EVS includes separate allowances for both finance and overheads, as set out below. Essentially the profit on GDV is the developer's gross profit margin. The true / net profit is usually benchmarked against the costs of the scheme because when a developer chooses to bring a scheme forward, there is an opportunity cost associated with that decision. They are tying their money up in the scheme and will therefore be seeking a return on the money invested. By assessing the profit against the cost of the scheme (i.e. their monetary outlay) they can compare the return to alternative investments which are open to them.</p> <p>The net profit required by a developer is typically 15% on costs (notwithstanding the nuances discussed above such as risk factors). As highlighted there is an argument that profit on affordable housing should be restricted to 6% as there is less risk (particularly sales risk) associated with these units. However, the appraisal has assumed a worst case scenario of 15% and thus it provides a further viability cushion. To reflect the fact that the EVS is including a net profit, separate allowances have been included for overheads and finance charges (these allowances are normally included within the gross profit margins). A 17% return on total GDV (20% on costs) is a standard assumption of the GLA Three Dragons Affordable housing toolkit and is also supported by the HCA Economic Appraisal Toolkit. The Trafford CIL Inspector's Report (January 2014) states at paragraph 18: "There is no 'right' profit level for CIL testing purposes and the use of 20% on GDV by some other Charging Authorities (CA) does not amount to a precedent that must be followed, as each CA's area will display different viability characteristics. On balance, I consider that 20% on cost is not an unreasonable profit figure for use in the high level modelling required for a CIL examination. Ultimately, the figure has to be considered 'in the round' in the context of other allowances and</p>

		<p>viability 'buffers'.</p> <p>With respect to overheads the EVS has included an allowance of 6% of GDV (typically overheads for large to medium sized developers can range between 3% and 6%). The EVS has therefore assumed the worst case scenario, which provides a further viability cushion.</p> <p>The EVS has also applied finance charges at 6.5% assuming 100% debt structure. In reality many large plc house builders will be funded internally / by Group and therefore will not incur finance charges or notional charges at worst. Equally the majority if not all of the schemes will not be 100% debt funded. Therefore, once again, the EVS has adopted a worst case scenario creating a further viability cushion.</p>
Home Builders Federation Consortium	<p>Code 6</p> <p>As the table illustrates, the cost of increasing the Code Level increases significantly from Code 4 to Code 6. Having reviewed the EVS it appears that while the additional cost of Code Level 4 has been factored in to the viability analysis undertaken by GVA, the cost of Code Level 6 has not. As this is an emerging policy and will be applicable within the 5 year supply (from 2016), the cost should be included in the base residual assumptions. A view in line with GVA who state in the EVS that "When undertaking Local Plan or CIL (area wide) viability testing the market value will need to be adjusted to reflect the emerging policy / CIL charging level and this issue is recognised in the RICS Guidance." The Consortium request confirmation that the additional cost of achieving Code Level 6 has been incorporated in to the EVS and in the event that it has not, ask that this is revised.</p>	<p>This argument has been rehearsed at the recent Core Strategy hearings where the Council put forward its arguments why the approach taken in the EVS is appropriate. The Council awaits the Inspector's comments in this regard.</p>
Home Builders Federation Consortium	<p>Professional Fees</p> <p>The Consortium is concerned that the level of professional fees adopted for the City Centre hypothetical sites is too low. CIL viability testing is required to look at development across the entire charging area and should not look at site specifics. As such, unless there is supporting evidence to the contrary, realistic assumptions should be adopted across all typologies. In our experience, the level of professional fees do not vary across location or market areas but depend on the size and complexity of the site in question. We would therefore argue that brownfield sites are likely to attract higher professional fees on account of additional abnormal costs (i.e. remediation, demolition) and result in higher professional fees. We would therefore request that a minimum allowance of 12% for professional fees be adopted across all typologies to reflect the nature of the five year land supply coming forward.</p>	<p>The EVS has applied professional fees at 10% for both residential schemes and other land uses within the City Centre. Whilst most of the land within the City Centre is brownfield the majority of the development sites have already been cleared and not all of them will exhibit particularly onerous levels of contamination. In this respect an allowance for professional fees at 10% is considered reasonable. The CIL rates for other viable town centre uses such as offices and retail have been reduced substantially from the maximum rates outlined in the EVS. Thus a considerable level of tolerance has already been factored into the Draft Charging Schedule.</p>

Home Builders Federation Consortium

Infrastructure Allowance
 Reviewing the EVS it is unclear what, if any, allowance has been made for infrastructure. In Appendix III of the EVS the build costs for houses and flats are stated as being BCIS plus preliminaries, external works and plot connections. Having looked at BCIS average price indices for West Yorkshire in Q3 2012 the mean build costs are as follows:

House Type	BCIS West Yorkshire Q3 2012 (mean)	GVA Build Cost Assumption	Additional Allowance from BCIS
Estate Housing Generally	£72/sq ft	£85/sq ft	£13/sq ft (+18%)
Flats Generally	£83/sq ft	£95/sq ft	£12/sq ft (+14%)

The table above indicates that GVA have included an additional build cost to allow for preliminaries, externals and plot connections equating to 14-18% of BCIS. In our experience external costs alone equate to a minimum of 10% of build cost depending on the size of the development, with apartment-led schemes likely to be higher. We would therefore comment that these figures appear too low to take account of externals and preliminaries. This view is further compounded by the fact that it is unclear what, if any, allowance has been made for infrastructure costs. Additional abnormal costs for brownfield sites have been clearly stated at Appendix III and will be applicable for the City Centre and Inner Areas. However, no additional infrastructure costs have been included for larger greenfield sites in the Outer, North and South areas requiring on-site infrastructure to open-up the site. The Strategic Housing Land Availability Assessment (SHLAA) Update 201235 and Annual Monitoring Report (AMR) 2011/2012 indicates that a number of large greenfield sites without planning consent are included in the 5 year land supply. A number of these sites may require significant on-site infrastructure, the cost of which should be incorporated in to the residual appraisals. Guidance on this has been provided in the Viability Testing Local Plans document, which states "Cost indices rarely provide data on the costs associated with providing serviced housing parcels i.e. strategic infrastructure costs which are typically in the order of £17,000 - £23,000 per plot for large scale scheme". This reinforces the point that it is vital CIL, and the assumptions used in the EVS, are realistic and do not impact upon deliverability of the planned growth within the Development Plan. We would therefore ask that sufficient infrastructure costs are incorporated to ensure that large greenfield sites outside the City Centre are not jeopardised. We have

Firstly it should be noted that the rates from BCIS are actually inclusive of preliminaries.

Residential build costs are based on GVA's extensive database of live costs taken from a range of schemes across the Yorkshire and Humber region. These costs were then sense checked with the rates from BCIS. The Median figures from BCIS for Leeds in Q3 2012 are:

- £779 psm (£72 psf) for new build estate housing generally. The rates are higher within the EVS as we have included an allowance for external works of £136 psm (£13psf). This equates to 18% of the build costs.
- £893 psm (£83 psf) for flats generally. Within the EVS a build cost of £1,022 psm was applied to the apartments/flats. This higher allowance also included external works at £129 psm (£12 psf). This equates to 14.45% of the build costs.

The HBF representation states that in their experience external costs alone equate to a minimum of 10% of build cost depending on the size of the development, with apartment schemes likely to be higher. Therefore the allowances for external works (which are incorporated within the build cost assumptions) at 14.45% for flats and 18% for housing are clearly generous and provide a further viability cushion.

No allowances have been included for additional infrastructure costs associated with large / strategic Greenfield sites. Whilst it is accepted that some of these sites may require significant on site infrastructure these are often site specific and at present the Council cannot identify specific sites which may require significant on site infrastructure. To avoid any misplaced assumptions that might prejudice the assessment the EVS did not include an allowance for these costs. However, the EVS recognised this issue and stated that some larger sites may not be viable at the proposed rates. As work progresses on the Site Allocations Plan this will be clarified and may require a review of the CIL on adoption of the Site Allocations Plan.

	<p>further evidence of infrastructure costs and would be happy to disclose this at the appropriate time.</p>	
Home Builders Federation Consortium	<p>Viability cushion The Consortium is concerned over the lack of a discernible ‘viability cushion’ and the decision of Leeds City Council to go against the advice of their consultants when setting the CIL rates for the City Centre and Inner Area. Both GVA and Leeds City Council have indicated that a ‘viability cushion’ has been included in the EVS. However, having reviewed all the viability assumptions and methodology it is unclear where this has been included. A viability cushion can be applied in a number of ways. However, in our experience the majority of local authorities and consultants have applied a ‘viability cushion’ to the minimum land value [see diagram]. This acts to reduce the risk associated with adopting a benchmark land value that is at the lower end of landowners’ expectations, resulting in land not being released for development. This sentiment in further echoed in the recent Plymouth City Council CIL examination. We would therefore reiterate that, in reality, site specific circumstances will mean that the economics of the development pipeline will vary from the typical levels identified via analysis of the theoretical site typologies. This is inevitable given the varied nature of housing land supply and costs associated with bringing forward development. We would therefore recommend that a ‘viability cushion’ of between 30% and 40% be adopted and would ask LCC and GVA to confirm what ‘viability cushion’ has been included in the EVS.</p>	<p>As outlined in the previous responses there are several examples where the EVS has applied the worst case scenario in terms of costs which provide extra viability cushions over and above the standard 10% reduction applied to the EVS maximum rates. The confidence in the assumptions is also reflected for instance by the fact 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>In relation specifically to the City Centre and Inner Area rates justification for the £5 nominal charge has already been addressed in detail in response to representations on the PDCS, and in the ‘Historic S106 Data’ justification document produced to support the PDCS. The key conclusion is that a wide range of use types currently pay S106 contributions of more than £5psm and therefore this is justified as a nominal rate. This is real life evidence to balance against the EVS which is necessarily hypothetical and strategic in its approach.</p> <p>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 2013 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 only 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. (N.B under the transitional arrangements in the 2014 Regulations the 2013 CIL Guidance is still extant for the purposes of examining the Leeds CIL.)</p>
Home Builders Federation Consortium	<p>Interpretation of Viability Results Given the focus of CIL as being supportive of development, it is important that the test of viability considers those sites/areas which are central to the delivery of the adopted UDP and emerging Core Strategy. It would not be acceptable to simply dismiss some sites as being rendered unviable, purely because other sites are considered to be viable without due consideration of wider planning and corporate objectives of the Council. The table below outlines the rates in the Draft Charging Schedule against the rates advised in the EVS. The final column relates the identified CIL</p>	<p>The EVS considers a series of hypothetical development scenarios, as per the recommended approach within the Regulations and other industry guidance such as the Harman Report and the Financial Viability in Planning document issued by the RICS. Whilst there are clearly assumptions used in this approach the typologies tested are considered to reflect the broad range of development sites likely to come forwards in Leeds over the plan period. This approach has also been used in support of other examinations across the Country. The housing supply by area is for the whole period up to 2028 and it clearly shows that all the areas of</p>

	<p>areas to the Core Strategy 'Housing Distribution by Housing Market Characteristic Area' to establish the approximate percentage of housing attributed to each CIL charging area. This is important as it highlights the areas that the Core Strategy has identified for growth and is therefore reliant upon, in order to achieve its housing numbers. Ensure that appropriate CIL rates are adopted that do not endanger the 5 year land supply.</p> <table border="1" data-bbox="315 427 896 687"> <thead> <tr> <th>Area</th> <th>DCS</th> <th>GVA</th> <th>Land Supply</th> </tr> </thead> <tbody> <tr> <td>City Centre</td> <td>£5</td> <td>£0</td> <td>16%</td> </tr> <tr> <td>Inner Area</td> <td>£5</td> <td>£0</td> <td>15%</td> </tr> <tr> <td>Outer Area</td> <td>£23</td> <td>£25 – 50</td> <td>c. 20%</td> </tr> <tr> <td>North</td> <td>£90</td> <td>£75 – 100</td> <td>c. 23%</td> </tr> <tr> <td>South</td> <td>£45</td> <td>£25 – 50</td> <td>c. 26%</td> </tr> </tbody> </table> <p>This analysis shows that 31% of Leeds City Council's housing supply over the plan period is coming from the City Centre and Inner Area. Given the percentage of housing numbers being delivered in these two areas, it is important that a CIL rate is adopted that will not render sites unviable. At present the DCS is proposing to charge a 'nominal rate' of £5/sq m despite the EVS showing that a CIL rate cannot be supported. The Consortium is very concerned about this, particularly as the EVS is based on a number of assumptions that we believe to be incorrect. It is therefore imperative that the EVS is revised to take account of these points before the CIL rates are finalised, as changing any one of these will result in the viability of the hypothetical tested sites being reduced. The same is true of the other areas, which include circa 70% of the housing supply moving forward. Despite the Core Strategy target of providing 60% of new homes on brownfield sites, it is inevitable that a percentage of the housing numbers will be met on greenfield sites.</p>	Area	DCS	GVA	Land Supply	City Centre	£5	£0	16%	Inner Area	£5	£0	15%	Outer Area	£23	£25 – 50	c. 20%	North	£90	£75 – 100	c. 23%	South	£45	£25 – 50	c. 26%	<p>the District are important in ensuring the land supply.</p> <p>The justification for the nominal charge has already been addressed in detail in response to representations on the PDCS, and in the 'Historic S106 Data' justification document produced to support the PDCS. The key conclusion is that a wide range of use types currently pay S106 contributions or more than £5psm and therefore this is justified as a nominal rate. This is real life evidence to balance against the EVS which is necessarily hypothetical and strategic in its approach.</p> <p>In addition, £5psm 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 only 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.</p> <p>The response to the concerns regarding the assumptions adopted with the EVS has been set out above. In summary the EVS has taken a very cautious approach and as a consequence there is already an inherent viability cushion built into the CIL charges.</p>
Area	DCS	GVA	Land Supply																							
City Centre	£5	£0	16%																							
Inner Area	£5	£0	15%																							
Outer Area	£23	£25 – 50	c. 20%																							
North	£90	£75 – 100	c. 23%																							
South	£45	£25 – 50	c. 26%																							
Home Builders Federation Consortium	LCC have not yet provided the detailed viability appraisals which underpin the proposed Draft Charging Schedule, required in order for the Consortium to fully assess whether the rates now proposed strike an appropriate balance. LCC has indicated that it will make the appraisal information available and will accept further comments in respect of that information by 10th January 2014.	After receipt of the appraisal information Savills have now indicated on behalf of the Home Builders Federation Consortium that the appraisals reiterate comments made within the representation and therefore are not making any further additional comments.																								
Agfa Graphics	Agfa operates a print production plant at their site on Coal Road at Seacroft in Leeds and is now promoting a 2.83 surplus part of the site for development for 75 dwellings. The site is in the CIL Outer Zone. Agfa	Where there are very unusual circumstances such as a £1million plant relocation it would not be appropriate to include such figures as assumptions in the EVS or for boundaries to be redrawn based on																								

recognises the importance of raising funds from development to help meet the costs of vital infrastructure and acknowledges the role that the CIL can play in Leeds in this respect. However, its primary concern is to ensure that any such charge would not unreasonably impinge on development viability and thus put at risk its development and real estate objectives. The Council's viability evidence underlines the difficulties faced by previously developed sites in respect of their ability to withstand a CIL tariff: "CIL is considered unfeasible on Brownfield / constrained sites within the Outer Area(s)" Para 7.28. The CIL Regulations require that differential rates are justified by reference to the economic viability of development and Government guidance states that charging authorities should be careful to ensure that the rates selected do not put at risk the development of their area. Therefore, where there are geographical concentrations of brownfield land on which there are proven viability challenges, it follows that local authorities should set charging rates that reflect these circumstances.

The site that Agfa is promoting for residential development is within an industrial area and experiences a number of constraints. These include the relocation of an effluent waste water plant (£1 million), the creation of a new junction to the A6120 Ring Road and significant surface water drainage attenuation works. These abnormal costs will reduce the ability of development to contribute towards CIL and other planning obligations. As CIL is effectively the non-negotiable element of the planning obligation package, there is a risk that if it is levied too high, it could either squeeze the scale of other planning obligations achievable (affordable housing in particular) or reduce the land owner's return which could prompt Agfa to either postpone or mothball its planned development altogether. Seek an extension of the Inner Charging Zone boundary to include the Coal Road employment area at Seacroft, which we consider forms a more logical boundary and is justified on viability grounds given the predominance of previously developed land and the viability characteristics which are shared with the inner zone in this location. The boundary that divides the inner and outer zone in East Leeds is currently drawn along the A6120 Ring Road, rather than any viability contours. As a result, it divides the settlement of Seacroft into two, with the area to the east of the ring road falling in the £23 per sqm Outer zone, and that to the west, in the £5 per sqm Inner zone. Both sides of this boundary form part of the suburban edge of inner Leeds and as such share similar viability characteristics including a significant concentration of previously developed land. Therefore we consider it appropriate to extend the boundary to the edge

relatively small sites. However, it is acknowledged that there may need to be flexibility in particular instances on S106 contributions as these are the only negotiable elements. The City Centre is one area where there are concentrations of brownfield land with proven viability challenges and the Council has recognised this fact and because a proportion of the housing supply is to be accommodated within the City Centre they have responded by proposing a nominal CIL charge. However, the same approach cannot be applied to an individual site. The site appears to have particularly onerous abnormal costs and it is questionable whether it would be viable even without a CIL regime in place. It is accepted that if the Levy is imposed this may result in a challenge to the affordable housing targets, as the only negotiable. The Council have a flexible policy on affordable housing and will accept lower targets where local viability circumstances dictate. Any scheme will be judged on its merits and will be subject to an open book appraisal. Where planning permission is granted for a development that involves the redevelopment of a building in lawful use the level of CIL payable will be calculated based on the net increase in floorspace, which means that most developments on brownfield sites will generally have lower CIL liabilities than greenfield sites. In addition the EVS has included a range of viability cushions but it is inevitable that some sites, particularly brownfield sites, will be unviable and the Guidance recognises this.

Insufficient detailed viability evidence has been provided which would outweigh the reasons given above to retain the boundary as proposed. Also, to base the inner zone only on previously developed land would encompass the whole of the Main Urban Area which is not appropriate as there are different housing markets between the inner area and the edge of the built up area. The Ring Road is the best and most logical boundary in this location as there is a difference in desirability and market characteristics between the two sides of Seacroft when people are looking to purchase a new house. The boundary of the Inner Area has not changed from that which was used as the basis for producing key sources of evidence including the EVA and SHMA update 2010.

	<p>of the built up area. CIL Regulations and Government guidance make it clear that differential charging rates should be based on viability rather than being arbitrary or policy led. Paragraph 34 of the CIL guidance states: "Charging authorities can set differential levy rates for different geographical zones provided that those zones are defined by reference to the economic viability of development within them."</p>															
<p>Leeds Property Forum</p>	<p>There are still a number of outstanding concerns therefore this letter encloses a copy of the Property Forum's representations on the PDCS in order that its residual concerns can be put before the inspector, the majority of which relate to the fact that none of the additional evidence requested has been made available, i.e. all the typologies tested, and greater clarity on land values and other assumptions/data adopted in the appraisals. The Property Forum therefore wishes to reserve the right to review and if necessary, make further comment on this information when it is made available. LCC has now indicated that it will make this information available and will accept further representations by 10th January 2014.</p> <p>In the absence of being able to review the appraisal information underlying the DCS rates, Fore Consulting on behalf of the Property Forum has carried out a high level comparison of the S106 rates on different forms of development sought by LCC through its Public Transport Improvements SPD and the corresponding CIL rates proposed in the DCS. The comparison is perhaps crude, but on the basis that the SPD contributions will normally comprise only one of a number of S106 planning obligations on any given development; a corresponding CIL rate that exceeds the SPD rate on its own, signals that perhaps the appropriate balance has not been struck on that particular rate [See table below]. Furthermore, whilst there is scope through the need to maintain the viability of a particular development for LCC and a developer to negotiate a lower SPD contribution, CIL of course will be fixed and non-negotiable. This attached comparison table indicates that residential development in the Outer, North and South areas, and City Centre offices, will be subject to a CIL charge that exceeds the Public Transport Improvements SPD S106 contributions.</p> <table border="1" data-bbox="331 1295 1149 1469"> <thead> <tr> <th>Land Use</th> <th>Location</th> <th>SPD payment (£/sqm)</th> <th>CIL Charge (£/sqm)</th> <th>Notes</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Resi</td> <td>City Centre</td> <td>3</td> <td>5</td> <td>Assumed "Apartments"</td> </tr> <tr> <td>Inner</td> <td>15</td> <td>5</td> <td>Assumed trip rates</td> </tr> </tbody> </table>	Land Use	Location	SPD payment (£/sqm)	CIL Charge (£/sqm)	Notes	Resi	City Centre	3	5	Assumed "Apartments"	Inner	15	5	Assumed trip rates	<p>After receipt of the appraisal information Savills have now indicated on behalf of Leeds Property Forum that the appraisals reiterate comments made within the representation and therefore are not making any further additional comments.</p> <p>The Public Transport Improvements SPD was not based on viability but on the cost of the trips a development generated. See paragraph 5.3.7 of the SPD for the methodology of identifying the rates based on the costs of identified infrastructure broken down by the number of trips expected from different types of development. Therefore the fact the CIL may require higher payments does not mean the CIL is too high as the figures are based on entirely different things.</p> <p>As the table shows, in many instances the CIL rate is also far lower than the SPD rate but that does not mean it would be appropriate to increase the CIL rate on that basis.</p>
Land Use	Location	SPD payment (£/sqm)	CIL Charge (£/sqm)	Notes												
Resi	City Centre	3	5	Assumed "Apartments"												
	Inner	15	5	Assumed trip rates												

		Outer	15	23	for "Dwellings", average dwelling size of 80 sqm and location within "other accessible location"
		South	15	45	
		North	15	90	
	Conv Retail > 500 sqm	City Centre	222	110	Assumed trip rates for "Food Superstore"
		Outside City Centre but in town/local centre	278	175	
		Outside City Centre but in another accessible location	333	175	
	Comp Retail > 1000 sqm	City Centre	78	35	Assumed trip rates for "General Retail"
		Outside City Centre but in town/local Centre	92	55	Assumed trip rates for "Retail Park (Excluding Food)"
		Outside City Centre but in another accessible location	110	55	
	Office	City Centre	12	35	Assumed trip rates for "General Office"
		Town/local Centre	18	5	
		Other accessible location	22	5	Assumed trip rates for "Business Park"
	<p>General Assumptions: The SPD contribution has been calculated in accordance with the methodology and indicative trip rates and modal split factors set out in the SPD. A discount of 10% has been applied to all SPD contributions to reflect the typical discounts applied in respect of abnormal development costs, previous use land, other S106 contributions, generation of trips outside of normal hours of operation of public transport or meeting other LCC objectives.</p>				
McGregor Brothers Ltd	<p>We note that East Ardsley is in the outer southern zone where the proposed CIL charge for residential would be £45 per sqm. The supporting text in paragraph 2.14 of the PDCS stated: 'The EVS suggests that the CIL is not feasible within the City Centre or Inner Areas, both for greenfield and brownfield sites. Within the Outer Area greenfield sites are</p>				<p>As demonstrated in the responses to other representations, the EVS applied a worst case scenario and contingencies in terms of a number of cost assumptions such that although it identifies brownfield land as unviable in parts of the District, there is a viability cushion which should allow some schemes still to come forward. Also, the Guidance recognises</p>

	<p>feasible at rates between £25psm and £50psm although some sites, particularly large sites, may not come forward for development at the highest rate. Brownfield sites could be charged £25psm although site values are very low/marginal at best.' In the light of the above statement and that encouraging the reuse of brownfield land is one of the core planning principles of the NPPF it is important that brownfield sites are only charged £25, as anything more is likely to be unviable.</p>	<p>that it is inevitable that some sites will be unviable as long as the CIL supports the District's overall growth strategy.</p>
<p>The Burford Group</p>	<p>There have been changes to the map which we object to. In particular we object to the proposed changes to include Calverley and Tinshill in the North area whereas the adjoining South area has a proposed charge of £45 sqm. In addition, the Council proposes that Horsforth should remain in the North Area. As highlighted in our previous representations, areas such as Calverley, Tinshill and Horsforth do not generate the same market values as dwellings in Aberford, Scarcroft, Thorner, Boston Spa, Wetherby, Yeadon and Bramhope. To apply a £90 per square metre tariff to those areas is likely to result in residential development being unviable within these areas. Whilst paragraph 2.15 of the DCS document suggests that residential zone boundaries have been 'slightly refined' from those used in the EVS, it is maintained the changes that have occurred since the EVS was published in January 2013 are significant. The CIL Residential Draft Charging Zones Map (October 2013) has five zones (City Centre, Inner, Outer, South and North), whereas the map used to support the EVS had four zones (City Centre, Inner, Outer and Golden Triangle (now referred to as North)). It does not appear the EVS work undertaken by GVA has been updated following the proposed changes to the mapping, yet these changes have the potential to result in the delivery of schemes in Horsforth, Calverley and Tinshill being unviable.</p> <p>Whilst the approach of the original EVS is supported in principle, any update should take into account the following:-</p> <ul style="list-style-type: none"> • Typologies and planned land supply - CIL guidance which reflects the NPPF at paragraph 173, states that authorities "should show that the proposed rate (or rates) would not threaten delivery of the relevant plan as a whole". In this context, it is considered that the typologies should be tested based on an assessment of a proportion of the proposed housing supply set out in the emerging Site Allocations Plan that falls within each typology. Furthermore, the typologies should be tested against the housing trajectory in the AMR. It is not clear how applicable the results are to the actual planned land supply over the next 15 years. It is considered that the geographical location of the planned land supply should be clearly identified and assessed and the distribution of the land 	<p>This has been addressed in LCC's response to representations on the PDCS and the explanation in the Evolution of Housing Zone Justification document. Beacon settlements and scenario mapping did include the relevant affordable housing rate. Horsforth is included within the Golden Triangle Area, as shown on the Housing Characteristics Areas map, which has been used as the basis for analysis for producing key sources of evidence including the affordable housing EVA and the SHMA 2010 update. To ensure consistency the EVS also aligned itself with these same market geographies. Therefore the CIL charging schedule has simply carried across the existing value allocation and applied corresponding rates from the EVS. However, the existing plan showing the housing character areas is not sufficiently detailed for the purpose of the CIL Charging Schedule. In this respect the plan has been updated taking into account the evidence set out within the EVS and is mindful of the individual differences within each of the zones. It was felt that Calverley and Tinshill exhibited similar characteristics to Horsforth and they were, therefore, included in the Outer North (Golden Triangle Area).</p> <p>The typologies tested within the EVS are considered to reflect the broad range of development sites likely to come forwards in Leeds over the plan period.</p> <p>Work on the Site Allocations Plan is progressing and a review of CIL may be required on adoption of the Sites Allocation Plan .</p> <p>The EVS refers to the site's EUV (plus a premium) to address the reasonableness of the adjusted land value (i.e. current market value less cost of CIL and other emerging local plan policies). This is the approach recommended in the advice for planning practitioners (Viability Testing</p>

<p>supply across the district clearly set out. Furthermore, there is no clear identified correlation between the location of the proposed land supply and the CIL charging map and as such, a proper assessment of the effect of CIL on the most prominent elements of land supply cannot be considered properly.</p> <ul style="list-style-type: none"> • Benchmark Land Value - According to the EVS, the outer northern areas and the golden triangle (now referred to as North) generate positive land values which the documents consider to be in excess of £100,000 per acre. However, the EVS assumes that all of the sites are greenfield and in agricultural use and therefore have relatively low existing use values. There does not appear to be justification for the £100,000 per acre threshold which is considered to be extremely low. This will have a direct impact on the viability of developments and as such, there is a significant question mark over the ability to justify the £90 per square metre tariff for the outer northern housing zone. • Charging Rates Proposed - GVA advise that both the inner area and city centre area should have a CIL tariff of £0 per square metre on the basis that anything higher would render residential developments unviable. Notwithstanding this the Council has chosen to propose a CIL level of £5 per square metre which is unjustified. • Similarly, for the golden triangle (north) area the EVS advises that CIL is considered feasible at rates between £75 and £100 per square metre on greenfield sites and £50 per square metre on brownfield sites. There does not appear to be justification as to why the lower £50 per square metre rate is not considered suitable for all brownfield and greenfield development. Such differentiation could only serve to discourage brownfield development which would be contrary to both national and local policy. 	<p>Local Plans – June 2012). In determining the EUV the study draws on information from a variety of sources including local agents and the web based database, UK land and farms. Whilst there was limited information the available evidence highlighted that land values typically range between £7,000 and £9,000 per acre. There is very little guidance on what constitutes an appropriate return over a site's EUV. For the purpose of the EVS we referred to information issued by the HCA in Annex 1; Transparent Viability Assumptions of the HCA Area Wide Viability Model User Guide August 2010 (this is not formal guidance but is a point of reference). This states that for greenfield land, benchmarks tend to be in a range of 10 to 20 times agricultural value. The median land value is £8,000 per acre and reflects a multiplier of 12.5.</p> <p>LCC has the S106 evidence which supports the £5 rate as set out in the Justification Papers to support the PDCS. The key conclusion is that a wide range of use types currently pay S106 contributions of more than £5psm and, therefore, this is justified as a nominal rate. This is real life evidence to balance against the EVS which is necessarily hypothetical and strategic in its approach. In addition, £5psm 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.</p> <p>This has been addressed in LCC's response to representations on the PDCS and the explanation in the Evolution of Housing Zone Justification document.</p> <p>Reg14 requires the Council to strike an appropriate balance between:</p> <ol style="list-style-type: none"> a) The desirability of funding from CIL the cost of infrastructure required to support the development of the city; and b) The potential effects of the imposition of CIL on the economic viability of development across its area. <p>It is for the Council to decide on what the appropriate balance should be and how much potential development they are willing to put at risk through the imposition of CIL. With respect to the outer north (Golden Triangle Area) the majority of housing will be delivered on greenfield land thereby the Council are not unduly impacting on the overall viability of development in this area as the EVS has demonstrated that these sites can sustain the higher charges. The Regulations accept that some schemes will not be viable at the CIL charges.</p>
--	---

	RESIDENTIAL RATES ARE TOO LOW	
Mr M Fox, Mrs L Fox, and Mrs A Fox	<p>The schedule of infrastructure works against which a target of £1.3bn of funding gap is required is a wish list of largely transport schemes that may never come to fruition for many reasons, and importantly excludes many of the elements of infrastructure that would be required to make a very high percentage of the developments sustainable. This is because many of the suggested sites are in Green Belt, in Outer areas and therefore not well served by road and transport infrastructure, sufficient surface water drainage, sufficient sewerage capacity, adequate medical and health facilities, schooling including nursery, primary, secondary and further education, leisure facilities, libraries, shops, employment, and all the major utilities. Overall the full extent of provision should be assessed in detail and the CIL based on that. Otherwise council tax payers and public funds will pick up the cost of post development solutions, whilst the house builders walk away with huge profit margins, which is simply not acceptable. Further the cost of infrastructure needs to be assessed as a whole life cost, not just the estimated cost of initial delivery. There is no assessment of the extensive costs of maintaining the infrastructure required. This is significantly more than the £1.3bn and needs to be assessed in terms of affordability to the City of Leeds, something we feel is unlikely to be the case. The CIL required, then needs to be set to meet that as a minimum, plus a contingency allowance. If this is not done, as the current approach being taken by Leeds City Council, the results of this could be catastrophic for the City both financially, and by the severe negative impact on existing communities by not promoting sites that offer sustainable development. The average S106 over this period has been £3.5m per annum, including during a record house building year in 2008. The CIL proposals for circa £1.3bn over a 15 year period is simply not deliverable in our assessment, particularly when the above data demonstrates that in the best ever performing years, an average of only £3.5m of S106 was delivered. To meet the identified £1.3bn funding gap, which we believe to be light as it excludes the whole life costs of infrastructure, the City Council would have to generate £87m of CIL each and every year for 15 years, just to fund the basic infrastructure provision, and more then to hit the real costs of the infrastructure. This is some 30 times the best ever year average delivered in the strongest economic scenario of 2008. We just do not believe that this can be achieved in reality, the plans are beyond aspirational, and simply not deliverable, a key test of soundness. The EVS has been developed by property</p>	<p>Agree that in allocating specific sites for development the Council needs to be aware of the infrastructure needs and costs relating to them. This is within the remit of the Site Allocations Plan, and other local documents such as neighbourhood plans or development briefs. Also it is important to note that the Core Strategy does contain policies requiring developments to be positively and appropriately planned e.g. in relation to access, drainage/flooding, and greenspace etc. However, the Regulations do not allow a CIL to be set on the basis of the overall infrastructure cost, it has to be based on the viability of development to pay it. It is not expected or realistic that the CIL can or will be able to pay for all the required infrastructure, in the same way that S106s at the moment do not pay for everything. The infrastructure paper setting out the £1.3bn gap explains this. Dividing the £1.3bn (£1,240,705,000) by the number of houses (74,000 gross, albeit recognising this is not yet set in an adopted Core Strategy) and the average house size of 88 sqm would add on £16,766 onto the cost of building each house, or £191 per sqm which is far above what the industry could pay across Leeds.</p>

	consultants, low rates are being justified on the basis that landowners will not bring forward developments if too high, but the funds have to cover all the costs, regardless of being able to attract development or not. Hence we find the level of CIL inappropriate, it must be derived from an evidence base of the actual need. Based on the stated average CIL quoted in the document, the industry would have to build around 20,000 houses per annum to deliver the funding gap for infrastructure identified at this stage. This is not achievable and hence the plan is not deliverable, nor is the CIL strategy.	
Horsforth Town Council	The £90 psm rate of CIL for Residential – North has been established during a period of austerity and property downturn, and should be adjusted to reflect more “normal” market conditions – and therefore to be higher. Suggest that the CIL is based on a fixed percentage of the sale value of the dwelling, 4%. This percentage rate will help to reflect inflationary costs of infrastructure provision, and tie the contribution to the cost of infrastructure provision to the market value of housing. This will avoid the need for charging schedule review to account for inflation, and better reflect the need for covering cost of infrastructure directly at the time of purchase of the house. HTC recognises that this may affect the Annexe 2 Instalment Policy, which would require adjustment accordingly.	The CIL has to be developed based on current market values, albeit with a consideration of known future changes. The Regulations do not permit the CIL to be set based on a % of the sale value.
Conservative Group	Wish to see Farsley in its entirety included within the North charging zone. We believe consideration should be given to increasing the rates in certain areas, particularly those areas where the housing market would warrant such increased levels e.g. areas of Outer North East Leeds where historically house prices were higher.	The viability modelling shows that it would not be viable to increase the rate in Outer North East Leeds or Farsley without impacting on growth. The extent of the Outer Area was consulted on and agreed in the EVA for the purpose of the affordable housing policy, and this has then been subdivided for the purposes of the CIL to reflect different values within this zone.
Sport England	We can appreciate the logic in different rates for different areas, however what is the logic for such a low city centre residential charge compared to outlying areas? Open space and sport opportunities in the city centre are often minimal and the cost of land to create space for such activities substantial.	The CIL has to be set on viability, not on the cost of infrastructure needs.
Mr M Fox, Mrs L Fox, and Mrs A Fox	All our previous representations still stand as looking at the document that responds to the previous representations, the City Council have not made any amendments on the basis of our concerns. The value of CIL still seems very low against the extent of profit set to be made by developers and house builders, particularly as significant areas of Green Belt are being considered by Leeds City Council for site allocations. As this is agricultural land, its price is extremely low, thereby creating massive profits for developers. The values produced by the GVA report and subsequent analysis by the City Council are grossly under-	Noted. The value of agricultural land is low but landowners also have ‘hope value’ whereby they would not sell the land to a developer at agricultural values but at a higher rate. The Government’s intent of the CIL once embedded into the system is that the price of land when sold will decrease overall to reflect the additional CIL cost.

	<p>selling the highly valued asset of green land, whilst leaving brownfield land untouched. Hence the house builders are targeting such land as it will maximise profits, and not provide housing where it can be delivered as sustainable development, i.e. as small scale urban extensions, or as structural infill. This will create significant problems that the infrastructure cannot deal with, and the extent of CIL will not cover, because the £ per sq m is not reflective of the full cost of delivering the Core Strategy, as Leeds City Council simply do not know what that is. The £90 per sq m rate for Outer areas is a figure based on consultants reports from within the property industry, somewhat of a biased approach you would think? We are concerned that CIL rates are being set artificially low to encourage landowners and developers to bring forward sites, and that this will result in badly thought out developments that have a severe negative impact on the immediate area including infrastructure challenges.</p> <p>We are very concerned that the historical poor performance of S106 is being used to base line the minimum amount of CIL required, and to benchmark the appetite within the property and house building industry to deliver the funds necessary for the extent of infrastructure that will be required to deliver the plan. The issue is much bigger given the scale of development under consideration, and we do not believe this is an accurate reflection of the extent of funds required to meet the infrastructure requirements of the aspirational targets.</p>	<p>Most authorities implementing the CIL have used consultants to provide the specialised viability advice and experience required. As part of the work they are required to confirm no direct conflicts of interest. The assumptions in the Study were then confirmed by Leeds City Council valuation officers.</p> <p>The S106 evidence has been used alongside the inherently strategic nature of the Viability Study, e.g. if the CIL were projected to bring in much less money than historic S106s then higher CIL rates must be viable. For instance this is the reason why we have set the £5 rate.</p>
<p>OFFICE RATES</p>		
<p>Mr M Fox, Mrs L Fox, and Mrs A Fox,</p>	<p>For City Centre office development we note the EVS recommends a rate of £100 per sqm, yet the CIL is being suggested at £35. This is 1/3 of the recommended and viable level, which is a concern that the City Council are under selling this particular aspect of CIL and by some margin.</p>	<p>The EVS recommends a maximum rate of £100 psm and it is then for LCC to decide the appropriate balance in setting a lower rate. The rate reflects low market activity in the past few years.</p>
<p>West Register (Property Investments) Ltd</p>	<p>We have reviewed the potential charges under CIL against previous deliverables under Section 106 Agreements attached to their land interests at Globe Road & Water Lane, Holbeck. We are concerned that high CIL charges for office floorspace within Leeds will potentially stand in the way of regeneration interests for more peripheral parts of the city centre.</p> <p>Consider £35 for City Centre offices to be against the interests of regeneration of the more peripheral city centre areas and potentially damaging to area-based regeneration initiatives such as Holbeck Urban Village. Office values, rental rates and yield within the central business district are significantly higher than for other parts of the city. A zero rate</p>	<p>The CIL cannot be reduced solely on policy grounds i.e. the boundaries of regeneration areas.</p> <p>The discount to £35 from the potential maximum of £100 will help to kick-start development alongside providing infrastructure to further support such development and regeneration. The CIL cannot be reduced solely on policy grounds i.e. the boundaries of regeneration areas. The CIL rates are generally below those in the Holbeck Urban Village SPD. Further clarity on the exceptional circumstances will be provided in the run up to</p>

	<p>for regeneration areas should be considered to help kick-start development in the interests of economic and environmental regeneration. It might be suggested that the charges may prove lower than S106 requirements set out within the relevant policies of the Holbeck Urban Village Framework. However, CIL does not allow for assessment of viability and for charges to be waived in the interests of other planning considerations, as has become well-established in recent years in respect of S106. In this more clarity on the material considerations to be taken into account to determine exceptional circumstances would be welcomed.</p>	<p>adoption but the use of this policy is expected to be very rare. It is acknowledged that there may need to be flexibility in particular instances on S106 contributions as these are the only negotiable elements.</p>
RETAIL RATES		
<p>Aldi</p>	<p>We acknowledge the proposed reduction in the rate for retail development however; we consider the proposed rate for retail development still excessively high. At this point it is important to note the significance the NPPF's places on viability in paragraph 173. Following the recent consultation held on the Regulatory Reforms on the CIL Regs, it is now acknowledged that DCLG intends to progress with reforms that allow Local Planning Authorities to adopt Charging Schedules that differentiate development on size, as well as geographical location and land use. Therefore we do not dispute the use of a floorspace threshold promoted by the Council now. We purely object to the threshold and charge promoted due to its potential impact on the viability of schemes coming forward in line with paragraph 173 of the NPPF.</p> <p>Further we now note the distinction between convenience and comparison retail, further confirming the perception that all national food operators can afford to pay rates such as that proposed. However, discount operators, such as Aldi, have a business model that is notably different to tradition 'Big 4' retailers. As previously explained in our original representations Aldi in particular operate on low profit margins. Their model is based on high levels of efficiency and lower overheads to enable cost savings to be passed onto their customers. Discount operators are important to provide realistic choice for those suffering from social exclusion issues in line with National Planning Policy Guidance. As such, we consider that a high rate such as that proposed could impact on the viability of a scheme. Despite the Council's response to our previously representations on this point we consider their response unsubstantiated and the reduction, although welcomed, will still have a significant impact on viability of sites being developed by discount retailers. In this context we again note that the Viability Assessment does not test viability on the basis of a discount operator, but</p>	<p>Noted.</p> <p>Support welcomed for the use of a floorspace threshold.</p> <p>Noted.</p> <p>The EVS has considered the various formats which comprise the grocery (convenience sector). The definitions are taken from the Institute of Grocery Distribution (IGD) and include:</p> <ul style="list-style-type: none"> • Hypermarkets and superstores: large format stores that sell a full range of grocery items and typically a substantial non-food range. Typically hypermarkets have a net sales area of 60,000sq.ft and superstores typically range between 25 – 60,000sq.ft. • Supermarkets: defined as food focused stores with a sales area of between 3,000 and 25,000sq.ft. • Convenience stores with a sales area of less than 3,000sq.ft, which are open for long hours and sell products, form at least eight different grocery categories. Examples include SPAR, the co-operative Group and Londis. • Other retailers which include stores with a sales area of less than 3,000sq.ft, typically including newsagents, off licences, some forecourts and food specialists, such as butchers and bakers.

<p>rather tests scenarios based on common formats of 'Big 4' type convenience retailers and traditional comparison operators. As previously explained these business models are markedly different to Aldi's format. It is therefore unreasonable to expect an Aldi store to be liable for CIL that is based on the business model of materially and markedly different retail operators.</p> <p>Comparison with neighbouring authority areas</p>	<p>The IGD recognises the discount role of Aldi and Lidl in addition to the grocery sales of principal high street discounters such as Poundland and 99p stores. No size definition is given but in reality they are similar in size to supermarkets and typically fall within the range between 3000 and 25,000sq.ft. The EVS has clearly demonstrated that a CIL charge on small convenience retail formats (sales area sub 3,000sq.ft) is unviable. This reflects the independent nature / covenant strength of many small traders which has a direct relationship to property values and the viability of development. In comparison the larger retail formats (including supermarkets, hypermarkets and superstores) are typically occupied by the 'Big 4' who have stronger covenant strengths and are able to pay higher rents. Thus these schemes are much more viable than the smaller convenience formats.</p> <p>Whilst the business model of Aldi may be different to the 'Big 4' retailers the Regulations are quite clear in that rates should not be based on a company's particular business model, as this would result in 'selective advantage' and the Charging Schedule would be at risk of being contrary to State Aid requirements. Figures released by the IGD confirm that discount retailers only accounted for only 5.6% of the UK grocery (convenience) market in 2013. When setting the CIL the guidance states that the rates should not be set at a level which prevents the majority of development from coming forward. The rates have been set allowing significant viability cushions over the maximum rates set out within the EVS, partly to reflect the enabling nature of retail development; acknowledged at paragraph 1.6 of the 'Further Evidence on Retail Rates' justification paper (Oct 13). By taking this approach is considered that the proposed rates will not deter the majority of development across the city.</p> <p>In addition, the Aldi development strategy (as stated on their website) is clearly focussed on acquiring freehold sites, whereas the EVS assumed a speculative approach to development. Therefore, in reality Aldi would buy the land and build the store themselves. The CIL charge would be passed onto the landowner. The landowner would not be prejudiced as this would be offset by the fact that Aldi would not be exposed to developer's profit, marketing, letting agents and legal fees and sale agents and legal fees. They would be able to pay more for the land than a typical scenario which assumes speculative development.</p> <p>Comparison of charges with neighbouring authorities</p>
---	--

As acknowledged in the LCC response to representations on the PDCS it is important to compare the proposed rate to nearby authorities, whilst still bearing in mind local Viability Assessments. The proposed rate for convenience retail outside of the city centre over 500 sqm remains disproportionate when compared. We have drawn examples from comparable Local Authorities in the north of England as these are most relatable to terms of geographical location and the economic circumstances occurring in Leeds at present. This also highlights that where thresholds have been progressed i.e. Birmingham and Gateshead, these thresholds are higher than that being progressed by Leeds City Council. We consider these thresholds allow for a more flexible approach in considering the different business models of convenience retailers.

- Sheffield - Preliminary Draft: £60/sqm for retail in city centre and Meadowhall areas, £60/sqm for major retail schemes.
- Birmingham - Preliminary Draft: £380/sqm for supermarkets of over 5,000 sqm and £150/sqm for smaller supermarkets and all other retail.
- Newcastle - Preliminary Draft: £128/sqm for all types of retail schemes in two designated zones. In other areas, three charges apply depending on size and type of retail: £0, £80 and £128/ sqm.
- Gateshead - Preliminary Draft: £128/sqm for supermarkets over 1,000 sqm, charges of either £128/sqm or £0 for small scale retail.
- Bolton – Draft: £135/sqm for supermarkets.
- Hull - Preliminary Draft: £50 for out of city centre retail.
- Rotherham - Preliminary Draft: £60 for convenience retail.
- Chesterfield – Draft: £80 for retail (Use Class A1-A5).

Charging Threshold

Furthermore, the Leeds Core Strategy proposes a Retail Impact Assessment threshold for A1 retail proposals of 1,500 sqm gross under Policy P8. We consider it a robust and comprehensive approach to adopt a single threshold for retail floorspace in determining the impact of retail applications which can be applied across policy documents. If the Council consider only retail applications over 1,500 sqm to have the potential for 'significant impacts' in terms of retail impact, then logical approach to setting a threshold for CIL contributions for retail schemes would be to adopt a threshold of 1,500 sqm also.

It is still considered that the proposed rate will deter future development in the city and development promoting sustainable economic growth, in line with the NPPF (2012) will be rendered unviable when the

The guidance is clear in that charging authorities do not have to exactly mirror the viability evidence when setting their rates. There are also a number of authorities proposing to charge more than Leeds, albeit no comparisons in the north as most northern authorities have not yet progressed their CIL. Just because another authority is charging less does not necessarily mean Leeds is too high, it could mean that they have chosen for their own reasons to have more of a viability cushion or that their local markets are not as strong. A wide range of thresholds are in use across the country.

Charging Threshold

The CIL is not set on policy considerations but on viability and different uses of retail. The same argument could be used to say LCC should reduce the threshold to 372 sqm as this is also cited in Policy P8. All new development (with a few exceptions) is liable for the CIL, subject to viability. The threshold has been set having regard to the various definitions of convenience retail, as set out previously, and the viability of these formats as evidenced through the EVS. The EVS demonstrated that convenience and other forms of retail could not sustain a charge. The threshold was therefore 3,000sq.ft net sales area. However, the Draft Charging Schedule has applied a slightly higher threshold of 500sq.m (5,382sq.ft) as this provides some flexibility for both slightly larger convenience stores and smaller supermarkets to be developed providing an appropriate margin between the different format types that are able to

	<p>proposed charge is adopted. The creation of a physical retail destination includes numerous benefits, including choice, jobs and spin-off trade as customers combine trips to other destinations. Retail activity can also help to stimulate development elsewhere, such as other service uses seeking to benefit from footfall. However, inflated CIL charges will simply frustrate potential development opportunities and in some instances simply dissuade investors entirely, the knock-on consequences of which are potentially very severe. Aldi have an active interest in investing in Leeds and Aldi has previously enjoyed a successful working relationship with the Council on a number of schemes recent years. In turn Aldi is becoming a major employer in Leeds and, if possible, wish to explore other opportunities to further investment and create more jobs. However, if the current approach to CIL is pursued, we are extremely concerned that such a high CIL rate will significantly prejudice Investment in the future and, ultimately, reduce the Council's ability to deliver the above infrastructure.</p>	<p>support CIL.</p> <p>Noted. The rates have been set in their current form to reflect the enabling nature of retail development. This is acknowledged in e.g. paragraph 1.6 of the 'Further Evidence on Retail Rates' justification paper (Oct 13).</p>
<p>Asda</p>	<p>The Further Justification Papers do look at further evidence on retail rates and responds to some concerns set out in our previous representations; however, still believe that there are some inadequate assumptions in relation to the site-specific S106 and S278 contributions. It has been assumed that S106s, whilst still having a role to play, would be significantly scaled back after CIL has been adopted. Unfortunately, as can be seen by the Draft Reg 123 list, this assumption is likely to be proved false as it is clear that any works necessary to deal with the impact of a retail development on planning issues will still be required to be funded through S106s and S278s. In particular, it is expressly acknowledged that new bus connections or services and local junction improvements will need to be funded through S106s/S278s. It is extremely likely that such works, for example reconfiguring a junction to improve traffic flow or creating a new signal controlled pedestrian crossing, will carry a significant infrastructure cost which would need to be borne in addition to the CIL.</p> <p>Although S106s will not be able to be pooled, the types of commonly pooled contributions tend not to make up a large proportion of the contributions sought from commercial schemes - which are usually focused on site specific highways and access works, employment and training contributions, environmental mitigation works and other, site specific, requirements. Taking the example of Superstores in the EVS, this 4,000 sqm store, with build costs of £4,360,000 (4,000 sqm x £1,090 per sqm), would be expected to bear a CIL payment of</p>	<p>The Guidance is clear that even under a CIL regime S106 contributions can still be sought but such contributions must be a) necessary to make the development acceptable in planning terms, b) directly related to the development and c) fairly and reasonably related in scale and kind to the development. However, if an item of infrastructure is included on the Reg123 list then contributions from S106 cannot be sought for the same item of infrastructure. Clearly any contributions sought under the S106 mechanisms must pass these tests and each development will be judged on a 'case by case' basis.</p> <p>It is accepted that for some schemes significant works may be required to make the scheme acceptable in planning terms. However, this is unlikely to be the case for all developments. In this context it is difficult to make assumptions with respect to site specific items of infrastructure, which could easily be misplaced/ill-informed and prejudice the assessment. Instead the Draft Charging Schedule has taken these points into consideration when setting the rates. For example the retail charging rates have been based on the brownfield/constrained assessments. This is to reflect that fact that many retail schemes act as enabling development and by taking this more conservative approach it is hoped that these qualities will be preserved. The maximum rate, set out in the EVS for brownfield development over 500sq.m in the City Centre was £175psm for convenience retail (supermarkets, superstores and hypermarkets). The Draft Charging Schedule is proposing a rate of £110psm, which reflects a viability cushion / tolerance of approx. 37%.</p>

<p>approximately £700,000 (outside the City Centre) and, in addition, fund all of the following potential costs:</p> <ul style="list-style-type: none"> • demolition, remediation and on site highways works • the cost of any off-site highways works required to make the development acceptable in planning terms including junction improvements, road widening schemes, new access roads, diversion orders and other highways works; • the cost of extending the Council's CCTV or public transport network to include the scheme (including the costs of creating new bus stops, real time information and providing new bus services to serve the site); • monitoring costs of compliance with employment/apprenticeship schemes and travel plans; • environmental off-set contributions to mitigate the loss of habitat or greenery caused by the scheme; • The cost of any remediation and decontamination works to be carried out by the council on the developer's behalf; • payments for town centre improvements intended to mitigate the impact of the development on the town centre or neighbouring areas; and • the costs incurred by the Council of maintaining any site specific infrastructure required by the development. <p>The 5% contingency allowance on build costs adopted by the Council for a store of this size equates to a budget of £218,000 (£4,360,000 x 5%). The EVS allows for £65 psm for current S106s, which totals £260,000 (4,000 sqm x £65). Adding these two values together totals just £478,000 to meet all of these costs.</p> <p>To put this in context:</p> <ul style="list-style-type: none"> • The S106 in relation to a 3,000 sqm food store in Ware, Hertfordshire amounted to £871,800. These sums related to bus service contributions; development of a community centre, nursery; education contributions; various highway safety improvements; youth service contribution; residents parking schemes and open space contribution. In addition were green travel plan contributions, monitoring fees and architectural lighting on pedestrian routes between the store and city centre. • The S106 in relation to a 6,700 sqm food store in Newhaven, East Sussex amounted to £1,345,544 relating to improvements to and an extension of the local bus network; economic initiatives; contributions for relocating local habitats; improvement of recreational space; recycling contributions; residential and retail travel plan auditing; 	<p>The same is true for convenience retail (supermarkets, superstores and hypermarkets) greater than 500sq.m outside of the city centre. The EVS recommended a maximum charge of £275psm whereas the Draft Charging Schedule has included a rate of £175psm which also reflects a viability cushion / tolerance of around 37%.</p> <p>The EVS assumed all brownfield sites will be contaminated and require site preparation, however, in reality that is a very cautious approach as not all sites will need remediation to the same extent and some may require no remediation. In this respect the EVS has assumed a worst case scenario which provides further tolerances.</p> <p>With reference to the example of a 4,000sq.m superstore:</p> <ul style="list-style-type: none"> • Due to planning policy constraints it is most likely that a superstore of 4,000 sqm would be on land with former buildings on it which would be discounted from the total CIL liability. The rates are based on brownfield assessments which include allowances for remediation / decontamination costs. However, not all sites will need remediation to the same extent and some may require no remediation. Therefore, this approach builds further tolerances into the viability assessment. • As set out previously there is a considerable viability cushion already built into the rates • It is not expected that there will be superstore schemes which require new bus services to serve the site. • The cost of new bus stops, real time information, and monitoring is taken into account in the viability cushions. • It is not expected that there will be superstore schemes in Leeds which require habitat mitigation. • Depending on the location and how big the impact, it is expected that town centre improvements would be paid out of the CIL. <p>The majority of site specific S106 contributions would also be negotiable if there was a demonstrable viability concern.</p> <p>The examples cited in Hertfordshire and Newhaven are neither directly relevant nor comparable to Leeds.</p> <p>With reference to the ASDA scheme in Middleton it is worth noting that, in this instance, the proposed store was actually smaller than the buildings which previously occupied the site and therefore assuming the buildings were in lawful use then under the forthcoming Amendment Regulations</p>
---	---

transportation and town centre contributions.

Paragraph 1.8 of the Further Justification Papers makes reference to Asda's Middleton scheme. We do not agree that the £1.05m on public transport improvements and/or the £40,000 on district centre improvements (or at least a large proportion of these costs) would not be incurred under the CIL regime. The Council's Draft Regulation 123 list specifically states that 'new bus connections or services and cycle/pedestrian routes and connections if directly required by the development' and 'local junction / highway improvements and access into the site' would still continue to be addressed through S106s. Accordingly, an allowance will have to be made for these costs in a viability calculation and the Further Justification Papers have overestimated Asda's ability to meet CIL in this example. These costs are likely to be highly necessary in planning terms in order to implement a scheme of this sort. If it is the Council's intention to include all public transport improvements within its Regulation 123 list, and so be funded through CIL, these should be specifically listed. We request that the Council please clarify its position and also readjusts this example's figures as the town centre mitigation contributions cannot be borne out of the current wording of the draft Regulation 123 list. With this in mind, we again, suggest that the Council has significantly underestimated the impact of CIL on the viability of such developments and request that the underlying viability evidence be revised accordingly.

3. Concerns relating to the sub-division of Retail Use Classes

The EVS and the Further Justification Papers in October 2013 only test one hypothetical brownfield and one hypothetical greenfield site in each of the City Centre and Outside the City Centre for retail uses. The Viability Study does not test the retail uses against a variety of locations within the Borough and no further analysis of the viability of comparison retail has been conducted. To date, the Council only appears to have assessed the impact of CIL on these hypothetical retail schemes. This is hardly sufficient evidence to demonstrate that comparison retail, in all its possible formats and proposed locations, has a different viability profile to comparable convenience retail stores.

2014 the scheme would not attract any CIL charge at all.

£302,114 was required in relation to the Public Transport Improvements SPD which will be directly superseded by the CIL. The £150,000 district centre public realm contribution for improvements to the steps/ramped pedestrian linkage and to create a new terraced link area would now fall under the CIL via the R123 List. Whether the £40,000 for other district centre improvements to include car park resurfacing, landscaping and improvements to shop frontages would fall under CIL or S106 would need to be determined at a detailed level.

The following typologies have been tested within the EVS:

- Hypermarkets and superstores: large format stores that sell a full range of grocery items and typically a substantial non-food range. Typically hypermarkets have a net sales area of 60,000sq.ft and superstores typically range between 25 – 60,000sq.ft.
- Supermarkets: defined as food focussed stores with a sales area of between 3 and 25,000sq.ft.
- Convenience stores with a sales area of less than 3,000sq.ft, which are open for long hours and sell products, form at least eight different grocery categories. Examples include SPAR, the co-operative Group and Londis.
- Other retailers which include stores with a sales area of less than 3,000sq.ft, typically including newsagents, off licences, some forecourts and food specialists, such as butchers and bakers.
- Retail warehouses which are typically on a single level and ranging in size between 8 and 20,000sq.ft. Specialising in the sale of bulky goods, such as carpets, furniture, electrical goods or bulky DIY items.
- City centre comparison retail based on the assumption of remodelling or extension of existing floorspace / arcades.
- Other A1 traditional retail (non-food)
- Financial and Professional Services (A2)
- Restaurants and Cafes (A3)
- Drinking Establishments (A4)
- Hot Food Take Away (A5)

All of the typologies were tested on the following bases:

- City Centre – Constrained (Brownfield)
- City Centre – Greenfield (unconstrained) – the EVS accepts that the majority of city centre sites will be constrained to very degrees.
- Outside of City Centre – Constrained (Brownfield)

		<ul style="list-style-type: none"> • Outside of City Centre – Greenfield (unconstrained) <p>In this context 48 different retail scenarios were tested / modelled within the EVS. This is considered to provide sufficient evidence to demonstrate the differential charges with respect to retail. The rate for convenience retail would cover hypermarkets, superstores, supermarkets, convenience stores and other grocery retailers). The rate for comparison retail would include retail warehousing, city comparison retail and out of centre comparison retail). All other A1 use classes fall within the 'other uses' and are subject to a nominal charge.</p> <p>The EVS also includes a brownfield allowance.</p>
Sainsbury's Supermarket Ltd	<p>It is important to strike the right balance between securing the funding of infrastructure and the effect that has on the viability and deliverability of much needed development and investment in Leeds.</p> <p>Differential Rate for Retail Development Recognises that the Council has modified the proposed CIL levy rates for retail development from the PDCS. Regulation 13 allows for differential rates to be set where viability differs by geographic 'zones', or by reference to different intended uses of development. It is necessary that, when a differential rate is proposed on certain development types then in addition to identifying a clear and unambiguous difference between the intended uses, the differential rates must both be appropriately evidenced and justified. There is a clear requirement within the CIL Guidance, and a statement of intent within the CLG Consultation on CIL further reforms, that differential rates can only be applied where 'fine-grained' local market and viability evidence exists to justify differential rates. A failure to provide evidence of difference in use and/or differences in viability indicates that a differential rate cannot be sufficiently substantiated. SSL objects to the proposed differential rate (by 'zone' and by 'use') applied to 'Convenience Retail' and 'Comparison Retail' within the DCS. SSL sees the proposed modifications as insufficient to respond to concerns raised in the previous representations and is firmly of the opinion that the proposed modifications fail to meet the requirements of Regulation 13 of the CIL Regulations and the CIL Guidance. Where there is no clear, demonstrable and locally evidenced division based on the definitions and 'zones' set, the CIL Regulations and Guidance are clear that a single CIL charge should be applied to development as a 'use'. As a result, SSL maintains the position that there should be a single CIL rate for all retail development within Leeds.</p>	<p>Noted and consider that LCC has achieved the correct balance.</p> <p>The range of typologies tested in the EVS are sufficient to demonstrate viability evidence for differentiation in the use and the zones. Many authorities have used a retail threshold with different rates either side and this approach has been accepted in other CIL examinations. The amendment 2014 Regulations specifically allow for this. The use of a threshold is not disputed by Aldi on this basis.</p> <p>The definitions of the various formats which comprise the grocery (convenience sector) are taken from the Institute of Grocery Distribution (IGD) and include:</p> <ul style="list-style-type: none"> • Hypermarkets and superstores: large format stores that sell a full range of grocery items and typically a substantial non-food range. Typically hypermarkets have a net sales area of 60,000sq.ft and superstores typically range between 25 – 60,000sq.ft. • Supermarkets: defined as food focussed stores with a sales area of between 3 and 25,000sq.ft. • Convenience stores with a sales area of less than 3,000sq.ft, which are open for long hours and sell products, form at least eight different grocery categories. Examples include SPAR, the co-operative Group and Londis. • Other retailers which include stores with a sales area of less than 3,000sq.ft, typically including newsagents, off licences, some forecourts and food specialists, such as butchers and bakers. • The IGD recognises the discount role of Aldi and Lidl in addition to the grocery sales of principal high street discounters such as Poundland and 99p stores. No size definition if given but in reality they are similar in size to supermarkets and typically fall within the range between 3 and

	<ul style="list-style-type: none"> • SSL does not agree that there is a justifiable and evidenced material difference in the intended and identified uses of development between 'Convenience Retail' and 'Comparison Retail' within Leeds. • Neither the 'Convenience Retail' use nor 'Comparison Retail' use are defined in the DCS. Many retail developments sell both convenience and comparison products. It is not clear how the Council's approach will accommodate this. • The clear and fine-grained viability evidence required to distinguish between and justify differential uses as per the modified definitions within DCS is absent from the Council's evidence base. The approach to justifying a differential rate by size threshold is not supported by sufficient viability evidence. The CIL Regulations require that the Council demonstrate that there is a different intended use either side of the threshold set. The evidence presented by the Council does not demonstrate that a 'Convenience Retail' development of 499 sqm has a different intended use and/or viability characteristics to a similar development of 500 sqm. SSL does not believe it is possible to differentiate in this manner, and therefore the threshold is arbitrary and unjustifiable. 	<p>25,000sq.ft.</p> <p>The EVS has clearly demonstrated that a CIL charge on small convenience retail formats (sales area sub 3,000 sq.ft) is unviable. This reflects the independent nature / covenant strength of many small traders which has a direct relationship to property values and the viability of development. In comparison the larger retail formats (including supermarkets, hypermarkets and superstores) are typically occupied by the 'Big 4' who have stronger covenant strengths and are able to pay higher rents. Thus these schemes are much more viable than the smaller convenience formats.</p> <p>The thresholds have been set having regard to the various definitions of convenience retail, as set out above, and the viability of these formats as evidenced through the EVS. The EVS demonstrated that convenience and other forms of retail could not sustain a charge. The threshold was therefore 3,000 sq.ft net sales area. However, the Draft Charging Schedule applied a slightly higher threshold of 500 sq.m (5,382sq.ft) as this provides some flexibility for both slightly larger convenience stores and smaller supermarkets to be developed providing an appropriate margin between the different format types that are able to support CIL.</p> <p>Agree that there should be a definition in the Charging Schedule of the different retail terms. As explained above, the modelling is based on typologies including convenience stores and supermarkets. As these sell both convenience and comparison goods it is agreed that it is not appropriate for the retail category to be defined in this way, but instead to redefine 'convenience' as 'supermarket'. This was the intention behind the distinction, and is not considered to make any difference in the viability of the CIL as it is purely semantics that 'convenience' was actually intended to read as 'supermarket'. This is the impression of 'convenience' in the representations from the other supermarkets.</p> <p>The definition proposed for 'supermarket' is as follows: "Larger format food stores that sell a full range of grocery items and are shopping destinations mainly used for a person's main weekly food shop, although generally they also contain a smaller range of comparison goods." This is a definition very similar to those which has been approved by CIL examiners in other authorities and is clearly a distinct category of development with its own viability characteristics.</p>
STATE AID AND RETAIL RATES		

<p>Sainsbury's Supermarket Ltd</p>	<p>SSL remains concerned that there is insufficient evidence of the state aid consequences of charging differential 'convenience retail' rates at the +/- 500 sqm threshold, between the in/out of city centre 'zones', and between the 'convenience retail' and 'comparison retail' uses. This is despite the clear risk that that the Council's approach presents to generating distortion within the market. This must be addressed by the Council.</p>	<p>This threshold has been used in other CIL charging schedules. The difference is based on the category of supermarket which would attract local shopping as opposed to those which attract weekly trips. A number of operators have stores at both sizes and therefore the threshold would not be disproportionate and incur State Aid or generate distortion.</p> <p>The EVS has considered the various formats which comprise the grocery (convenience sector). The definitions are taken from the Institute of Grocery Distribution (IGD) as set out above in relation to the other Sainsbury's comments. The EVS has clearly demonstrated clear differences in viability between these uses so much so that CIL is unviable on small convenience retail formats (sales area sub 3,000sq.ft). This reflects the independent nature / covenant strength of many small traders which has a direct relationship to property values and the viability of development. In comparison the larger retail formats (including supermarkets, hypermarkets and superstores) are typically occupied by the 'Big 4' who have stronger covenant strengths and are able to pay higher rents. Thus these schemes are much more viable than the smaller convenience formats. Therefore, the lower (nominal) rate for smaller stores is based on viability and does not favour small retailers disproportionately.</p> <p>The Draft Charging Schedule applied a slightly higher threshold of 500sq.m (5,382sq.ft) as this provides some flexibility for both slightly larger convenience stores and smaller supermarkets to be developed providing an appropriate margin between the different format types that are able to support CIL.</p> <p>The differential rates between City Centre and out of centre are also based on viability and is an attempt to reflect the different site characteristics that are likely to be incurred with City Centre sites being more complex to develop and therefore incurring a higher cost.</p>
<p>Asda</p>	<p>There will be EU State Aid issues arising out of the setting of differential rates for different types of commercial entity within the same use class. Introducing such differential rates confers a selective economic advantage on certain retailers depending on the size of the shop they operate out of, or their type of business. For example, setting the levy for comparison retail schemes at a lower rate than an equivalent convenience retail scheme provides an economic advantage to comparison retailers. Alternatively, basing rate</p>	<p>There are clear differences in use and markets between a supermarket and a comparison store. This has been accepted in other charging schedules and in forthcoming Amendment Regulations. The lower rate for smaller stores is based on viability and therefore does not favour small retailers disproportionately. Additionally, a number of operators have stores at both sizes.</p> <p>The EVS has clearly demonstrated clear differences in viability between</p>

	<p>differentials on the size of a store favours smaller retailers over their larger competitors. As far as we are aware, the UK government has not applied for a block exemption for CIL. CIL charges do not form part of the UK's taxation system and there does not appear to be an exemption in place to cover any State Aid issues that may arise. With this in mind, we would be grateful if the Council adopted a flat levy rate for comparable sectors of the economy/use classes or, if it is not prepared to do so, providing an explanation as to why State Aid issues are not engaged by the setting of differential rates within use classes to the Inspector at the Inquiry.</p>	<p>the various formats of convenience retail so much so that CIL is unviable on small convenience formats (sub 3,000sq.ft). This reflects the independent nature / covenant strength of many small traders which has a direct relationship to property values and the viability of development. In comparison the larger retail formats (including supermarkets, hypermarkets and superstores) are typically occupied by the 'Big 4' who have stronger covenant strengths and are able to pay higher rents. Thus these schemes are much more viable than the smaller convenience formats. Therefore, the lower (nominal) rate for smaller stores is based on viability and does not favour small retailers disproportionately.</p> <p>Propose a change from the word 'convenience' to the word 'supermarket' as that was the intent behind the retail distinction, and would make it more clear that it is based on tangible differences in viability. As these sell both convenience and comparison goods it is agreed that it is not appropriate for the retail category to be defined in this way, but instead to redefine 'convenience' as 'supermarket'. This was the intention behind the distinction, and is not considered to make any difference in the viability of the CIL as it is purely semantics that 'convenience' was actually intended to read as 'supermarket'. The definition proposed for supermarket is as follows: "Large format food stores that sell a full range of grocery items and are shopping destinations mainly used for a person's main weekly food shop, although generally they also contain a smaller range of comparison goods. Supermarkets normally have their own large dedicated car park." This is a definition very similar to those which has been approved by CIL examiners in other authorities and is clearly a distinct category of development with its own viability characteristics.</p>
RETIREMENT HOUSING		
<p>McCarthy & Stone Retirement Lifestyles Ltd, Churchill Retirement Living Ltd</p>	<p>Of the specialist housing providers currently active in this specific market (not including the out of town "retirement village" model), the two companies deliver over 80% of the current supply between them. It is extremely disconcerting that the Council states it has no record of the comments we provided to this workshop therefore we have provided a copy of the email sent to GVA dated 25th September 2012 and the acknowledgement of these comments dated 29th September 2012.</p> <p>Despite the previous comments submitted, a separate development scenario for specialist accommodation for the elderly has not been conducted and this form of development has still been amalgamated into a general residential levy rate. The EVS should therefore provide a fully</p>	<p>Noted, and apologise for the mislaid comments Sept 2012.</p> <p>There are a number of considerations relating to this request.</p> <p>Of particular note, there are currently two pending planning applications for retirement schemes in Leeds: 13/03606/FU Devonshire Lodge,</p>

worked up development scenario for a typical flatted retirement housing scheme, located on a previously developed site within 0.4 miles of a town or local centre. This should be sensitivity tested against a range of existing and alternative land values to ensure that the development of sheltered housing is not prejudiced.

The representation summarises the Council's rationale for not completing a development scenario for sheltered retirement housing as detailed within the Statement of Representation. Consider the Council's response to be based on a selective interpretation of the CIL Regulations and a fundamental misunderstanding of the concept of Sheltered / Retirement housing. The CIL Guidance (Dec 2012) clearly states that the Charging Schedule can differentiate between specialist forms of development to ensure that these still come forward (para 37) "Charging authorities that plan to set differential levy rates should seek to avoid undue complexity, and limit the permutations of different charges that they set within their area. However, resulting charging schedules should not impact disproportionately on particular sectors or specialist forms of development and charging authorities should consider views of developers at an early stage." The CIL Guidance clearly stresses the importance of individual market sectors that play an important role in meeting housing need, housing supply and the delivery of the Development Plan, such as specialist accommodation for the elderly. The importance of ensuring the provision of specialist accommodation of the elderly is detailed at length in our previous representation and it is not our intention to repeat this information. It is clear however that the provision of specialist accommodation for the elderly does play a clear role in meeting housing needs of the emerging Core Strategy notably Policy H8: Housing for Independent Living which actually encourages the provision of an element of specialist housing in larger residential developments. A prohibitive CIL rate that prevents this form of development coming forward would therefore threaten the deliverability of the Development Plan and would be contrary to the CIL Guidance.

Accept that Sheltered / Retirement Housing to falls within the C3 Residential Use Class. However the Use Classes Order is not however the sole means of classifying development in a Charging Schedule. We consider the Council's assertion that sheltered / retirement housing and the viability issues associated to it are specific to one particular developer, McCarthy and Stone, to be somewhat disingenuous. Sheltered / retirement housing is a distinct form of residential development which

Roundhay (McCarthy & Stone), and 13/03718/FU Wetherby Former Deighton Motors (Churchill) which is also the subject of a current appeal for non-determination. Both these schemes involve negotiations on viability which are not yet concluded. It is considered somewhat premature to pre-empt the outcome of these negotiations by now creating a bespoke rate for this use.

The Council has also balanced the submitted viability appraisals which are inevitably theoretical, against a consideration of actual applications. Since 2005 there have only been 6 applications for retirement housing (including the two still pending); four from McCarthy & Stone, 1 from Churchill, 1 from Anchor Retirement. This is important for a number of reasons:

- 1) Retirement schemes are not a key part of the growth strategy in terms of numbers. Although the Core Strategy supports the provision of sheltered accommodation, it is clear that in terms of numbers of completions and supply, sheltered accommodation is a very small element of the growth strategy, even if this market is to increase.
- 2) All of the applications were built on sites containing buildings, which means that a large amount of the CIL liability would be reduced by the existing floorspace under a CIL regime. This was not reflected in the submitted appraisals.
- 3) Historic applications also paid S106 financial contributions e.g. one scheme paid £46,000 (plus staff Metrocards) and another paid £54,000. Both of these included the full % requirement of affordable housing. As the CIL would supersede these costs it is not necessarily an additional cost.

As previously stated after the PDCS stage, it is accepted that certain schemes will adopt different inputs to those used within the EVS but the assumptions used within the EVS generally align with normal figures expected in the majority of developments. The Regulations state that rates should not be based on a particular business model as this would result in 'selective advantage' and the Charging Schedule would be at risk of being contrary to State Aid requirements.

As set out elsewhere in this document in response to a number of other representations, the residential CIL rates proposed have been set at 10% below the maximum rates set out in the EVS, plus the EVS takes a cautious approach in a number of assumptions, thereby increasing the overall viability cushion and accounting for differences in business models.

differs considerably in its built form from general needs housing and flatted developments. It is characterised by higher build cost, the provision of communal facilities and a lower rate of sales, as stated in our previous representations, which make the viability of this form of accommodation much more finely balanced than general needs housing. The aforementioned viability characteristics of sheltered / retirement housing have been acknowledged by both the public and private sector and in the various tiers of Government. In the recently published NPPG the "How should different development types be treated in decision taking? (subheading: ID 10-018-130729) states that "The viability of individual development types, both commercial and residential, should be considered. Relevant factors will vary from one land use type to another". The Guidance states that "For older people's housing, the scheme format and projected sales rates may be a factor in assessing viability". There is an increasing consensus that specialist accommodation for the elderly should not be viewed as an oversight or 'casualty' of the CIL regime.

The Retirement Housing Group (RHG), a consortium of retirement housing developers and managers from the private sector and housing associations, recently commissioned the consultants Three Dragons to produce a paper that provides evidence and guidance for viability practitioners in appraising sheltered / retirement and extra care accommodation. This paper was sent to every viability practitioner in the UK with a copy sent to the Planning Minister, Nick Boles. In his response to this letter Nick Boles MP, highlighted the importance of differentiating between retirement housing and general needs homes where viability is an issue in response to a letter from the Retirement Housing Group. The letter states "... The revised Guidance published in December 2012 is clear that "charging schedules should not impact disproportionately on particular sectors or specialist forms of development and charging authorities should consider views of developers at an early stage". (page 121, paragraph 37). The guidance does not specify that any form of housing should be treated any differently to other sectors but is clear that if you have any evidence that your development would be made be made unviable by the proposed levy charge, this should be considered by the Authority and the examiner...'. Furthermore to encourage Local Authorities to undertake a more robust viability assessment of retirement / sheltered housing McCarthy & Stone Retirement Lifestyles Ltd and Churchill Retirement Living Ltd, produced a joint position paper that was sent to every local planning authority in England and Wales. The paper provides a number of recommendations on testing the viability of

In addition, retirement housing may not be as markedly different from standard housing as the market shifts; Blossom Court in Yeadon (McCarthy & Stone) was approved July 2010 at the bottom of the recession and sold all 30 units within 2 years, faster than the stated standard 3-4 years after completion in the viability appraisals submitted. A McCarthy & Stone press release December 2013 states: "In the year to 31 August 2013, McCarthy & Stone achieved an 11% uplift in apartment sales." "We are taking advantage of improving market conditions and the growth in demand for retirement housing to rapidly increase the size of our land bank."

There are a number of sites in the Leeds District where the Council is currently working with stakeholders and strongly promoting the provision of retirement housing on a range of sites. This includes on greenfield sites and so it is not a requirement that such provision can only be on brownfield sites with generally poor viability. This is also in relation to where new centres may be created as part of wider housing growth. Additionally, the Core Strategy identifies 27 town centres and 33 local centres in Leeds, so the need for sites to be within 0.5 miles of a town or local centre is not considered to be as restrictive a requirement as it may be in other authorities.

The representation identifies a number of authorities which have a specific CIL rate for retirement housing, but does not mention the larger number of authorities who have not included a separate rate and indeed have specifically declined to do so. Specific reference has been made in examiners reports e.g. the Greater Norwich examiner stated at paragraph 37: "it is completely unrealistic to expect charging schedules to be made flexible and varied enough to cater for a variety of considerations particular to different types of residential accommodation providers." The West Berkshire examiner's report considers the issue at Paragraph 18: "The National Planning Policy Framework requires all objectively assessed housing needs to be met and that the CS does seek to ensure that the housing needs of all sectors (including those with specialist requirements) are met. Nevertheless this has to be balanced against the fact that the Council has only considered three planning applications for this form of development between April 2004 and March 2012. It cannot therefore accurately be described as a fundamental component of overall housing provision or an issue that would threaten the delivery of the CS as a whole. Regulation 14 requires consideration to be given to 'the potential

<p>specialist accommodation for the elderly for CIL and how it differs from conventional housing and has been attached for your convenience, although a copy of this document was previously sent under separate cover.</p> <p>Whilst there are inevitably some differences in the approaches suggested by the RHG and McCarthy and Stone / Churchill Retirement Living they are both consistent in highlighting that this form of development is characterised by higher levels of communal floorspace, higher build costs and a slower rates of sales. It is clear therefore that the viability characteristics of Sheltered / Retirement Housing, as consistently highlighted in our representations to date, are not specific to the McCarthy and Stone/Churchill business models but rather are representative of a clear and distinct form of residential development. The inputs are on a generic basis, that is to say that any market sheltered housing scheme would have a very similar revenue and cost profile.</p> <p>Development Scenario</p> <p>A crucial element of the CIL viability appraisal will be to 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 should be assessed against both likely existing site values, and just as importantly, of potential alternative (i.e. competitor) uses. Our concern is that CIL could prejudice the delivery of retirement housing against competing uses on the land suitable for retirement housing schemes. The average age of residents in retirement housing is around 79 years old, likely to have abandoned car ownership, be of lower mobility and/or rely on close proximity to public transport. For this reason retirement housing developers will not consider sites that are within a reasonable walking distance of a town or local centre with a good range of shops and services to meet a resident's daily needs. The result is that retirement housing can only be built on a limited range of sites, typically high value, previously developed sites in close proximity to town centres. It is worth noting that Paragraph 27 of the December 2012 CIL Guidance recognises that brownfield sites are those where the CIL charge is likely to have the most effect, stating; "The focus should be in particular on strategic sites on which the relevant Plan relies and those sites (such as brownfield sites) where the impact of the levy on economic viability is likely to be most significant".</p> <p>The EVS (Jan 13) states at paragraph 7.29 that: "A charge of up to</p>	<p>effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area' and that is what the Council has achieved."</p> <p>Taking all of these considerations into account, the Council has decided not to propose any changes to the Draft Charging Schedule as regards retirement housing.</p>
--	---

£100psm is considered feasible within the Golden Triangle Area. Again brownfield sites are unlikely to be able to sustain these charges". As sheltered housing schemes are in the vast majority of cases built on brownfield land and/or land with an existing use, the Council's own evidence indicates that the CIL charge in even the high value areas would not be viable. It is considered that the 10% viability cushion is woefully inadequate and will not provide for flexibility to cover a range of development types, nor will it be enough to mitigate the disproportionate impact of CIL on specialist accommodation for the elderly as required by the CIL regulations. To illustrate, the median base build costs of sheltered housing as set out by the BCIS in Leeds are £29m2 higher than the base build costs for flatted development (on which it can be assumed the GVA assessment is made). This is compounded by the additions for communal space (30% communal areas are double the allowance made in the GVA methodology at 15% for flats). When multiplied through the appraisal by the costs expressed as a proportion of base build, it is clear that the £10m2 buffer is not adequate to account for the different build cost profile of specialist development. This does not take into account the significantly higher sales costs of a sheltered housing scheme, including the costs of holding empty apartments for a number of years (with the Council Tax and service charge liability to be paid for by the developer until occupation by a leaseholder).

In light of the Council's omission of a developer scenario for sheltered / retirement housing we have provided the Council with summary pages from 4 viability appraisals for a typical development of this type using the Homes and Communities Agency's Development Appraisal Tool (DAT). In the absence of a development scenario by the Council this viability appraisal constitute the only appropriate available evidence on this issue. These are carried out using values akin to the Golden Triangle area (as established at a recent Churchill Retirement Living planning application in Wetherby) and for the following assumptions:

1. 40 unit sheltered housing scheme (0.4ha), 0% Affordable Housing, £0m2 CIL. This has been undertaken to indicate that sheltered housing is indeed viable and there is some scope to make S106/AH/CIL contributions
2. 40 unit sheltered housing scheme, 0% Affordable Housing, £90m2 CIL. This has been undertaken to indicate the impact of CIL on the residual land value and determine whether CIL alone is sufficient to make sheltered housing "unviable".
3. 40 unit sheltered housing scheme, 35% Affordable Housing (50:50

tenure split), £0m2 CIL. This has been undertaken to demonstrate that the current policy requirement for affordable housing is enough to render sheltered housing schemes unviable, but that they can be made viable at some level of affordable housing.

4. 40 unit sheltered housing scheme, 35% Affordable Housing (50:50 tenure split), £90m2 CIL. Undertaken to indicate the worst case scenario. The results are as follows:

Development Assumptions	Residual Land Value	Surplus Against GVA Benchmark (c£225,000)	Surplus Against 2010 EVA Benchmark (£500,000 per acre)
1	£698,000	£474,000	£198,000
2	£422,000	£197,000	-
3	-£224,435	-	-
4	-£416,208	-	-

This table indicates that there is a tension between the approach adopted by GVA to benchmark land values. This is chiefly because the £225k per acre land value adopted is based on a residual land value and has no regard to existing use values, nor to the value necessary to persuade a land owner to dispose of their land. It is simply based on the residual land value of policy complaint residential schemes of varying mix/tenure assumptions. This has no bearing on the market value of land, a contention supported by the lack of transactional evidence recently – i.e. landowners are not selling land since it is not producing large enough land values to incentivise them to disposal. It is our contention that the benchmark land value adopted in the 2010 EVA, whilst still underplayed, is more indicative of the market value for land in Leeds and is the only measure based on transactional evidence. This also allows for higher existing use values for land in Leeds to be taken into account. This is also consistent with the latest VOA Property Market report (2011) which indicates that £1,360,000 for residential land was justified. In either scenario, no matter which benchmark land value is taken, the viability of a sheltered housing scheme with affordable housing contributions is jeopardised by the introduction of CIL. That is to say that CIL is at the expense of the affordable housing contribution. However, were the evidence from the EVA/VOA preferred on benchmark land values, then only when no affordable housing were assumed could a CIL contribution be justified from a sheltered housing scheme, and this is at a level of £198,000. On a £sq m basis this is c£60m2 (based on the 3285m2 scheme). Hence a £90m2 charge is sufficient to render the scheme unviable. Whilst not provided here, the evidence suggests that in lower

value areas this effect would be exacerbated.

Proposed Modifications

Residential South: £45

Sheltered / Retirement: (C3) £0

Residential North: £90

Sheltered / Retirement: (C3) £45

Sheltered / Retirement Housing which are defined as grouped units, usually flats, specially designed or designated for older people. Usually have hard-wired alarm systems and internal corridors linking individual flats to communal areas. May have a resident or non-resident warden service.

The rates proposed are based on the evidence that £62m2 is the absolute maximum charge sustainable in the Golden Triangle area (and then this relies on 0% affordable housing contributions to be made). A rate of £45m2 would provide some “headroom” or cushion to allow for variations in site density/abnormal costs/existing use values etc. It is also based on recent experience of sustainable S106 contributions made in planning applications throughout the country. We would consider the proposed modification to be minimal in the scope of the wider Charging Schedule adding very little in terms of both complexity and content to the document but addressing a real and identified shortcoming of the Draft Schedule. The definition of sheltered / retirement Housing could be incorporated as either a footnote or in a Glossary. We would note that both of the organisations represented regularly develop within the City and, in our experience, the Council’s Planning Officers have had very little difficulty in recognising purpose built sheltered / retirement housing. The definition provided is one of the clearest and also one of the longest standing from the Ministry of Housing and Local Government Circular 82/69 (1969) “Housing Standards and Costs: Accommodation Specially Designed for Older People” and relates to ‘Category II’ Sheltered accommodation (a term commonly used for these forms of development).

A number of local authorities to date have provided a bespoke CIL rate for Sheltered / Retirement Housing which may be of interest to the Council when giving further consideration to a definition of sheltered / retirement housing including: Winchester City Council, Hertsmere Borough Council, Bedford Borough Council, Dacorum Borough Council, Purbeck Council and East Devon Council.

	Representation includes circular, Nick Boles letter, and viability appraisals.	
	NOMINAL £5 RATE	
Sainsbury's Supermarket Ltd	The Council has modified the approach to CIL charging for 'all other uses not cited' as set out within the Levy Rates table on page 8 of the DCS. SSL objects to this proposed charge. The Council's viability evidence does not support the introduction of the proposed £5/sqm base charge on these types of development as they have been shown as unable to viably withstand any CIL charge. To include a CIL charge for this use will set a rate up to, and beyond, the 'margin of economic viability'. The CIL Guidance (April 2013) strongly advises against such an approach. On this basis the CIL charge should be set at nil for 'all other uses not cited'.	A £5 rate for 'all other uses' is carried forwards from the PDCS without change. 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.
	REGULATION 123 LIST AND INFRASTRUCTURE EVIDENCE	
Leeds Property Forum	Welcomes the publication of the Draft Regulation 123 List.	Support welcomed.
Land Securities	Welcome the publication of the Draft Regulation 123 List.	Support welcomed.
West Register (Property Investments) Ltd	<p>We consider that the Regulation 123 list is somewhat vague and lacking in detail and could lead to charging twice for some areas through S106. We consider more clarity should be provided on items such as public realm improvements, especially compared to the initiatives set out within the Holbeck Urban Village Framework. In addition, are the policies of the Framework to be superseded by CIL? This is unclear. We note also that certain elements will not provide any clear benefits to the West Register land interests, such as NGT.</p> <p>Furthermore, we understand that further modelling work is being undertaken in respect of the Flood Alleviation Scheme and it is not clear if the West Register land will benefit, even though connectivity to Water Lane will be directly harmed through the Phase 2 Flood Alleviation Scheme proposals.</p>	<p>The Draft R123 List has been prepared in order to clearly identify what the CIL may be spent on and therefore will not lead to charging twice through both the CIL and S106s in line with the Regulations. The pooled S106 contributions approach in the Holbeck Urban Village Framework will be superseded by the CIL. The intent of the CIL is to help fund infrastructure to support growth across the whole District (e.g. NGT) and not solely to support individual development sites.</p> <p>This comment is outside of the remit of the CIL.</p>
Network Rail	Overall we are in general support of the proposed R123, in particular we support the inclusion of a sum towards access or all improvements at	It is believed the reference is to the infrastructure funding gap paper, which demonstrates that the Garforth rail scheme could in theory receive

	Garforth Station.	funding from the CIL. However, the Draft R123 List does not refer to any potential CIL spending on rail infrastructure, although it will be reviewed and updated as projects gain priority and certainty and so it may be that such schemes could be added in future.
Home Builders Federation Consortium	<p>The proposed Draft Regulation 123 List is welcomed at this stage. The key tests of CIL Reg 122 should be outlined within the supporting documentation.</p> <p>The LCC funding gap took into account expected sums, received developer contributions and other adjustments as well as known secured funding. This makes it all the more crucial for LCC to set CIL charging rates on what is viable rather than what may theoretically be desired, in order to reduce the risk of this shortfall expanding following the adoption of their CIL Charging Schedule. Savills do not wish to challenge LCC's calculations, believing that an infrastructure funding gap does probably exist, and hence, in principle, CIL is justified. However, it is considered that the supporting evidence should clearly identify not only alternative funding sources (e.g. New Homes Bonus, Government Grants etc) but should also set out an appropriate balance for infrastructure priorities.</p> <p>To enable the delivery of large development schemes, site specific measures may be required/masterplanned to include e.g. schools, health, community halls, play areas/open spaces, site accesses, and roads. It would not be appropriate for these facilities to be provided to only effectively then 'pay double' through the imposition of additional CIL charges. This would potentially be contrary to both Regulations 122/123. An effective 'land in lieu of CIL' mechanism is essential, otherwise larger strategic development would incur disproportionate and unjustified infrastructure costs. The mechanism of payments in kind must result in credible land values being agreed and offset against the levels of potential CIL receipts incurred through the chargeable development. If operated effectively the mechanism could considerably assist with development delivery.</p>	<p>Support welcomed. The Council will consider including the further explanation in Reg122 in the final R123 List.</p> <p>Agree that the rates have been set based on viability rather than on the cost of the infrastructure required.</p> <p>The Draft R123 List has been prepared in order to clearly identify what the CIL may be spent on and therefore will not lead to charging twice through both the CIL and S106s in line with the Regulations.</p>
Sainsbury's Supermarket Ltd	Pleased to see that a draft R123 List has been published. However, concerned that this is a highly generic document, which fails to name and prioritise key infrastructure, provide a firm commitment to delivery, or provide any form of accompanying timetable / target timescale. SSL requests that the Council adds this level of detail to the R123 List to provide clarity and reassurance to investors and developers.	The Draft R123 has been prepared in line with the regulations and it is not considered appropriate at this time for the Council to be any more specific, for instance, it is not the role of the R123 list to identify spending priorities within it.
Sport England	We see our main role in the CIL regime to ensure that the IDP is backed by a robust evidence and details all the sports facilities which need	Noted.

	<p>funding during the charging period. We made comments on this at an earlier phase in the CIL development. Since this last consultation we have continued to work with the Council to scope gaps in the evidence for sport and tender for consultants to plug the gaps identified. Naturally we would like the research to benefit the council in the broadest sense. One omission identified by us previously in the CIL project list was that this only covered contributions to swimming pools (previously subject to Sport England research in 2009) and not the suite of other sports facilities such as playing fields and indoor halls. It is likely the final report 'gap filling' these areas of the council's evidence base will be available next summer, however possible projects should emerge from Spring onwards. Sport England would advise the council to have regard to this emerging research as far as possible in finally publishing the CIL.</p>	
<p>Mr M Fox, Mrs L Fox, and Mrs A Fox</p>	<p>The Reg123 list is woefully light as it stands and misses out on a number of key pieces of infrastructure that will in themselves cost £100's millions, notably:</p> <ul style="list-style-type: none"> • Major sewerage treatment works and networks • Major surface water drainage networks, significant storm drains etc • Major recycling and waste treatment facilities, perhaps linked to energy from waste and district heating systems • Major relief roads and upgrades to roads • Major transport interventions to deliver sustainable developments • Major upgrades to the core utilities networks of gas, water, electricity, telephone supply • New hospitals to deal with the growth being pursued • Major educational provision which is already at a crisis point due to lack of investment in property, lack of provision in inner city and urban areas for the numbers of primary and secondary places required • Expansion of higher education and further education facilities • Plus other fundamental infrastructure requirements 	<p>It is not intended for the CIL to contribute to infrastructure items not on the R123 List, other infrastructure will be funded through other means. The List can be reviewed as necessary. The Council aims to maximise income from developers (while recognising that viability is a key element of e.g. the NPPF requirements) while remaining within the parameters required by the Regulations.</p>
<p>Canal and River Trust</p>	<p>Welcome the inclusion of the Core Cycle Routes in the Draft Regulation 123 List.</p> <p>We note that Green Infrastructure (GI) ('except for on-site provision required by Core Strategy policies') is included within the Draft Reg123 List and GI is defined in the Core Strategy and encompasses a wide range of multi-functional greenspaces which Policy SP13 identifies includes river and canal corridors. We understand that any infrastructure included on an adopted Reg123 list cannot be funded through S106s. To date, S106s have been important as a tool for seeking the mitigation of impacts of development on our waterway network. Clearly GI covers a</p>	<p>Support welcomed.</p> <p>Noted and will consider further and discuss with the Canal and River Trust at appropriate point.</p>

	<p>wide range of types of infrastructure and as such it is likely that only certain GI projects will actually benefit from CIL funding. It is noted that specific projects are defined in the 'Further Justification' paper. We are concerned that our waterway infrastructure, the Aire & Calder Navigation and Leeds & Liverpool Canal, is subsumed within a very broad type of infrastructure, i.e. GI, on the Draft Reg123 List. We consider that there is a need to more precisely define GI projects on the Reg123 List so as to prevent a situation occurring in which specific types of GI fail to actually benefit from CIL and at the same time cannot be funded through S106s.</p>	
Metro	<p>The principle of the CIL is supported. In terms of the charging methodology for CIL and the viability work undertaken by the council, Metro has no evidence that challenges the conclusions made and therefore has no objections. In principle, Metro encourages the funding of strategic transport infrastructure through CIL to assist in the delivery of the LDF and the Local Transport Plan. Metro is pleased to see NGT recognised in the R123 List.</p> <p>As this is a new process there are some details of the scheme that Metro are wish to seek clarity to ease some concerns that we have with the proposals. The following comments outline these concerns. We anticipate that these concerns can be resolved through officer discussions and do not expect these comments to be heard at the CIL Examination.</p> <ul style="list-style-type: none"> • Greater clarity on the prioritisation of transport schemes included in CIL and how the LCC will bring transport infrastructure forward. • Metro could see a net reduction in the level of contributions that are received from developers for public transport mitigation which may ultimately result in less sustainable developments. The basis for this view is that no decisions have yet been made as to the detailed arrangements of how and where the CIL funds are to be spent. It is therefore difficult to determine if additional public transport schemes should be put in the R123 list as there is a risk that a particular scheme may not receiving CIL funding if it is not prioritised by the Council. How are schemes going to be prioritised by the council particularly if they are delivered by a third party i.e. Metro? For example, larger schemes such as Leeds Station Southern Entrance (LSSE) or a new rail station (or any scheme in strategic public transport scheme in the IDP) may be better suited to CIL as it is strategic infrastructure and are likely to generate contributions from more than 5 sites. However, without knowing what the Councils prioritisation will be, it may be more beneficial to Metro (and the Council) to keep transport infrastructure off the list and negotiate contributions through S106s (pooled for 5 sites). 	<p>Support welcomed.</p> <p>The Council will work with Metro further to clarify these points.</p>

	<ul style="list-style-type: none"> • Strategic public transport infrastructure is currently collected through the Public Transport SPD. We have some concerns that that the CIL proposals do not adequately deal with the strategic public transport infrastructure identified in the SPD. The presumption appears to be that (other than NGT which is included in the R123 list) transport infrastructure will be secured using the S106 /S278 process. We note that schemes can be added to the R123 list but will this be the case if a S106/S278 contribution has already been secured on another application? • S106 contributions are often tailored to take account of any viability assessments by the developer. Will CIL contributions take precedence over any S106 contributions? The implication of this could be that site specific mitigation (such as public transport improvements not on the R123 list) could be reduced to allow CIL to be paid. Metro need some assurances that public transport mitigation secured under S106 is protected / prioritised. • Welcomes the clarity that site specific mitigation such as new bus connections or services, MetroCards for example will continue to be collected through S106/S27s. • With regard to contributions to new bus services, Metro could potentially require developments along a bus route to contribute to a service to mitigate their development. These are not classed by Metro as strategic but may necessitate contributions from over 5 developments along a route. Would this be permitted using a S106? 	
Taylor Wimpey	<p>We note that the items listed in Table 1 comprise of major infrastructure expectations where the actual details given for each scheme are sparse and in most cases, no confirmed funding source is identified. We consider Table 1 needs to be updated to provide precise details of each scheme and its funding source.</p> <p>We note a large proportion of the items in Table 1 are related to transport. If it is the intention for these items to be delivered through the CIL we believe that the current LCC Transport Developer Contributions SPD should be revoked and that this should be specifically referenced in Annex 1.</p> <p>The point relating to the CIL charge being paid to the Council in kind' through the transfer of land needs to be expanded to make clear whether or not buildings can be transferred as well as land. Like land, buildings could be used to support the development of an area.</p>	<p>The Infrastructure Funding Gap document (containing Table 1) explains at paragraph 1.4 that “the Government recognises that there will be uncertainty in pinpointing other infrastructure funding sources, particularly beyond the short-term. The focus should be on providing evidence of an aggregate funding gap that demonstrates the need to levy the CIL.” Paragraph 1.8 continues: “For many projects no alternative sources of funding have yet been identified, so the full cost has been included for funding from the CIL, albeit that in reality it is expected that such other sources would come forwards for instance as new Government programmes and grants become available.”</p> <p>The pooled S106s element of the Public Transport Improvements SPD will be superseded by the CIL.</p> <p>The forthcoming Amendment Regulations set out that transfer in kind can include buildings and infrastructure as well as land.</p>

	<p>Annex 1 of the same report, states that where land is required within a development to provide built infrastructure to support that specific development "it will be expected that any land transfer will be at no cost to the Council and will not be as a CIL payment in kind." We strongly object to this element of the proposal as the cost of such land is likely to be significant thus, resulting in a 'double dipping' approach by the Council which is unacceptable. Annex 1 also explains that on large scale major sites where it is necessary to provide a school on site, the Council will ensure that such schools will not be funded through CIL receipts but rather through S106 obligations. Clarity is sought on whether this means that in such circumstances, the CIL charge will be reduced or waived. The Viability Appraisal that accompanies the CIL charge assumes all S106 education items will be transferred into CIL. The CIL charge is calculated on this basis. The Council's current approach takes a payment for Primary School education in the CIL rate and then seeks a second 'double-dipping' charge for the same provision on major residential schemes. We object to the CIL on that basis.</p> <p>Annex 1 fails to specifically inform that current S106 'off-site' greenspace contributions now form part of the CIL 123 List. This is a failing that needs to be rectified.</p>	<p>It is considered that the approach as outlined in the R123 List is not double dipping.</p> <p>At present the Council cannot identify specific sites which may require school provision on site. As work progresses on the Site Allocations Plan this will be clarified and may require a review of the CIL on adoption of the Site Allocations Plan. On-site S106s will continue to be negotiable based on viability.</p> <p>Further guidance will be provided in the lead up to adoption of the CIL which will clarify how it will be implemented.</p>
The Woodland Trust	<p>Welcome inclusion of green infrastructure in the draft Reg123 list and the fact that woodland is specified as one of the likely GI projects in your document 'Further Justification for CIL' in the infrastructure funding gap. This builds on the inclusion of woodland creation in your Core Strategy. In the Core Strategy a figure for the amount of woodland which needs to be created in Leeds over the period of the plan is derived by application of the Woodland Trust's Access to Woodland Standard. At present the reference to woodland creation is marked as "not yet costed". We would like to see a costing included here by costing out the amount of woodland creation which is advocated in the Core Strategy.</p>	<p>Support welcomed, and comment noted. Woodland would come under green infrastructure and public greenspace in the R123 List.</p>
Yorkshire Wildlife Trust	<p>We are pleased to see that the further justification paper now includes green infrastructure improvements in the Aire Valley (Table 1). However we are still concerned that the other strategic GI/wildlife corridors identified in the Core Strategy (Publication Draft Spatial Policy 13 and Map 16) have not been included despite potential allocations being identified within/near to these areas. The NPPF gives local authorities a duty in their forward planning work to include GI and connect up habitat (Paragraph 109 and 114). We would therefore recommend that projects for these areas are included within the R123 list.</p>	<p>The R123 List includes green infrastructure and public greenspace.</p>
SPENDING		

<p>Morley Town Council Planning Committee</p>	<p>The misunderstanding that the consultation is at least partly to do with the spending or distribution of CIL after it has been collected has revealed fears that CIL might be siphoned from where a development has taken place, to fund prestige or other projects elsewhere. It may be feared that CIL charged against projects might not be used to provide infrastructure to support them; it might be diverted elsewhere after being deposited in a central fund to be soaked up by capital-intensive items such as the NGT trolleybus, or marginal schemes such as the Leeds cycle network. The publication of a draft Reg123 "shopping list" alongside the consultation has highlighted these concerns. Markers need to be put down now. It is clear that CIL and other funding streams combined would be barely adequate, if adequate at all, to cover essential items such as the new schools which would be needed to serve large numbers of new dwellings. Government guidance that 25% of any CIL payment should be allocated to the locality of the development if a Neighbourhood Plan is in place, or 15% if it is not, has not dispelled fears that CIL might not be used to support the development which generates it.</p>	<p>Noted. The Council has not yet made any decisions on any further local ringfencing.</p>
<p>Ledsham Parish Council</p>	<p>Request that 40% of CIL monies be distributed to parish and town councils rather than the 15% or 25% suggested (the amount depending on whether or not there is a neighbourhood plan). The 40% figure being in line with the policy adopted by the National Association of Local Councils.</p>	<p>Noted. The Council has not yet made any decisions on any further local ringfencing.</p>
<p>Natural England</p>	<p>No specific comments were made on the draft CIL in Leeds. The representation made general comments on how the CIL can play an important role in planning positively for the creation, protection, enhancement and management of networks of biodiversity and green infrastructure as set out in the NPPF. Potential infrastructure requirements may include:</p> <ul style="list-style-type: none"> • Access to natural greenspace. • Allotment provision. • Infrastructure identified in the local Rights of Way Improvement Plan. • Infrastructure identified by any Local Nature Partnerships and or BAP projects. • Infrastructure identified by any AONB management plans. • Infrastructure identified by any Green infrastructure strategies, or other community aspirations (e.g. street tree planting). • Infrastructure identified to deliver climate change mitigation and adaptation. • Any infrastructure requirements needed to ensure that the Local Plan is Habitats Regulation Assessment compliant (further discussion with Natural England will be required should this be the case.) 	<p>Noted.</p>

<p>Home Builders Federation Consortium</p>	<p>The objectives of CIL are fundamentally to assist with the delivery of developments as CIL receipts are used towards the funding of new major infrastructure. The CIL Charging Schedule and supporting documentation must therefore outline the positive actions proposed by LCC to enable the actual delivery of major infrastructure, which may require additional 'top up' funding, or LCC using its powers under the Local Government Acts and CIL Regulations to borrow money to 'forward fund' infrastructure delivery.</p> <p>As of 25th November 2013 there are 22 established Neighbourhood areas in Leeds, the majority of which have established Parish Councils therefore the meaningful proportion could result in reasonable sum of money given to Neighbourhood areas, if indeed they are successful in producing a Neighbourhood Plan. This potentially means a large proportion of infrastructure could be delivered at a local level to those communities who are pro-active which, going by the large proportion of neighbourhood areas already in place, could potentially cover a wide area of the LCC boundary.</p> <p>With regard to administration costs, the guidance outlines that "up to 5%" of CIL receipts can be used to administer the process. This is potentially a considerable element of funding and likely in excess of what is required. LCC will also be in receipt of pre-application fees, planning application fees and the New Homes Bonus which also needs to be factored with resourcing of planning administration. LCC should be efficient in the collection of CIL in order that the majority of funding is spent on infrastructure.</p>	<p>This is not a requirement of the Charging Schedule itself. As the Council moves towards implementation of the CIL further supporting guidance will be produced.</p> <p>Noted.</p> <p>Noted and the Council is very aware of the need to ensure as much CIL as possible is spent on infrastructure. CIL administration costs will be reported and monitored.</p>
<p>George Hall</p>	<p>The Government policy is that 25% of CIL should be used by communities if a NDP is in place, 15% if not. Given that many communities have emerging NDP's which are not being brought forward until the Core strategy has been adopted. What is envisaged when development proposals/applications are currently being brought forward in the absence of an adopted NDP; will/should communities be disadvantaged? The 15% or 25% meaningful proportion, intended to encourage communities to accept development, is considered derisory. LCC has been made aware of the concerns that facilities required to make certain developments 'sustainable' cannot be wholly funded by the low rates, It is understood that 'ring fenced' additional sums will be available but there is no mention of this in the draft proposals. The Draft proposals clearly state that it is not known how monies obtained through CIL will be spent. At what stage will this be known?</p>	<p>It is the Government's requirement for the meaningful proportion to be set based on whether an area has a neighbourhood plan in place or not. The Council has not yet made any decisions on any further local ringfencing and a specific date has not been set. This is also outside the remit of the Charging Schedule itself so it was not appropriate to go into detail in the Draft.</p> <p>Once a developer's CIL is paid they have no rights to recover the money unless there has been a charging error, although LCC will publish a yearly report on receipts and spending, as will parish councils.</p>

	<p>Will the developer still have rights as with Section 106, to recover any funds that are not particularly used to make development acceptable.</p> <p>Does the examiner agree that any development which takes place in overlapping boundaries for Parish or non-parishes areas or those localities which have a NDP and another not so will be subject to differing charges; how is this to be addressed? HMCAs are not seen as a sensible way of addressing boundary issues to deliver/divide CIL.</p> <p>What if any overlapping occurs with CIL other any other planning obligations such as S278s or S106s?</p>	<p>Section 2:4:1:4 of the CIL 2014 Guidance explains the process where development overlap boundaries. It is unlikely that the Council would solely use HMCAs as they are too large to be classed as a neighbourhood.</p> <p>The Draft Reg123 List has been drafted to maximise the receipts possible from the CIL alongside S106s and S278s, while not 'double dipping' which would be contrary to the Regulations.</p>
Trustees of SW Fraser	It is essential that there are guarantees that the monies raised are used to meet identified infrastructure needs.	Noted.
Leeds and District Allotment Gardeners Federation	For the allotment movement CIL contributions could usefully be 'in kind'. The free use of contractors' plant (JCBs and tippers) can be invaluable for helping to develop sites. This would be doubly useful if it was made available in a city wide pool of resources.	Noted.
Horsforth Town Council	Notes that on page 3 item 1.11 a suggested cap of "£100 per existing dwelling" may apply to some CIL revenue for neighbourhoods. HTC seeks clarity on this in respect of exactly when this will take place, is the cap per dwelling or per m2, and the legal ability of Leeds City Council to impose a cap of this type.	The cap is imposed by the Regulations, for £100 per existing dwelling per year, for areas/parishes without neighbourhood plans. Outside parished areas the Regulations do not define what boundary should be used to identify the number of existing dwellings.
Scarcroft Parish Council	It is the view of the council that any CIL raised locally needs as far as is practical to be spent locally, and that the council feels strongly that the current CIL proposals are unfair.	Noted.
Sport England	It is likely principally residential uses will be used to fund sport and recreation facilities, however there doesn't seem to be an obvious distinction between what the different uses will specifically fund. Will sport in theory be funded by all uses?	Yes, broadly there is no distinction between the type of developments which pay the CIL and the type of infrastructure the CIL is spent on.
Mr M Fox, Mrs L Fox, and Mrs A Fox	The 25% of CIL for PC's with an NDP is seen as a means to get communities to support and accept development, this is quite appalling as a policy to be honest. It is in effect a bribe and cash strapped Parish Councils are clearly being told to accept development in their area if they want to have funds available for projects to improve local facilities, despite there not being an objectively assessed need for such housing. The reality is that the 25% is to be used to provide the infrastructure, whilst the 75% is hived off for other projects across the City that provide no benefit whatsoever to that locality, this is fundamentally wrong. We are very concerned that all this funding and hence deliverability of key	The CIL is not intended to be the only funding source and therefore the Council will not be relying solely on CIL receipts for the delivery of infrastructure especially where that infrastructure is required alongside a development.

	<p>infrastructure is retrospective to the development itself. This means that sustainable development cannot be delivered, particularly in the outer areas of the District where key infrastructure in the form of roads, sewers, surface water drainage, schools, leisure facilities, medical services, employment and retail does just not exist currently. By way of example, a major relief road to make large sites sustainable should be constructed before the first house is built, but the current plan would not enable that to happen, as the scale of CIL will only drip feed in to the City wide pot of money. Equally, developers are pushing to phase key infrastructure, but this is not sustainable development in our view and should be challenged. As residents of an outer area, we are particularly concerned that CIL generated from housing schemes across the ONE will be hived off to other areas of the City, and not solve the problems faced by outer area communities as a result of the scale of development under consideration, which in itself we have objected to as there is not the objectively assessed need for this development in our area.</p>	
Yorkshire Gardens Trust	<p>We have few resources to cover issues in any detail. However we do welcome the policy of CIL especially related to green infrastructure and hope that when possible it will be applied to the natural and built heritage of the area. In particular we would stress the importance of the designed landscapes and historic parks and parkland of the Leeds area.</p>	Support welcomed.
Environment Agency	<p>We acknowledge that as part of this second stage of consultation, no decisions have been made on the detailed arrangements of how the CIL funds are to be spent. Therefore our comments made in relation to the spending mechanisms in our response to the PDCS still remains in the main applicable, and we have no comments to make specifically on the rates the CIL is to be set at. In our previous response, we mentioned that we would welcome the opportunity and look forward to being consulted further on future work related to the council's proposed mechanisms for apportioning the CIL revenue and the specific infrastructure items which it will contribute towards, including;</p> <ul style="list-style-type: none"> • The Reg123 stage in helping to identify projects or types of infrastructure the CIL may potentially fund. • Consultation on the Site Allocations Plan with linkages to the CIL and infrastructure priorities related to newly proposed sites. • Any future work on the IDP. • Consideration of the relationship between CIL and ongoing use of S106 related to flood defences and other flood risk solutions. • Any other work related to the spending mechanisms of the CIL and identifying infrastructure needs. 	<p>Noted.</p> <p>Noted, for the final R123 List the name will be changed.</p>

	<p>In relation to the above, we note that Table 1 of the Further Justification Papers is not the final table that will be presented as the list of projects to be funded by CIL, and we would like to work with you at the appropriate stage in considering what types of infrastructure and schemes should be included in this list. Table 1 references the River Aire Flood Alleviation Scheme (FAS) as a scheme that could benefit from CIL funding – you should contact the Council's project team for updates on the funding already allocated to this scheme as we believe the information in your table may still be outdated. Please note the correct project name for the FAS is the 'Leeds Flood Alleviation Scheme' as it also includes works to Hol Beck as well as the River Aire.</p> <p>We would also recommend that consideration be given to the Council's medium term list for an indication of flood alleviation schemes proposed within Leeds District that could benefit from CIL funding where these are related to proposed growth. There is potential that other schemes could be identified as appropriate for inclusion in the table.</p>	Noted.
West Register (Property Investments) Ltd	It is not clear how the monies will be allocated – we understand that this could be Local Ward Member led and consider that the mechanism for allocation of funding through CIL monies should be through a clear and overt process that allows for consultation and developer involvement. The lack of a clear mechanism or process for how a significant portion of the monies will be allocated gives further grounds for concern over how payments related to specific developments will be spent and what will be delivered.	The Council has not yet made any decisions on any further local ringfencing or how monies will be allocated.
CLG CIL PROPOSED FURTHER REFORMS		
Sainsbury's Supermarket Ltd	When preparing the CIL DCS for Examination, the Council will be required to reflect the 'CLG response' (October 2013) to the Proposed Further Reforms to the CIL Regulations in its evidence base and approach to CIL implementation. It is anticipated the reforms to the CIL Regulations will be introduced prior to the Council proceeding to Examination of the DCS.	Noted. The 2014 Amendment Regulations will be in place prior to submission of the Leeds CIL and the Submission Draft Schedule will be updated accordingly.
Asda	We are of the view that the Council's proposal to charge different retail rates according to different Gross Internal Areas falls outside the scope of the CIL Regs 2010 (as amended). Accordingly, as explained below, we request that the Council delays in its implementation of CIL until the anticipated reforms of the Regulations are adopted at which point there will be express authority for adopting size differentials. It is clear that a wide ranging set of amendments to the CIL Regs will shortly pass into law.	Noted. The 2014 Amendment Regulations will be in place prior to submission of the Leeds CIL and the Submission Draft Schedule will be updated accordingly.
Agfa Graphics	The proposed Amendment Regulations will come into effect in Leeds by	Noted. The 2014 Amendment Regulations will be in place prior to

	<p>default as and when the CIL Regulations are updated, and some will affect the way the charging schedule is constructed (such as the formula for the chargeable amount and details of how phased payment provisions will be implemented). We therefore seek that these matters are addressed and implemented as part of the final CIL charging schedule.</p>	<p>submission of the Leeds CIL and the Submission Draft Schedule will be updated accordingly.</p>
<p>AFFORDABLE HOUSING AND THAT THE CIL IS PREMATURE DUE TO CORE STRATEGY DELAY</p>		
<p>George Hall</p>	<p>The City have indicated that the draft CIL schedule is based on viability – How has this been done when the 70,000 housing requirement has not yet been accepted by the examiner.</p> <p>What impact will the affordable housing requirement have on the charging schedule now it is recommended by the inspector to be included in the Core Strategy? As affordable housing policy is a variable interim policy is it contended that the CIL is variable and subject to revision on an annual basis?</p>	<p>The viability has been assessed using a range of site scenarios which reflect the range of likely sites coming forwards in Leeds but are not based on the overall number of houses. Therefore it would not alter the main viability evidence for the CIL if the Core Strategy set a higher or lower housing requirement overall. If there were a major change in the Core Strategy approach this may require a reconsideration of the CIL, but it is not intended to adopt the CIL until after the Inspector has made known his views on the Core Strategy. The CIL examiner will take into account the relationship with the Core Strategy.</p> <p>The CIL was modelled using the interim affordable housing targets (5% / 15% / 35%) so whether these targets are set by the interim policy or by the Core Strategy then the CIL evidence is aligned. It is not possible to vary the CIL once set. It can be withdrawn and/or a new CIL Charging Schedule developed, which would need to go through the same consultation and examination procedures.</p>
<p>Mr M Fox, Mrs L Fox, and Mrs A Fox</p>	<p>Given that the Core Strategy examination has only recently concluded, we do not consider it appropriate for the City Council to progress further consultation on CIL when the results of the EIP are not yet known. We suggest it is inappropriate to try and rush through the consultation in the way that is happening at this time.</p> <p>The 70,000 housing need target has been discussed at EIP and challenged by residents and action groups at threat of losing huge areas of Green Belt. We believe that this figure is just not deliverable, therefore to base CIL on this as a target is unjustified.</p>	<p>The viability has been assessed using a range of site scenarios which reflect the range of likely sites coming forwards in Leeds but are not based on the overall number of houses. Therefore it would not alter the main viability evidence for the CIL if the Core Strategy set a higher or lower housing requirement overall. If there were a major change in the Core Strategy approach this may require a reconsideration of the CIL, but it is not intended to adopt the CIL until after the Inspector has made known his views on the Core Strategy. The CIL examiner will take into account the relationship with the Core Strategy.</p>
<p>The Burford Group</p>	<p>The Council advise that their new Affordable Housing SPD will align with the CIL map boundaries. Due to the timing of the start of the CIL consultation this does not reflect the recent correspondence from the Core Strategy Examining Inspector. The Inspector advised in his letter (dated 8 November 2013) that the affordable housing targets should be set out in Core Strategy Policy H5, and not in an SPD. In the Council's response letter (dated 12 November 2013) it is advised the Council are seeking authority from their Executive Board on 18th December 2013 for the</p>	<p>It is not intended to adopt the CIL until after the Inspector has made known his views on the Core Strategy and the hearing on affordable housing is scheduled for 13th May 2014. The proposed revised affordable housing policy includes a map which is aligned with the CIL evidence base and zones. The CIL examiner will take into account the relationship with the Core Strategy.</p>

	<p>inclusion of specific targets in the plan. It is proposed the current 'interim' targets will be used. However, there is no suggestion that there will be changes to the affordable housing market zones as advised at paragraph 1.1 of the 'Evolution of Housing Charging Zones' justification paper. A change to the affordable housing zones would result in housing proposals in Calverley, Horsforth, Tinshill, Guiseley, Yeadon and Rawdon falling within the Outer Area / Rural North affordable housing area where 35% provision is required, when the most recent affordable housing viability assessment undertaken by DTZ demonstrates this would be unviable. At present they fall within the Outer Suburb area and these settlements do not attract the same market values as other settlements in this zone. The CIL Charging Schedule must not risk the delivery of the Core Strategy and therefore the Schedule, and its evidence base and EVS must be reviewed when there is clarity on the Council's affordable housing policy and Core Strategy policies. This will ensure the EVS reflects all of the changes proposed. Whilst it is acknowledged the EVS was based on the Council's Interim Affordable Housing targets, the changes to the boundaries of residential charging zones and the proposal to align the affordable housing and CIL zones have not yet been taken into account. The EVS must therefore be updated as at present there is no evidence base to support the amendments proposed. Indeed, at present it is not known whether the emerging Core Strategy policy requirements factored into the EVS will be found to be sound by the Inspector.</p>	
Taylor Wimpey	<p>We note that the CIL appraisals are based on the current Interim Policy requirements for affordable housing which do not correlate with the Council's emerging Core Strategy policy range of 5-50%. Affordable housing is perhaps the most significant external cost that goes to the heart of scheme viability and residual land value. It is our view that agreement on the way that affordable housing is dealt with in the Core Strategy need to be agreed prior to the CIL being concluded. We therefore recommend that the CIL be delayed until the Core Strategy Inspector's views are formalised and a common position agreed. In addition to the above, paragraph 1.1 of the Further Justification Paper Draft Charging Schedule October 2013 states that: "The Council is replacing the existing Affordable Housing Supplementary Planning Guidance (SPG) and Interim Housing Policy with a new Supplementary Planning Document (SPD)." Following the LCC response to the Core Strategy Examination (11th November 2013), this statement is now inaccurate and should be amended.</p>	<p>It is not intended to adopt the CIL until after the Inspector has made known his views on the Core Strategy. The CIL examiner will take into account the relationship with the Core Strategy.</p>
Home Builders Federation	<p>The emerging Leeds Core Strategy has recently undergone public examination, however several concerns were raised relating to the overall</p>	<p>It is not intended to adopt the CIL until after the Inspector has made known his views on the Core Strategy. The CIL examiner will take into</p>

Consortium	housing need and the proposed affordable housing policy. The Inspector therefore released a preliminary statement in November 2013 which advised that the current affordable housing policy is considered unsound, and raised concerns relating to other matters such as the proposed Gypsy and Traveller Sites. LCC responded to such concerns advising it would take an additional 4-6 months to collate the additional evidence required, which therefore delays the adoption of the Core Strategy back at least another 4-6 months, assuming the Inspector is happy with the proposed solutions to all the concerns outlined above. This is also dependent on the Inspector finding the remainder of the proposed Core Strategy sound. It is currently therefore unclear what the overall housing need currently is for Leeds during the Plan period, the outcome of which will be determined on the decision of the Core Strategy later in 2014. The delay in the implementation of the Core Strategy, alongside the imminent regulations and CIL guidance to be introduced by DCLG early 2014 which intend to increase the workability of CIL, places additional pressure on LCC to withdraw the current DCS and republish an amended Charging Schedule following the above amendments to the CIL Regulations and guidance, and the adoption of the Core Strategy, which will clarify the identified housing need for Leeds and demonstrate an affordable housing policy which is considered to be acceptable. If LCC continue to develop the CIL at the current pace, with examination schedule for Spring 2014, the adoption of CIL could well be before the adoption of the Core Strategy.	account the relationship with the Core Strategy.
Morley Town Council Planning Committee	Assuming that the LDF Core Strategy is judged by the Inspector to be sound, the CIL charging scheme as now published should follow fairly easily, though the 1/4/14 target seems a bit optimistic in view of the need to hold another Inquiry, however short and simple, and have its result, before the scheme can be adopted formally. It must be followed quickly by policies on the spending and distribution of CIL to allay fairly widespread fears that projects might not be prioritised wisely.	Due to the delay with the Core Strategy the CIL is now intended to be adopted in late 2014. The Government's April 2014 date for the changes to the S106 process has been moved back to April 2015.
EXCEPTIONAL CIRCUMSTANCES POLICY		
URS	Exceptional Circumstances Policy is broadly welcomed.	Support welcomed.
West Register (Property Investments) Ltd	CIL does not allow for assessment of viability and for charges to be waived in the interests of other planning considerations, as has become well-established in recent years in respect of S106. In this more clarity on the material considerations to be taken into account to determine exceptional circumstances would be welcomed.	Further guidance will be given in the run up to implementation.
URS	Annexe 3 states that 'Leeds City Council intends to have an Exceptions Policy for exceptional circumstances which will be set and agreed by Development Plans Panel'. Therefore, the detail of the Policy might be	Noted but the Council is not required to consult on the Exceptional Circumstances policy and the Regs set specific criteria.

	subject to further change and given the effect of that a change might have on the success or failure of some developments, it is considered reasonable for that change to be subject to further consultation.	
URS	Important that the parameters defining the viability of a development are not unduly restrictive. For example, even though a viability assessment may show a development to be viable, it does not necessarily mean that a developer or its lending partners are willing to take on the risks if the viability of the development is marginal. It is therefore considered that the viability parameters of the Exceptional Circumstances Policy are defined and subject to further consultation. The use of case studies would assist in understanding how the Policy may operate in practice.	Further guidance will be given in the run up to implementation.
Trustees of SW Fraser	It is essential that there is an ability to negotiate exceptions where a scheme is perceived as desirable but unviable if subject to levy.	This is the intent of the exceptional circumstances policy, although it should be noted that the Council has to comply with State Aid rules in providing relief from the CIL.
Sainsbury's Supermarket Ltd	SSL is pleased to see that a draft policy has been prepared for discretionary relief for exceptional circumstances. SSL advocates this to ensure that there is a mechanism by which the viability of schemes with considerable challenges can be taken into account.	This is the intent of the exceptional circumstances policy, although it should be noted that the Council has to comply with State Aid rules in providing relief from the CIL.
Aldi	Support the approach of use of the Exceptional Circumstances Policy, and the principal of sites being considered on a case by case basis depending on viability. However would appreciate greater details with different options to suit different situations.	This is the intent of the exceptional circumstances policy, although it should be noted that the Council has to comply with State Aid rules in providing relief from the CIL. Further guidance will be given in the run up to implementation.
Asda	We note that the Council has considered our suggestions regarding exceptional circumstances relief and an instalment policy. We will not repeat those suggestions here, save to say that we endorse the Council's consideration and urge the Council to formally adopt these policies as they are likely to be key to ensuring commercial developments come forward.	Support welcomed.
The Burford Group	Consider there should be an exceptions policy based on overall viability with the payment schedule being negotiated on a site-by-site basis where viability is in question.	Further guidance will be given in the run up to implementation.
McGregor Brothers Ltd	The exceptional circumstances policy for some or all of the CIL charge to be waived has a very narrow criteria, namely that the development would pay a higher S106 charge than the total CIL charge and that the relief would not constitute State Aid. It would not therefore seem to be available to a landowner where the site is contaminated as this would normally be dealt with by condition rather an agreement under S106. The costs of developing brownfield sites will vary greatly and sometimes there will be extensive contamination which would make any CIL charge unviable. The exceptional circumstances policy should therefore state that if a site has contamination and evidence is submitted demonstrating that the charge	The forthcoming amendment Regulations no longer require that there has to be a higher S106 than the CIL receipt before a relief can be offered. However, the Council does have to comply with State Aid rules in providing relief from the CIL.

	would make the development unviable, the charge would be waived or reduced.	
Home Builders Federation Consortium	Welcome the proposed exceptional circumstances relief included within the Draft Charging Schedule. However, further guidance on the level of detail needed for the required viability assessment to qualify for relief should be outlined before the examination.	Further guidance will be given in the run up to implementation.
Mr M Fox, Mrs L Fox, and Mrs A Fox	Concerned at the proposed Exceptional Circumstances Policy, as we believe that commercially minded developers will look to find ways and loopholes round the charging policy in order to minimise the extent of CIL payable against their developments. This policy opens the door for such behaviour particularly when assessing the economic viability of a development, which is an exception the City Council can apply to sites.	The Council will monitor the use of the exceptional circumstances policy closely, and can revoke it if necessary. It should be for exceptional circumstances only, and in addition State Aid rules do not allow more than a relief of 200,000 euros per three years per developer across the whole country.
INSTALMENTS POLICY		
Mr M Fox, Mrs L Fox, and Mrs A Fox	Do not agree that an instalments approach is appropriate as it is entirely feasible for developers to go in to liquidation during the course of a development and therefore default on the extent of CIL collected. This is particularly relevant in the current economic climate which is fragile at best, so it is vital to ensure the necessary remedies are in place to ensure that CIL is delivered upfront of development. If this is a significant sum, then the impact on the overall CIL funding pot and the ability to deliver the infrastructure necessary to make developments sustainable will be severely negative. In our experience, there is no reason whatsoever that a developer could not negotiate a funding package that delivers CIL to the City Council as an upfront payment on the commencement of the development.	This is unlikely to occur except in rare cases and so the benefits of having an instalments policy in promoting growth and viability overall outweigh the negative result in isolated cases if liquidation did occur. The Council can consider refining the instalments policy through monitoring.
Agfa Graphics	Welcome the inclusion of an instalments policy as the timing of payments has a significant impact on costs of a development project, particularly for large sites, and spreading the payments can reduce the negative impacts on cashflow. We would however seek an amendment to the payment profile to align more closely with the likely development programme on our client's site. Typically, sales rates on housing sites of the size of the Agfa land will achieve a rate of 30 units per annum, following planning and a build period of 6 months. Allowing for staggering of build and sales, applying this rate to our client's site suggests a delivery period of 36 months which, with four equal instalments, offers the following more favourable instalments policy:	Support welcomed. The Council has previously re-considered the thresholds and payment profile and has increased them both from what was proposed at PDCS stage. However it is considered that extending the timescales further would not provide sufficient up front funding to allow infrastructure delivery, especially for local communities and the need for there to be an incentive for new development. The 2014 Amendment Regulations also allow full planning permissions to be phased for the purposes of the CIL.

	<table border="1"> <thead> <tr> <th></th> <th>Leeds Draft Charging Schedule Instalments</th> <th>Alternative Proposed Instalments</th> </tr> </thead> <tbody> <tr> <td>£100,000- £499,000</td> <td> <ul style="list-style-type: none"> • First instalment: 3 months of commencement • Second instalment: 6 months of commencement • Third instalment: 12 months of commencement • Fourth instalment: 18 months of commencement </td> <td> <ul style="list-style-type: none"> • First instalment: 9 months of commencement • Second instalment: 18 months of commencement • Third instalment: 27 months of commencement • Fourth instalment: 36 months of commencement </td> </tr> </tbody> </table>		Leeds Draft Charging Schedule Instalments	Alternative Proposed Instalments	£100,000- £499,000	<ul style="list-style-type: none"> • First instalment: 3 months of commencement • Second instalment: 6 months of commencement • Third instalment: 12 months of commencement • Fourth instalment: 18 months of commencement 	<ul style="list-style-type: none"> • First instalment: 9 months of commencement • Second instalment: 18 months of commencement • Third instalment: 27 months of commencement • Fourth instalment: 36 months of commencement 	
	Leeds Draft Charging Schedule Instalments	Alternative Proposed Instalments						
£100,000- £499,000	<ul style="list-style-type: none"> • First instalment: 3 months of commencement • Second instalment: 6 months of commencement • Third instalment: 12 months of commencement • Fourth instalment: 18 months of commencement 	<ul style="list-style-type: none"> • First instalment: 9 months of commencement • Second instalment: 18 months of commencement • Third instalment: 27 months of commencement • Fourth instalment: 36 months of commencement 						
Leeds Property Forum	Welcomes the modifications to the proposed instalments policy through the inclusion of an additional upper bracket for the proposed instalments policy, which allows for a difference in timescales for CIL payments to be made for charges of £100,000 to £499,999 and those over £500,000; and	Support welcomed.						
Land Securities	Welcome the modifications to the proposed instalments policy through the inclusion of an additional upper bracket for the proposed instalments policy, which allows for a difference in timescales for CIL payments to be made for charges of £100,000 to £499,999 and those over £500,000.	Support welcomed.						
Home Builders Federation Consortium	<p>Welcome the proposed instalments policy. It is pleasing to see LCC have responded to the Consortium's concerns suggesting an extended period of time before full payment is due, particularly for developments with larger CIL tariffs, which was outlined within the Consortium's written representations at PDCS stage. This is important as larger development schemes will generate - in theory - the greatest volume of CIL payments and as such phasing of payments should be tailored to recognise funding constraints and cash flow of such schemes. Large scale development normally requires significant upfront infrastructure costs to unlock development and the additional early burden of CIL could therefore be very prohibitive. The timing of CIL payments is therefore of critical importance.</p> <p>It may also be appropriate for LCC to define a threshold for much larger sites which a bespoke payment method for CIL will be agreed in writing through the application process. We strongly suggest that LCC permits the maximum possible flexibility with regards to payment structure and recognition of payments/works in kind available otherwise it places at risk the successful delivery of the Core Strategy particularly 15% affordable housing and 3,660 to 4,700 new homes per year. LCC makes reference to the provision of a payments in kind mechanism within the proposed instalments policy of the DCS. The Consortium welcomes this however seeks further clarity on how LCC will determine if an in-kind payment is</p>	<p>Support welcomed.</p> <p>Further guidance will be given prior to implementation.</p>						

	considered acceptable on an individual basis. Within the Government response to the consultation on further reforms the Government outlines its intention to extend payment in kind to include the future provision of infrastructure and infrastructure on land not owned by the person liable to pay the levy proposing to allow the provision of infrastructure either on or off the site of chargeable development. This could increase certainty about the timescale over which certain infrastructure items will be delivered.	
Horsforth Town Council	Support specifically the Instalment Policy under c) which stages CIL contributions, but also brings initial CIL payments to within 2 or 3 months of the commencement date. Would like to see the document define the commencement date, so that there is no room for misunderstanding.	Support welcomed. Further guidance will be given in the run up to implementation.
Sainsbury's Supermarket Ltd	Pleased to see that a draft Instalments Policy has been prepared and published alongside the DCS, with the Council intending to introduce this. The ability to pay CIL liability by instalments is important for development cash flow, and is therefore supported.	Support welcomed.
Conservative Group	We would also want to see CIL payments scheduled in such a way as to ensure all instalments are made within a 24 month period.	The instalments policy proposed will achieve this.
Aldi	Support the Council in introducing an instalments policy for the payment for CIL over a fixed time period.	Support welcomed.
Asda	We note that the Council has considered our suggestions regarding exceptional circumstances relief and an instalment policy. We endorse the Council's consideration and urge the Council to formally adopt these policies as they are likely to be key to ensuring commercial developments come forward.	Support welcomed.
The Burford Group	The principle of an instalment policy for payment is welcomed however it is considered that the payment schedule and timing should be extended.	Support welcomed. The Council has previously re-considered the thresholds and payment profile and has increased them both from what was proposed at PDCS stage.
West Register (Property Investments) Ltd	For major developments the phasing instalments proposed at Annex 2 are inflexible and do not take into account development coming forward over a number of years. Given the scale of many proposals within the city centre likely to come forward over the LDF plan period and the requirement to pay in short-term and fixed instalments over two years we consider that inward investment and development interests might be harmed. Some developments across the city may well be phased over a much longer period and full payment of CIL within just two years will not tie in with development cash flow. We consider that CIL payment should be linked to the commencement of development phases to align with development cash flow and income. The West Register landholdings at Globe Road & Water Lane are a case in point, with a number of separate plots likely to come forward in separate phases. To bring forward separate proposals for	The Council has previously re-considered the thresholds and payment profile and has increased them both from what was proposed at PDCS stage. The 2014 Amendment Regulations also allow full planning permissions to be phased for the purposes of the CIL.

	each site to enable CIL charges to be tied in to each phase would be against the interests of comprehensive planning.	
	MISCELLANEOUS	
George Hall	What impact will unilateral agreements with developers have on the proposed charging schedule?	It is not considered that unilateral agreements would have any different impact to bi-lateral S106s.
George Hall	Not content with the Council's response to representation on the PDCS so resubmitted it to remain a matter for the examiner.	Noted.
George Hall	Housing and Regeneration Scrutiny Board were advised that the tariff has been recommended by consultants who took a "limited" view on which sites might come forward for development. What weight can be attached to their recommendations which are based on assumptions? The Site Allocations DPD has not yet been examined and approved.	The consultants undertook the EVS using a standard methodology based on Government and Royal Institute of Chartered Surveyors guidance. There are inevitably assumptions used in this approach but such studies have been used in support of many other CIL examinations around the country. In Leeds it is not yet known which sites will come forwards through the Site Allocations Plan, which is different to some other authorities who can base their CIL rates on precise appraisals of specific sites. This relationship will be considered as the work progresses on the Site Allocations Plan and there may be a need to revise or retest the CIL at the point the Site Allocations Plan is adopted.
Trustees of SW Fraser	It is essential that there is a clear simple easily administered system with the minimum bureaucracy to ensure smooth working.	Noted.
Leeds Federated Housing Association Ltd	<p>1. Pleased to the learn that delivery of affordable housing is still a priority for the council and the viability has been demonstrated that both the CIL and affordable housing will not harm economic viability of development as a whole across Leeds. However, still worried that as the CIL is non-negotiable it could result in affordable housing being reduced on development sites. Why could affordable housing provision not have the same bargaining strength as the CIL as non negotiable? This would give clarification to developers/housebuilders and landowners as well and protect the greatest number of affordable housing under S106s. Leeds Federated would argue there is still mechanism of the policy review in 2016/17 if the policy is damaging development and there is an Exceptional Circumstances Policy, whereby developers can request a scheme viability appraisal for some or all of the CIL charge to be waived.</p> <p>2. Pleased to learn social housing scheme and charitable bodies will not be subject to the CIL. This is essential for Leeds Federated to procure and develop its own development aspirations which tend to be on brownfield sites, with high abnormal costs, in areas with low residential values. However, please can the council clarify whether all social/affordable schemes are exempted from "off site" commuted sums once the CIL is adopted, i.e. off site greenspace?</p> <p>3. Feel there needs to a more extensive definition of "Social Housing" in</p>	<p>1. This is outside of the CIL Regulations.</p> <p>2. The Council's CIL documents explain the relationship between S106s and the CIL; essentially the CIL will replace the existing 'off site commuted sums' regime for both market and affordable housing.</p> <p>3. The CIL Regulations set out the definition, although accept it would be helpful for the Leeds documents to reiterate this. Further guidance will be given in the run up to implementation.</p> <p>4. Not clear where this is no longer referenced.</p> <p>5. Yes, if a development provides both market housing and affordable housing then the latter is discounted from the total floorspace before the CIL charge is calculated.</p> <p>6. The Council is not able to maintain the status quo due to the limits on the tariff S106 mechanisms imposed by the Regulations. Infrastructure funding would be decreased if the Council did not set a CIL. However, projections of future CIL revenue show that overall the Council should gain more money under the CIL regime than under the current tariff S106 system.</p>

	<p>the Charging Schedule. Leeds Federated believes the definition should be the same as in the NPPF.</p> <p>4. Also noticed that from previous charging schedules the term “not for profit organisation” have been dropped from charging schedule. Leeds Federated believes the term helps brings clarification. Not for profit term is still referred in the £ per sqm table.</p> <p>5. Would like clarification whether S106 affordable housing will be netted off the total sqm of the total residential development area? This would provide clarification to landowners and developers?</p> <p>6. Query whether there is any reason why the commuted sum intake in 2010/11 is substantially higher than in 2011/12? Is there a risk by adopting the CIL in fact would bring in less revenue than maintaining the status quo of the tariff S106s.</p>	
Conservative Group	Measures should be put in place to incentivise the development of brownfield sites and encourage development where there is already established infrastructure in place.	Noted, although this is largely outside of the remit of the CIL.
Mr M Fox, Mrs L Fox, and Mrs A Fox	We are already seeing developers saying that brownfield sites are not economically viable and they want to secure as much Green Belt land and greenfield sites as possible. We do not believe this to be the case, and note a number of former industrial sites are being developed and houses selling on those. There is a very real risk that the City Council will be left with huge areas of brownfield sites in desperate need of regeneration, and no funds to doing anything with them. The Core Strategy and all associated policies, including CIL should force the recycling of brownfield sites, regeneration of areas, and look to deliver sustainable development.	Noted, although this is largely outside of the remit of the CIL. There are policies in the Core Strategy and other initiatives which aim to address this.
Morley Town Council Planning Committee	We understand and agree with the intention that Leeds' first CIL charging scheme is to be seen as experimental and that it will be subject to early review, possibly in 2015/16.	Noted.
Network Rail	<p>In the first instance we would like to seek clarification on whether Leeds Council considers Network Rail to fall under the category of “Development by a predominantly publicly funded or not for profit organisation”. Network Rail is a not for profit organisation with a significant element of funding from the public purse. If we are not to be considered to be publicly funded we ought to be considered exempt given the fundamental role we play in maintaining the railway infrastructure in and around Leeds which has led to the economic well-being and prosperity of the City.</p> <p>Secondly para 3.2g “Floorspace resulting from change of use development where the building has been in continuous lawful use for at least six months in the twelve months prior to the development being</p>	<p>It is considered that Network Rail development for the purposes of improving or maintaining the railway would be under the category of ‘development by a predominantly publicly funded or not for profit organisation’. Otherwise the Council would in effect be charging infrastructure schemes in order to build infrastructure schemes, which was the purpose of setting the zero charge for such uses. It is also considered that much development by providers such as Network Rail would not be liable for the CIL under the Regulations anyway by virtue of being ‘buildings into which people do not normally go’, i.e. primarily for plant or maintenance or operational storage.</p> <p>If the use has been lawful and there is no increase in floorspace (or the</p>

	permits.” Can you clarify if the change of use, of a railway arch from operational railway, which has been in continuous use to a commercial use falls within the exemption specified in the above 3.2g?	increase is below 100 sqm) then it would not be liable for the CIL. The 2014 Amendment Regulations extend this to six months use in the last three years.
The Theatres Trust	Query what is meant by the term ‘community facilities’, does it include cultural venues? The publication draft of the Core Strategy does not give a definition and we require reassurance that cultural venues, such as your theatres, opera house and ballet companies are included. Paragraph 5.1.1 of the Core Strategy states that the City Centre is ‘the prestigious location for major cultural facilities’, and Policy P9 gives a few examples of social and community facilities which is not comprehensive. We therefore strongly suggest that a description is included, so that guidelines are clear and consistent, and recommend the following: “community facilities provide for the health and wellbeing, social, educational, spiritual, recreational, leisure and cultural needs of the community.”	The use of the description given would allow a great many uses to fall within the zero charge including many developments built/run for a profit. It is considered that the wording ‘community facilities’ is appropriate. Any new or extensions to theatres or dance company venues would be liable for the £5 rate unless they were predominantly publicly funded or not for profit.
Gladman	Provides a ‘circular’ type of representation giving advice on how to prepare a Charging Schedule and citing CLG Guidance, with no comments made specific to Leeds as to whether the Draft Charging Schedule meets the requirements in the Guidance.	Noted.