

Revised Draft Charging Schedule Responses and Officer Comments

Q1 Do you agree with the proposed boundaries of the residential zones?

Mr Richmond	No
David West	Yes
Natural England (Roslyn Deeming)	Yes
Andrew Carter	No
C A Peck	No
Ashfield District Council (Neil Oxby)	No
Ken Mafham Associates (Ken Mafham)	No

Q2 Do you agree with the proposed commercial zone?

Mr Richmond	No
David West	Yes
Natural England (Roslyn Deeming)	Yes
Andrew Carter	Yes
Ashfield District Council (Neil Oxby)	Yes

Q3 Please use this space to suggest any changes to the boundaries of the identified zones.

Mr Richmond	No building on green belt brownfield sites should be zoned as zero charge	Green belt development is a matter considered through the Local Plan process. The supporting evidence provides full justification for both values and zones.
Andrew Carter	It is unfair that people who live in Ravenshead will have to pay £70 /m sq when other areas are free or much lower. Just because I live in Ravenshead does not mean I have more money. Let us have a level playing field and charge all areas the same amount.	Extensive comparable information which is available for inspection provides full justification for both values and zones. Ravenshead sits within the higher value area.
C A Peck	Gedling Ward should be Zone 1 to allow for former Colliery site to be treated appropriately. Urban Brownfield sites should be promoted before those in Rural areas. Green Belt development should only be considered when no other Brownfield sites are available within the whole of the Borough.	Gedling Colliery/Chase Farm site has been looked at in considerable detail before placing it within Zone 2. It was recognised at the Aligned Core Strategy Public Examination that a degree of compromise as regards affordable housing percentages may be required to ensure site delivery and, that this would be dependent on the values and costs applicable to individual sites at the date of application.  The development of Green Belt is not a value or CIL issue and is being considered through the Local Plan process. Gedling Colliery/Chase Farm has been dealt with via viability testing.
Ashfield District Council (Neil Oxby)	Ashfield District Council has concerns that the strategic sites residential sites at Top Wighay Farm and North of Papplewick Lane, adjacent to Hucknall, are viable in terms of	The level of affordable housing is set as a target figure rather than a defined requirement. It was recognised at the Aligned Core Strategy Public Examination

	<p>a requirement for 30% affordable housing, site specific S106 planning obligations and the proposed CIL requirement.</p> <p>It is not considered that these sites will support a CIL level of £70 per square metre as well as the other necessary infrastructure. Therefore, the Council would question whether these site should be within residential Zone 3? Ashfield District Council Local Plan &amp; CIL Viability Assessment December 2013 confirmed that it was appropriate to seek 25% affordable housing in Hucknall which would suggest that a further residential zone is required or alternatively the sites in question should either be in Zone 2 or Zone 1.</p> <p>(Please see the more detail response to Q8)</p>	<p>that a degree of compromise as regards affordable housing percentages may be required to ensure site delivery and, that this would be dependent on the values and costs applicable to individual sites at the date of application.</p> <p>Additional contributions will be negotiated via S.106 and will not be at a level which will render the site undeliverable.</p> <p>North of Papplewick Lane will not be subject to CIL as an application for development of the site has been determined.</p>
<p>Ken Mafham Associates (Ken Mafham)</p>	<p>2.1 In specific terms we submit that Gedling Ward should be put in Zone 1. The ward includes Gedling Colliery and the inclusion of the area in Zone 1 would obviate the need for special treatment of Gedling Colliery. We support the inclusion of Netherfield in Zone 1 since this will support the development of the major brownfield site at Teal Close as well as other brownfield sites.</p> <p>3.1 The CIL schedule needs to be evidence based and so we have looked at the supporting material for justification for Gedling being included on Zone 2 . The main evidence is set out in the Viability Assessment of June 2014 and Appendix One in particular. That document refers to other studies carried out but these are not listed as part of the evidence base. Had the earlier studies reached important conclusions they should have been summarised in the Viability Assessment. In general terms we submit that the proposed schedule is not legally compliant with Part 2 Sections 105 to 225 in that the schedule is not based on " appropriate available" evidence.</p> <p>3.2 So far as the Gedling Ward zone is concerned we note from Appendix One that residual land values in Zone 1 are £1.13m compared with an average of £1.5m in Zone 2. The difference is 33% but the difference in the CIL is very significant. The extra burden from CIL on a site such as Gedling Colliery is likely to be almost half a million pounds more if the site is subject to the Zone 2 regime than if the zero charge of</p>	<p>See response to Ashfield District Council Q3 above.</p> <p>It is considered that the Revised Draft Charging Schedule is supported by appropriate available evidence.</p>

	<p>Zone 1 applied</p> <p>3.3 The Zone 1 and Zone 2 values quoted above are given at the top of page 8 of Appendix One without any transparent explanation of their derivation. They are presumably a mean for all areas proposed to be included within the respective zones . What is required is a list of the transactions that contribute to that mean. Even if this were provided there would remain a methodological flaw and that is that no assessment is made of the type of site that is likely to be developed in a particular zone in the future as a opposed to the past. If brownfield sites are likely to predominate, as they will in Gedling Ward, then greater weight should be given to data for that type of site in calculating a mean residual value for the purposes of a viability assessment.</p> <p>3.5 We also have concerns with the lack of evidence for the assumed 50:50 split of uplift in land value as a result of the granting of planning permission. The first part of the justification is set out in the last paragraph of page 5 . That paragraph is in fact internally inconsistent in that Gedling BC say that their experience suggests 50% to the land owner is the minimum that a landowner will accept. Adopting that minimum means that some landowners will withhold their sites. The " experience" of Gedling BC in this matter is not set out in any detail and it should be. The second part of the justification is what is referred to as the "Wokingham " appeal decision. This is one decision in one area at one point in time. It is a decision not tested in the Courts and there is no justification whatsoever for applying the figure decided upon in that case to the whole of Gedling borough for the foreseeable future.</p>	<p>The reason that a benchmarking approach to land value allowances is adopted in the study is that historic market land values may not reasonably reflect a fair allowance for the purpose of viability appraisal in planning. They cannot account for the future imposition of a development land tax like CIL and rarely reflect the true cost of affordable housing and planning policy impacts. There are also many other elements that influence the purchasers of land that may skew the true value for the purposes of viability assessment.</p> <p>The ‘true’ value of land will always be based on the sale value of the completed development that emerges from the site and that is the basis of the approach.</p> <p>The key for any viability appraisal in planning is establishing a land value that provides a ‘competitive return ‘to the landowner as required by the NPPF – and not the maximum land value achievable based on comparable evidence. The Harman Report – ‘Viability Testing Local Plans’ which is recognised as providing best practice guidance, recommends that land values in viability appraisal should be based on Existing Use Value plus a premium to incentivise landowners to sell. Harman is a little ambiguous on how this premium should be established.</p> <p>The Council considers that it is both logical and reasonable that the uplift in value</p>
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	<p>3.4 In fact we see no evidence of land values in the Gedling zone and indeed Hebs market research for Gedling Borough is limited to five sites all small. One cannot reach conclusions on large sites from this kind of information. The statement that land trading in Nottingham has an average of £1.2 m is without any real meaning . If this is a mean is it a weighted mean.?What was the range ? What was the modal value?</p> <p>3.5 Para 5 adds a further five sites although it is not clear how these relate to the HCA reports previously referred to. Two of the sites are not in Gedling. The range in Gelding is enormous. £ 0.9m to £1 .9.m per hectare.</p>	<p>resulting from a planning permission is split 50:50 between the landowner (as a competitive return) and the community (who have a reasonable expectation that new development will contribute to the affordable housing and infrastructure requirements that it generates). This was the approach adopted in the Shinfield (Wokingham) Appeal case – which is one of few post NPPF appeals to look at benchmark land values in any depth and has been accepted in other CIL and Local Plan Examinations in which HEB have been involved.</p> <p>It is important to note that “market value” land evidence is employed for a “sense check” appraisal only. The methodology is primarily driven by residual land values, derived sales data.</p> <p>Notwithstanding this, where we have listed land transactions we are only able to report the transactions that have occurred in what has been a subdued market until recently. The guidance specifies appropriate <i>available</i> evidence. The Guidance further recognises that “the available data is unlikely to be fully comprehensive”.</p> <p>The 5 sites referred to are not intended to relate to the HCA reports, which are quoted as additional background data. We believe that listing 5 additional large land transactions (3 in Gedling, one immediately adjacent and one in the Greater Nottingham area) is more than adequate and hardly constitutes “no evidence of land values” as suggested at 3.4.</p> <p>It is a Chartered Surveyor’s expert role to assess such data as is available to allow them to provide a reasoned assumption for an appropriate value.</p> <p>The report acknowledges a large range for the Borough – hence a zoned approach is appropriate, as adopted.</p>
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		Finally the suggested range of values has been referred to stake-holders by way of the land buying teams at the various house builders listed in the valuation report Terms of Reference. General sentiment confirmed that the high –medium-low zone figures fairly represented an appropriate tone range.
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Q4 Do you agree with the proposed residential charges?

Mr Richmond	No
David West	Yes
Natural England (Roslyn Deeming)	Yes
Andrew Carter	No
C A Peck	No
Ashfield District Council (Neil Oxby)	No

Q5 Do you agree with the proposed commercial charges?

Mr Richmond	Yes
David West	Yes
Natural England (Roslyn Deeming)	Yes
Andrew Carter	Yes
C A Peck	No
Aldergate Properties Ltd (Mr Scholter)	No
Ashfield District Council (Neil Oxby)	Yes

Q6 Please use this space to suggest any changes to the proposed residential and commercial charges.

Mr Richmond	Disagree with charge for residential and self build	See response to Q3.
Andrew Carter	It is unfair that people who live in Ravenshead will have to pay £70 /m sq when other areas are free or much lower. Just because I live in Ravenshead does not mean I have more money. Let us have a level playing field and charge all areas the same amount.	See response to Q3.
C A Peck	Scales of charges re Brownfield sites v. greenfield sites v. greenbelt sites should be considered, Charges could be varied according to contamination of Brownfield sites.	Site specific issues are not considered as part of the CIL process. Contamination will be dealt with when land prices are negotiated.
Aldergate Properties Ltd (Mr Scholter)	CIL Consultation Response  I'm sorry to say we are suffering from 'consultation fatigue' and it is not easy to understand what, if any, additional significance there is in the latest tome.  It seems that the concerns expressed in our earlier submissions (copy attached	

	<p>for ease of reference) haven't been addressed and that despite the voluminous paperwork the proposed CIL structure and rates are largely based on 'guesstimates'.</p> <p>The potential impact on the delivery of housing should not be underestimated. If the rates are too high, the Council will fail to provide the boost to housing supply which it desires and which the Government requires it to provide.</p> <p>I dare say the Council will continue to plough its own furrow but we feel it should amend its proposals to ensure:-</p> <ol style="list-style-type: none"> <li>1. It has maximum flexibility to react quickly to amend – perhaps to nil - its CIL Charges where the supply of housing is adversely affected by its imposition – whether that be for "green field" or "brown land" development.</li> <li>2. It adopts a policy where 'exceptional relief' provisions are sufficiently wide (disappointed to see that the Council's policy on this isn't available as part of this consultation) to ensure that CIL can be 'waived' or reduced in all cases where the viability of schemes is threatened by CIL and irrespective of periods of, or changes in, ownership. This is important since the consultants' "guesstimates" on viability ignore such real life problems as historic purchase and assembly costs, abnormal development costs including site remediation/de-contamination, demolition, exceptional utility costs etc.</li> <li>3. That rebates/exemptions for redevelopment of sites, by for example "credits" for existing floor space are applied irrespective of periods of ownership or occupation. Those rebates should remain available even where demolition of buildings has taken place before approval of an Application to which CIL may be apply.</li> </ol> <p>Finally we consider that Retail development should have a CIL Rate of Nil. The predicted receipts from retail development are very modest indeed and at best are likely to make an</p>	<p>The Council intends to monitor closely the effect if any of CIL on development in the Borough and will review the Charging Schedule on a regular basis.</p> <p>The Council's supporting document "Community Infrastructure Levy and Section 106 Statement" explains how CIL and s106 will be used together to deliver infrastructure requirements. It is viewed that there is sufficient flexibility within this system and it should be noted that the proposed rate of CIL can be borne by most development without making projects commercially unviable.</p> <p>The Council may make relief available for "exceptional circumstances" in its area and background information is provided in the supporting document "CIL Exceptional Circumstances Relief 2014". However, the regulations are clear that relief should only be granted in truly "exceptional circumstances". The fact that a development might be unviable at the time a planning application is considered is unlikely to constitute an "exceptional circumstance" in relation to the CIL Regulations.</p> <p>The Council cannot determine how credit for existing floor space is applied. This is set out in the CIL Regulations.</p> <p>The appraisals conducted show that retail development can bear CIL and the Regulations state that if a development can support the Levy the Charging Authority (CA) must charge. The CA</p>
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	<p>insignificant contribution to the "pot". is The thrust of Policy is to ensure as much retail development as possible is undertaken within or adjacent to Town Centres, such development may already be of marginal viability since site assembly costs will be high in such locations. The "risk versus return" equation Our Town Centres are by definition already well served by infrastructure and development within them is unlikely to give rise to the need for additional provision. require Part of the Policy reason for Impacts from retail development outside of the The Application of CIL to retail given particularly within the town centre is questioned. The expected 'return' is, in the greater scheme of things, relatively small and the risk of preventing or delaying such as town centre regenerative development is likely to be sufficiently high to warrant exclusion of A1 development, certainly within town centres, if not in the wider area.</p>	<p>cannot selectively favour a category. Notwithstanding this Town Centres are unlikely to attract CIL since they are already developed and increases in floorspace will be negligible.</p>
<p>NFU East Midlands Region (Paul Tame)</p>	<p>Thank you for consulting the NFU on the revised CIL draft charging schedule. We have an issue with the CIL Rates section in the draft charging schedule. With a rapidly growing population, the pressures on land use are greater than ever before an in a time of food shortage and rising costs for consumers farmers need to become more productive.</p> <p>Furthermore, after a long period of poor investment in the industry due to low farming returns, we are now seeing a rise in commodity prices; this along with the rising value of land has meant that farmers are now in a better position to invest in their farming enterprises. Farmers will be seeking permission, for instance, for new, larger agricultural buildings, creating new housing for succession, retirement and expansion of businesses and diversification with a view to remain viable and to keep up to date with today's environmental and welfare conditions.</p> <p>Farmers also need to respond to regulatory changes. Nitrate Vulnerable</p>	<p>Agricultural buildings are zero rated and would not attract CIL. CIL is generally not applicable to barn conversions as development only attracts a CIL charge if new build.</p> <p>Housing for farm workers is rarely developed but would be more viable than ordinary housing as the land would be at nil cost.</p>

	<p>Zones, for example, will require farmers to store slurry for longer periods over the winter months and this will require much larger slurry tanks and lagoons to be constructed over the next two to three years.</p> <p>Agricultural developments place no in a few cases a very limited extra burden upon infrastructure. The CIL is essentially a levy on the enhanced value of development land. There is no enhanced value with agricultural development and therefore CIL would have to be paid from revenue making all/most agricultural development unviable.</p> <p>In the Community Infrastructure Levy – Draft Charging Schedule agriculture is not included and therefore has no set charge. To ensure a clear and fair charging schedule we suggest that the following wording is used for Agriculture, Agriculture Tied Houses and Barn Conversions.</p> <p>Development type- Agriculture, Agriculture Tied Houses and Barn Conversions Proposed CIL rate per sq. m.- £0</p> <p>Currently in the Community Infrastructure Levy in the Borough of Gedling houses will incur a charge between £0 and £70 per square metre and shops a charge of between £0 and £60 per square metre; given the importance of agriculture within this rural area there should be an exemption for all agricultural buildings, agriculture tied buildings, farm shops and any barn conversions.</p> <p>For agriculture to become sustainable in future it will be essential that developments including all agriculture buildings and structures, agriculturally tied buildings and any barn conversions are able to gain planning permission easily and without any additional costs.</p>	
Ashfield District Council (Neil Oxby)	As is set out above in Question 3, Ashfield District Council has concerns regarding the CIL rate in relation to Top Wighay Farm and North of Papplewick Lane, adjacent to Hucknall. It is not considered that a £70 rate can be	See response to Ashfield District Council Q3 above.

	<p>justified in relation to 30% affordable housing and site specific planning obligations.</p> <p>(Please see the more detail response to Q8)</p>	
<p>Gladman Developments (Peter Dutton)</p>	<p>Differential charging rates</p> <p>The CLG guidance notes that the use of differential charging rates can be an appropriate approach where there is clear viability and evidence to justify this. The CIL regulations allow charging authorities to apply differential rates in a flexible way, to help ensure the viability of development is not put at risk.</p> <p>The rules around the use of differential rates in the Charging Schedule are clear: they can only be applied in relation to different geographical zones in which development would be situated, related to different types of development, and/or scales of development. Furthermore as the Government's CIL guidance and inspectors have made clear, differential rates should be set "based on economic viability considerations alone, rather than any planning or public policy related choices" (Paragraph 14, Newark and Sherwood EIP report, August 2011), and "CIL is not intended to be a planning policy tool" (Paragraph 23, Huntingdonshire EIP report, April 2012). Charging Schedules with differential rates should not have a disproportionate impact on particular sectors or specialist forms of development.</p> <p>It is integral when setting differential rates for different geographical areas that these differential rates are based on accurate, up to date housing market intelligence forming the evidence base for this decision.</p> <p>Discretionary Relief</p> <p>Regulation 55 of the CIL Regulations allows local authorities to grant relief for exceptional circumstances from liability to pay CIL. Such provision should be factored into the Council's CIL and will avoid rendering sites with</p>	<p>Comments are noted.</p> <p>The Council may make relief available for "exceptional circumstances" in its area and background information is provided in the supporting document "CIL Exceptional Circumstances Relief 2014". However, the regulations are clear that</p>

	<p>specific and exceptional cost burdens unviable should exceptional circumstances arise.</p> <p>Payments in Kind</p> <p>Regulations 73 and 73A of the CIL Regulations provide a mechanism for local authorities to accept infrastructure payments in kind, for land or infrastructure to be provided instead of money to satisfy a charge arising from the levy. An allowance for infrastructure payments should be therefore be made available by the council, recognising that there may be time, cost and efficiency benefits in accepting land or infrastructure from parties liable for payment of the levy.</p> <p>It is fundamental that the Council ensures that the proposed levy rates are realistic and not set too high. Arbitrarily high rates may jeopardise the delivery of housing schemes within the area. This would be contrary to the Government's aim outlined in the framework to "significantly boost the supply of housing", as schemes may not come forward due to viability issues.</p> <p>The Council's CIL charging rates must not threaten the overall delivery of the Local Plan, by making sites unviable. This point is reiterated in the CLG guidance, which states that "Charging authorities should set a rate which does not threaten the ability to develop viably the sites and scale of development identified in the relevant Plan" (Section 2:2, CLG Guidance, 2014). When testing the impact of CIL it is vital that the assumptions that underlie the standard residual valuation approach used to test the impact on viability of CIL are realistic and accurate. This should include abnormal costs, contingency costs, preliminary costs, and developer profit, which should reflect the current level of risk perceived in the market.</p> <p>Gladman would urge the council to adopt the instalments policy for CIL payments as this will give developers the flexibility to pay contributions in line with development phasing</p>	<p>relief should only be granted in truly "exceptional circumstances". The fact that a development might be unviable at the time a planning application is considered is unlikely to constitute an "exceptional circumstance" in relation to the CIL Regulations.</p> <p>It is noted that the Regulations allow payments in kind and there may be circumstances where it will be more desirable for the Charging Authority to receive land instead of monies. The merits of an individual case would need to be reviewed by the Council.</p> <p>It should be noted that the viability assessments demonstrate that the proposed rate of CIL can be borne by most development without making projects commercially unviable.</p> <p>The Council propose to adopt an Instalment Policy which is a separate submission document.</p>
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	<p>schemes and will facilitate cash flow and therefore development viability. With this in mind, in accordance with Regulation 8(3A) of the CIL regulations the council should also accept the phasing of planning permissions, with each phase treated as separate chargeable development.</p> <p>Gladman also remind the Council of the need to review CIL tariffs once these have been set. The economic climate will inevitably change over the course of the plan period and as such the levy rates that can be set whilst ensuring development remains viable will also change. In accordance with the CLG guidance "charging authorities must keep their charging schedules under review and that the levy charges remain appropriate over time. For example charging schedules should take account of changes in market conditions, and remain relevant to the funding gap for the infrastructure needed to support the development of the area" (Section 2:2:6:3, CLG Guidance, 2014).</p> <p>Gladman believe that the council need to have a clear understanding of the level of residential development to be brought forward in the plan period when preparing the charging schedule as this will directly influence the influence the scale of CIL that will be generated. Without this the charging schedule will not reflect the relevant and true infrastructure needs of the area.</p>	<p>The Council will regularly review the Charging Schedule.</p> <p>The Council has provided a detailed housing trajectory for the Borough over the CIL period.</p>
<p>Ken Mafham Associates (Ken Mafham)</p>	<p>4.1 The last round of consultation raised the following issues among others</p> <p>The viability study has failed to test scenarios which reflect those sites and key areas identified for the delivery of housing over the plan period.</p> <p>The brownfield land scenarios are likely to require an element of site clearance and should be allowed for within the appraisals;</p> <p>Site-by-site "variables" such as land contamination are bound to imply that some developments' economic viability</p>	<p>It is accepted that brownfield development is likely to have abnormal costs associated with it. However all land and property values assume that the site is in a 'developable' state following grant of planning permission. For consistency between value and cost assessment, the study therefore takes the view that any</p>

	<p>will be potentially undermined by CIL whereas others will still go forward profitably;</p> <p>These concerns are not addressed in the report on consultation nor in the redrafting of the charging schedule. The schedule sets out the rates that will apply in the relevant zones without any adjustment save those set out in the section on Exemptions and Reliefs. The only one of these that could conceivably apply to brownfield sites with high costs is the discretion the Council retains to lower the rate in "exceptional circumstances". If these are meant to apply to brownfield sites the schedule should say so quite clearly otherwise the schedule does not provide transparent guidance to the development industry and so conflicts with para 154 of the NPPF which requires clarity.</p> <p>4.2 Table 8 of the 2014 Viability Assessment shows a "viability" figure for Gedling Colliery of £ 8014 compared with an equivalent figure for Top Wighay Farm of £386,113. This suggests that Gedling Colliery's viability with a CIL of £45 per square metre is marginal. All the evidence given by officers of the BC at the Public Examination of the Aligned Core Strategy confirm the site is marginally viable. It is very sensitive to the funding of the Gedling Access Road. We have concluded in the preceding section that the proposed charging schedule leaves the Council with little or no discretion to lessen the CIL rate in the interests of viability. Gedling Colliery will supply 15% of the total housing requirement for the Borough and it is imperative that the CIL does not in any way impeded development of Gedling Colliery and similar sites. The simplest way to achieve this is to include Gedling Ward in Zone 1.</p> <p>4.3 The other relevant piece of evidence is the Report on CIL Appraisal Results. This consists of a series of tables without any introduction or explanation and this is to be regretted and is arguably in contravention of the Aarhus Convention which seeks</p>	<p>abnormal costs associated with bringing land up to this state (eg decontamination) should be deducted from the land value – as they are in any standard residential option or conditional purchase agreement – and makes no separate allowance.</p> <p>The Council accepts these sites currently exhibit marginal viability. As indicated above and as discussed at the Aligned Core Strategy Examination, there is a degree of flexibility which can be applied to the Affordable Housing proportions adopted for each site, if delivery appears to be compromised. In addition, to help reduce the burden of s.106 payments the Council is responding to concerns raised at consultation by placing the secondary schools for Top Wighay Farm and Gedling Colliery/Chase Farm on the Reg 123 list.</p> <p>The methodology for the CIL Appraisal Results is given in the Viability Report.</p> <p>It is accepted that most viability appraisals are quite sensitive to assumption changes. However in a period of recovery where values are</p>
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	<p>guarantees the public access to environmental information and gives them the right to make comments which will be duly considered..</p> <p>4.4 Our understanding is that page One, our numbering, shows brownfield sites of higher land value than greenfield. This only makes sense if we are talking about the cost to a developer of buying the land and bringing it into a developable state. The type of site with which we are concerned is dealt with in detail on pages 16 and 19. The detailed analysis for a development of 100 units shows that in a low market zone the margin for CIL on 100 dwellings is only £119500 which we calculate to be around £30000 per hectare. This margin is just 0.75% on the gross figures of £16,494, 858. The slightest shift upwards in costs or downwards in value would remove the margin altogether. If we assume a medium market location, shown on page 19, the margin increases to £448,000 but this is only 3% of gross value and is sensitive to slight changes in value.</p>	<p>rising consistently it is anticipated that viability will improve over the plan period and certainly in terms of the 5 year land supply and therefore imminent delivery.</p>
<p>Savills on behalf of Residential Developer's Consortium</p>	<p>A uniform timescale assumption of 12 months construction appears to have been applied to all scenarios (see page 67 of the vi.ab2 appraisals contained within the heb Land and Value Appraisal Study April 2014). As previously raised this is an inappropriate assumption that reflects a build rate of 83 dwellings per month:</p> <p>Even assuming that three developers are building on site at any one time equates to 17 - 27 dwellings per month. Given that averages sales rates in the Borough are between 2- 3 dwellings pcm, we would anticipate a maximum build rate of 15 dwellings per month (i.e. 5 units per developer).</p> <p>We would therefore advocate that the larger sites will attract higher professional fees on account of enabling works, additional abnormal costs (i.e. remediation, demolition) and the length of the project. We would therefore request that a</p>	<p>This misunderstands the premise of the model in calculating finance charges.</p> <p>The 12 month period for construction (and an additional 6 month sales void) is used to represent a period between construction costs and fees being incurred and sales being achieved i.e. when interest is being accrued for the purpose of reasonably assessing finance costs. It is not intended to represent the actual construction period for a 100 unit housing development, but the period when finance costs are carried between construction commencement and sales income for individual parts of the development which will start at different times over maybe over a 3 year period.</p> <p>The Council considers that the 8% fee allowance is sufficient to reflect the level of professional fee costs that might be anticipated for large scale residential development. Where there are 'abnormal' costs to bring the site up to a</p>

	<p>minimum allowance of <b>10%</b> for professional fees be adopted across <u>all scenarios</u> tested to reflect the scale and complexity of the land supply coming forward in Gedling over the plan period.</p> <p>The minimum acceptable profit margin for the Consortium is a minimum of <b>20% on GDV blended</b> across both the private and affordable dwellings. At present, the viability appraisals assume 20% on GDV for the private housing and 6% on cost for the affordable, which equates to a blended rate of approximately 17.5% on GDV. We would therefore ask that an allowance of 20% on GDV is included in the viability testing.</p> <p>The introduction of a Zero Carbon Standard, to be introduced through amendments to the Building Regulations energy performance requirements, is anticipated in 2016. For the purpose of the viability</p>	<p>developable state and fees are associated with mitigation to deal with this, the Council considers that these should be reflected in a land value reduction and therefore no separate allowance is made.</p> <p>It is considered that a 15-20% developer's profit allowance range on Gross Development Value represents an Industry standard range.</p> <p>A 20% allowance would generally be used in poor economic circumstances where bank lending is cautious and full contingencies are required. As market circumstances improve this allowance will generally reduce towards 15%. The market has improved very significantly in 2014 and improvement is projected to continue to the extent where it could be argued that a 17-18% allowance might be more appropriate.</p> <p>Specific best practice for developers profit allowances is difficult to point to in view of the constant market fluctuations. However the Homes and Communities Agency Development Appraisal Tool (DAT) User Guidance August 2013 states at para 4.3: <i>'Developers overheads and return for risk'</i></p> <p><i>A fixed overhead amount plus a percentage of open market capital value (including private rented units). A percentage of affordable housing build costs; as the developer is holding no sales risk then we expect a contract type profit based on costs.</i></p> <p><i>NB: Even if the developer for a particular scheme is a 'not for profit' RP, it still requires a yield to cover the risk of investing, and for any internal funds committed</i></p> <p>The example of a DAT Appraisal follows at para 6.1 and indicates appropriate developer returns of 15% on the market housing and 3.7% for the Affordable element.</p> <p>Policy 1 of the adopted Aligned Core Strategy confirms the expectation that development proposals should comply with national and contribute to local targets on reducing carbon emissions unless it can be demonstrated that</p>
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	<p>appraisals, this policy requirement will result in an additional cost for developers and should subsequently be included in the viability appraisals. The Consortium is disappointed to note that the whilst the additional cost of achieving CFSH Level 4 has been assessed, it has not been included in the viability appraisals. We would therefore ask that appropriate allowances are included in the viability appraisals to reflect the cost of CFSH 4 Level 4 and the move towards Zero Carbon</p> <p>It is noted that no allowance for residual “site mitigation” Section 106 and 278 has been included in the GBC Viability Study generic viability testing. Although, the two site specific scenarios testing by heb include £16 Million of S106 Infrastructure contributions at Top wighay Farm at £16k per dwelling and £5.7 Million at Gedling Colliery at £9K per dwelling. However, no explanation has been given to determine how these figures were arrived at and in the absence of a Planning Obligations SPD; it is unclear what will continue to be sought through Section 106 agreements. At paragraph 3.7 below, we have set out the list of Section 106 planning obligations that are anticipated by the Council to continue to be sought in line with “site mitigation”. Given the length of this list we are concerned that no allowance for residual Section 106 has been included on the generic site testing.</p> <p>The approach taken by heb in assessing the BLVs is complex and does not appear to be directly linked back to the five year land supply. The BLV quoted does not appear to be supported by market evidence and there is no explanation of how these BLVs apply to each of the identified market areas. It is also unclear whether the BLVs are per gross or net developable acre.</p> <p>The Consortium is also concerned</p>	<p>compliance is not viable or feasible. It is considered that there is considerable uncertainty in the progression of sustainable construction standards, in light of the Government’s recognition that the additional costs associated with the introduction of CFSH 4 and above may impact significantly on development viability at a time where housing delivery needs to be encouraged. As such it is considered reasonable to use current Building Reg and CFSH Code 3 standards as the basis for the assessment rather than unknown and anticipated future costs as advocated by the consultee.</p> <p>The Council has made a general allowance of £1500 per dwelling for residual s106 contributions based on its historic collection data as advocated by the CIL Guidance.</p> <p>It is acknowledged that the infrastructure costs for new strategic sites will significantly exceed this allowance and therefore specific viability tests have been undertaken to reflect the site specific estimated costs.</p> <p>The Council has set out in detail in its CIL and s.106 Statement (published at consultation), the items it expects to be paid through the s.106.</p> <p>Disagree with comment. Several sources are listed in the heb report, as set out in earlier comments (above). This includes transactional data and full stakeholder consultation. The two reports mentioned are merely part of the overall data-set and in both cases are the latest publication dates available.</p> <p>Again it should be noted that market land</p>
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	<p>that the comparable evidence, gathered by heb, does not appear to be substantiated with robust transaction evidence. Two sources are cited in the Viability Study - The Valuation Office Agency Property Market Report (2011) and the HCA Residential Building Land Report dated (July 2010) – both of which are historic.</p> <p>We would therefore ask that GBC provide further market evidence and commentary to explain, in relation to each market area, which BLV is most appropriate and how this relates back to the land supply coming forward in these areas (i.e. which BLV is most appropriate in each market area). This will ensure that the analysis of the viability appraisals in each area is appropriate given the nature of the sites coming forward for development.</p> <p>Large strategic sites require a significant amount of land to enable them to deliver certain items of on- site infrastructure, such as public open space and educational facilities. Consequently the reduction from gross land area to net developable area can range substantially with reductions ranging from 40 – 60%.</p> <p>Whilst the development density applied to the net site area may be appropriate within the Viability Study, the gross land take is particularly important when comparing the Residual Land Value (RLV) with the Benchmark Land Value (BLV). If the BLV is reported on a per net acre basis, it is therefore important that the RLV is applied to the correct net area. Similarly, if the BLV is on a gross basis then the RLV should be applied to the total (gross) site area.</p> <p>We are also concerned that the Viability Assessment assumes that land to be used for affordable housing is free and does not cost the</p>	<p>sales are used for a secondary “sense check” and not for the primary method of viability testing.</p> <p>See above but also note that is only possible to report and assess the market evidence that exists.</p> <p>The BLV adopted for each property type and each area is clearly set out in the individual appraisals.</p> <p>For the strategic sites, the assessments are deliberately based on a site specific total development residual value calculation (ie the most the site could be worth to the landowner based on the proposed development – with no policy impacts) to avoid issues with net:gross deductions and to set a more accurate Benchmark Land Value allowance.</p> <p>It is considered common practice for any Affordable Housing land required by a planning permission to be deducted from the purchase price paid to the landowner by a residential developer. Purchase</p>
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	<p>developer anything. This is simply not true as landowners will not give their land away for nothing.</p> <p>Sales Evidence gathered by heb is not robust as sale dates are not included within the Residential Sales Evidence shown at Appendix 2. This is confusing as whilst the evidence is shown within the “additional 2014 evidence” – the schedule is not precise in providing what date the properties transacted.</p> <p>heb have partly based their evidence on asking prices minus 5%. This technique is dangerous as evidence gathered is not robust and is thus not reflective of market activity. For example, the Sales Values assumed for the Top Wighay Farm viability study are above what is considered to be Market Value.</p> <p>Finally, average house prices by ward have been included. However these figures date back between 01/01/2011-31/12/2011 which makes the figures historic and not reflective of the existing market conditions.</p> <p>It appears that a comprehensive review of £/m<sup>2</sup> rates being achieved within Gedling Borough has not been undertaken – therefore the appraisal is not reflective of the residential marketing within the Borough.</p> <p>We believe that sales values included within the viability work undertaken by heb are not reflective of values</p>	<p>prices are considered to be based solely on market house plot values in areas where the construction cost of providing an affordable unit exceeds the price paid to the developer by the RSL (ie the land is worth nothing). This situation may differ in high value areas in the south east but is considered a reasonable and robust approach in the East Midlands.</p> <p>Sales data in the 2013 report comprises information obtained in conversations with house builders in June of 2012. The data reflects the information that the sales offices were willing / able to provide on quoting prices or recent sales at that time.</p> <p>The additional data provided in the 2014 update report contains exhaustive stakeholder market intelligence from 12 developments, provided by the house builders concerned. It demonstrates the sales rates being achieved, at the date of the report (April 2014).</p> <p>At the time of the first report, house builder stakeholders typically verified a 5% deduction as being wholly appropriate. Again – valuation judgments can only be based on the evidence available at the time. Anecdotally, many of the house builder contacts currently consider a 5% deduction as “generous” as market conditions improve.</p> <p>The Top Wighay Farm example is disingenuous- “what is considered to be market value” is simply the respondents point of view, not fact. The recent review of market evidence suggests sales prices of £2000+ per SqM at Barratt and Bellway schemes in Hucknall.</p> <p>Heb consulted widely with house builders when producing the adopted sales figures, and are not aware of any dissent as to their appropriateness as a high-medium-low value tone for Gedling.</p> <p>The house price data by ward issue is not relevant. The data represented the year’s information immediately preceding the initial appraisal work in 2012. The data was not used in the viability appraisals, simply to assess areas (wards) within the</p>
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	<p>being achieved in the market. For example at Top Wighay Farm, the rate of £195 and £200 per sq ft is reflective of superior areas such as Mapperley within the Gedling borough. We have conducted comparable analysis and discovered that new homes by Charles Church at the Manderley development in Mapperley is achieving an average of £205 per sq ft. Taylor Wimpey new homes at Lime Tree Gardens in Mapperley is similarly achieving approximately £200 per sq ft. Both of these locations represent one of the superior parts of the borough. In other areas, Taylor Wimpey new homes at the Brambles development in Calverton are transacting at a sold rate of £175 per sq ft. In Arnold, the new homes by Davidsons at the Stockings Farm development are achieving £174 per sq . We feel that a rate of £175 to £185 per sq ft is reflective of sold house prices for new homes within the borough.</p> <p>Savills and the Consortium are concerned that allowances for significant items of strategic enabling infrastructure and mains services have not been included. Considering the guidance set out in the Harman report, which suggests that a range of £17,000 to £23,000 per dwelling would be appropriate, the Consortium would expect an additional allowance to be made. We would therefore ask that an allowance of £20,000 per dwelling is included in the viability testing for the larger typologies.</p> <p>We have subsequently run alternative appraisals using this residual land value as our baseline position for comparison purposes: The results above highlight the impact that individual inappropriate assumptions can have on the residual land value. When all of these assumptions are combined, in appraisal F, the cumulative impact is significant and will render delivery of such a</p>	<p>borough against each-other for value zoning purposes.</p> <p>As time passes, the average values may change but will move relative to each other – a low value area will remain so, relative to a medium or high value area notwithstanding changes in average prices within.</p> <p>A fully comprehensive review of £/M rates has been carried out, per the 2014 update report contents.</p> <p>The respondent’s suggested figures merely verify our own evidence and adopted values. They list a range of sales prices / opinion from £175 per sqft to £205 per sqft. Our adopted figures range from £170 per sqft to £199 per sqft, with a medium figure of £184 per sqft.</p> <p>The Council considers that the enabling costs referred to for opening up strategic sites are a cost attributable to bringing a site into a developable state. Since the land value benchmarking exercise is based on a residual value with planning permission – the value assumes the site is ready to be developed. The type of costs referred to ‘create’ that starting point land value and therefore no separate allowance is made for them.</p>
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	site difficult given that the RLV is below the BLV of £18,583,019.	
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Q7 Do you agree that the evidence base supports the introduction of CIL?

Mr Richmond	No
David West	Yes
Andrew Carter	Yes
Ashfield District Council (Neil Oxby)	Yes

Q8 Please use this space to identify any improvements or changes to the evidence base.

Mr Richmond	Need careful case studies	Comment noted and agreed.
Andrew Carter	I understand that the planning department needs to be self funding, so spread the costs evenly on everyone, not just people who live in Ravenshead and other Zone 3 villages..	It is considered the Revised Draft Charging Schedule is supported by appropriate available evidence.
C A Peck	No comment at this time.	
English Heritage (Claire Searson)	<p>English Heritage recognises the importance of Community Infrastructure Levy as a source of funding to deliver the infrastructure required to underpin the sustainable development of Gedling.</p> <p>Paragraph 126 of the National Planning Policy Framework (NPPF) requires that Local planning authorities set out in their Local Plan, a positive strategy for the conservation and enjoyment of the historic environment, including heritage assets most at risk through neglect, decay or other threats. In relation to CIL, this means ensuring that the conservation of its heritage assets is taken into account when considering the level of the CIL to be imposed so as to safeguard and encourage appropriate and viable uses for the historic environment.</p> <p>We are therefore encouraging Local Authorities to assert in their Draft Charging Schedules their right to offer CIL relief in exceptional circumstances where development which affects heritage assets and their settings may become unviable it was subject to CIL. We therefore urge you to offer CIL relief where the requirement to pay CIL would have a harmful impact on</p>	<p>The Council may make relief available for “exceptional circumstances” in its area and background information is provided in the supporting document “CIL Exceptional Circumstances Relief 2014”. However, the regulations are clear that relief should only be granted in truly “exceptional circumstances”.</p> <p>The Community Infrastructure Levy and</p>

	<p>significance of heritage assets due to impacts on economic viability of development and hope that this will be reflected when the separate policy document on this is produced.</p> <p>This document could set out the criteria to define exceptional circumstances and provide a clear rationale for their use, including the justification in terms of the public benefit (for example, where CIL relief would enable the restoration of heritage assets identified on English Heritage's Heritage at Risk Register.) For clarity the document could also reiterate the necessary requirements and procedures which would be followed in such cases, including the need for appropriate notification and consultation.</p> <p>We note the separate document 'Community Infrastructure Levy and Section 106 Statement.' While we recognise that table 5 is not exhaustive, it is disappointing that there is no recognition whatsoever here of the developer contributions which can be sought for the historic environment through section 106 agreements. This could include improvements to open space and public realm, possibly linked to a Heritage Lottery Fund scheme and/or green infrastructure work, as well as archaeological investigations, access and interpretation schemes and the restoration of buildings and other heritage assets. Site specific requirements for mitigation etc would also come under this. This would all be in accordance with Policy 11: The Historic Environment within the Core Strategy.</p>	<p>Section 106 Statement supporting document notes in para 5.3 that the list of infrastructure types is not exhaustive. However, an amendment will be made to table 5 to include a reference to Aligned Core Strategy Policy 11 The Historic Environment.</p>
<p>Gedling Borough Council (Brendan Cox)</p>	<p>I did wonder if it was possible to comment on Section 5 of the CIL and Section 106 statement though?</p> <p>I line with our efforts to reduce air pollution levels at various points in the Borough, in particular the A60 Mansfield Road, we have in the past secured s106 funding (Colwick Sainsbury's and Teal Close) for air quality projects.</p> <p>It would be helpful if this could be</p>	<p>It is considered that mitigating air pollution impacts of development would be considered under para 5.1 of the Community Infrastructure Levy and Section 106 Statement. It is not viewed appropriate to provide specific detailed measures as these will need to be considered on a case by case basis.</p>

	<p>perhaps added to the bullet list in Section 5.1...</p> <p>-To assist Air Quality Action Plan projects and generally helping to mitigate air pollution impacts of development.</p> <p>I appreciate that this is perhaps included in the last bullet point of 5.1 as it currently stands, but it would be helpful to have it explicitly stated if possible.</p>	
<p>Ashfield District Council (Neil Oxby)</p>	<p>Gedling Borough Council Community Infrastructure Levy Viability Assessment, June 2014 set out the viability evidence. Ashfield has concerns regarding the evidence base in relation to the appraisal and particularly the dwelling values at the strategic sites at Top Wighay and North of Papplewick Lane, which are located adjacent to the urban edge of Hucknall.</p> <p>It is anticipated that under these circumstances, comparable evidence for Hucknall would be a key element. The National Planning Policy Framework emphasises the importance of cross boundary issues. It was acknowledged at the Aligned Core Strategy Examination that the sites at North of Papplewick Lane and Top Wighay Farm are located on the boundary of Hucknall and will have infrastructure implications for Hucknall. However, there appears to be very limited comparable evidence for Hucknall that is utilised in arriving at the CIL and to justify the sites in question being identified in CIL Rate Zone 3 of the Gedling's Revised Draft Charging Schedule, 2014. The evidence relates to Newstead Village, Arnold, Mapperley, Ravenshead, Gedling and Lambley. Other than Newstead Village (in Zone 1) none of these locations are in close proximity to Hucknall. Evidence from David Wilson Homes at Papplewick Lane, Hucknall is quoted with</p> <p>'figures of approximately £1,830 per sq m currently achieved on site as a general 'tone'.</p> <p>This is reflective of Values in Zone 1</p>	<p>Recent analysis carried out by NRL of the Barratt Homes development at Merlin Park, Hucknall and the Bellway Homes development at Abbey Fields, Hucknall suggests sales rates of c. £2,018 - £2,099 per sqm.</p> <p>The Council would further contend that Top Wighay Farm is a preferable location, adjoining countryside and thus able to support values at the higher end of the range for Hucknall.</p>

	<p>(1,830 £ per m2 2014 from Appendix 5) rather than Zone 3 (2,150 £ per m2 2014 from Appendix 5). This would indicate that the sites at Top Wighay and North of Papplewick Lane should not be included within CIL Rate Zone 3 of the Gedling's Revised Draft Charging Schedule, 2014.</p> <p>The Council's has had viability work undertaken in Ashfield with the Three Dragons Affordable Housing Viability Study 2009 and the Local Plan &amp; CIL Viability Assessment in December 2013. These studies identify that only a 25% affordable housing rate could be taken forward in Hucknall. Consequently, it is questionable whether a 30% affordable housing can be achieved on the sites at Top Wighay Farm and North of Papplewick Lane. Practical cases would also support that this is not viable in that:</p> <ul style="list-style-type: none"> <li>• A resolution has been granted on the strategic mixed employment/residential use site (approximately 900 dwellings) at Rolls Royce site in Hucknall. A significant reduction in the affordable housing requirement was negotiated with the developer on the grounds of viability.</li> <li>• Gedling BC has recently passed a resolution to grant planning permission for residential development at Land North of Papplewick Lane (2013/1406). The Committee Report identifies that</li> </ul> <p>"Other details supplied by the applicants at this time are listed below: 4. Affordable housing will be provided if feasible and viable."</p> <p>Gedling Borough Council Community Infrastructure Levy Viability Assessment June 2014 in Paragraph 8.3 set out that specific site testing had been undertaken at Gedling Colliery and Top Wighay Farm.</p> <p>"These viability assessments seek to test the impact of the proposed rates on the delivery of two key housing sites in the Core Strategy. The appraisals are included at Appendix 3".</p>	<p>Whilst it is acknowledged that Ashfield District is adjacent to Gedling, the results of viability work undertaken by another Authority cannot be directly compared. The studies have been undertaken at different times and rely on different assumptions on land and sale values, construction costs, affordable housing tenure mix and transfer value.</p>
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	<p>Ashfield has a number of concerns regarding the appraisal at Top Wighay Farm. From the site plan in the Aligned Core Strategies Infrastructure Delivery Plan 2013 the total site area of Top Wighay Farm is approximately 44.4 ha. It is not unreasonable to assume from this a net developable area of 33.9ha. However, Ashfield would question, based on the evidence, whether the sale values set out in the appraisal will be achievable under current market conditions. In terms of sales values - Ashfield Local Plan &amp; CIL Viability Assessment December 2013, identified Hucknall as being a high value zone (3) for Ashfield and identified the following:</p> <p>? Apartment &amp; 2 bed dwelling sales value 1,850 £sqm  ? 3 bed, &amp; 4 bed sales value 1,800 £sqm  ? 5 bed sales value 1,750 £sqm</p> <p>Based on this approach and assuming that say only a sales value of £2,000 sqm was achieved this would result in a reduction of over £9,000,000 in the market housing value ( 2100 + 60060 sq m @ 2,000 per sqm). ). It would be significantly less if the sales values identified in Hucknall were directly applied to the appraisal. While this would be offset to some degree, for example by the fees and developers return, this would have a substantial impact on the appraisal and is likely to move the scheme into a negative value.</p> <p>In addition to house sales values applied, as was stressed at the Aligned Core Strategy Examination, Ashfield has concern over the viability of Top Wighay Farm. This reflects:</p> <ul style="list-style-type: none"> <li>• The total dwelling identified for the site - Given that an 8.5 ha employment area forms part of the overall site it is unclear how a total figure of 1,000 dwellings can be achieved on this site. The gross area available for residential development is 35.9 ha (44.4 ha less 8.5ha). Allowing for roads and other general requirement (say 25% of this area) this is likely to result in a net developable area for housing of</li> </ul>	<p>The values in the Ashfield Study were based on mid 2013 data, while the viability work in Gedling was updated in mid 2014 so there is considered to be no direct comparison and speculation on prices that might or might not be achieved is not considered to represent evidence that the proposed CIL rates are unviable or that the proposed level of affordable housing cannot be delivered.</p> <p>The overall density (1000 dwellings on 35,9 Ha) is less than 28 per Ha (inc roads and public open space).</p>
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	<p>approximately 27ha. At a general density of 30 dwellings per ha this will result in significantly less dwellings on the site and an issue whether the CIL, affordable housing and S106 Contributions can be met. At the site to the North of Papplewick Lane the ACS Submission document 2012 originally identified 600 dwellings, where as it was recognised at the Aligned Core Strategy Examination that this figure would be significantly lower.</p> <ul style="list-style-type: none"> <li>• Park &amp; Ride - The Inspector's Report of 24th July 2014 into the Aligned Core Strategy identifies in paragraph 90 that a park and ride site is likely to be required as part of the development. It is not apparent whether this form part of the S106 Transport costs associated with the scheme. Further does the developable site are take into account a park and ride scheme which will impact on the net developable area for housing.</li> <li>• Employment aspect of the development - It was understood at the Aligned Core Strategy Examination that the employment site at Top Wighay would require cross subsidy from the housing development. It is not clear from the Gedling's Community Infrastructure Levy Viability Assessment, June 2014 how this has been taken into account. Appendix Three appears to show a Top Wighay Farm Industrial Viability result which gives a minus figure of -£3,886,993. Applied to total development site at Top Wighay this would result in a negative overall development value. If this is the case, this would mean that affordable housing rates and/or s106 obligations cannot be met.</li> <li>• Infrastructure costs – The viability appraisal assumes no abnormal costs. However, as a greenfield site there are likely to be higher costs than if located in an urban area adjacent to utility services. The Aligned Core Strategy Infrastructure Delivery Plan 2013 identifies that extensive off site water mains may be required. The estimated cost of a primary school at Top Wighay is identified in the IDP on a 1.5ha site</li> </ul>	<p>The highway contribution will be agreed as part of the s106 discussions but £8.75m has been allowed for transport costs after consultation with Highways Authority which includes the potential provision of a park and ride facility.</p> <p>The Aligned Core Strategy Examination recognised the difficulties associated with bringing forward the employment site at Top Wighay Farm. The CIL viability assessments indicate employment sites cannot support CIL and for this reason a zero rate has been applied. The Council does not require the employment site to be brought forward at the same time as the residential land but it remains allocated in order to meet the Council's needs and to ensure land is available as and when demand from commercial occupiers arises.</p> <p>LEA provided updated figures for cost of school provision.</p> <p>AG to clarify position with Dawn – left message back in office 15.10.</p>
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	<p>as £5-5.5m. This also reflects our own consultations with the Education Authority and is set out in Ashfield's IDP as a typical primary school cost. The current viability assessment identifies £3.5 million cost for a primary school. Can this change be justified? In addition, the Aligned Core Strategy IDP identifies that waste contributions are required of approximately £500,000 which do not appear to be taken into account in the appraisal. Further, as Gedling has made no assessment of the impact on Hucknall's community facilities this is an unknown factor in relation to potential development costs.</p> <p>Through the Aligned Core Strategy Examination Gedling revised costs associated with infrastructure and impacts on viability. It is therefore unclear as to how the level of CIL can be justified for the Top Wighay Farm development.</p>	
Highways Agency (Susan Chambers)	<p>Regarding the above, the Highways Agency (the Agency) welcomes the opportunity to comment on the Community Infrastructure Levy (CIL) Draft Charging Schedule published for consultation by Gedling Borough Council. The Agency notes that the Revised Charging Schedule has been produced in response to the significant changes to the CIL Regulations which came into force in February 2014 and sets out where CIL will be levied and how much will be charged. Given the remit of the Agency, we have no comments on the viability assessment, proposed CIL rates, the charging zones nor the exemptions and reliefs.</p>	No comment.
Gladman Developments (Peter Dutton)	<p>Local planning authorities need to be able to demonstrate the infrastructure need and subsequent funding gap and must ensure that the level of total CIL receipts that could be generated through the levy reflects these true needs and the proposals in the Local Plan. The CIL should not be used by Council's as a mechanism for creating an unrealistic 'wish list' of infrastructure projects in their area.</p> <p>When establishing a funding gap that CIL receipts are intended to contribute towards filling, it is vital that the</p>	<p>The Council has demonstrated a funding gap for required infrastructure and account has been made of possible income streams although it is accepted that further funding opportunities may present themselves in the future.</p>

	<p>council take account of every possible income stream. This has to include an accurate assessment of future New Homes Bonus and council tax and business rates receipts generated as a result of new developments allocated in the Local Plan, as well as central government funding streams. This should also include an assessment of statutory undertakers' asset management plans, as these companies will at some stage be upgrading their systems/facilities. This also needs to be taken account of when assessing the infrastructure requirements of the authority.</p> <p>The Council need to have an up to date, robust evidence base that fully justifies the infrastructure needs based on the amount of development that is required. Information on these infrastructure needs should, wherever possible, be drawn directly from the infrastructure planning that underpins the development plan, as this should identify the quantum and type of infrastructure required to realise local development needs. If the authority's infrastructure planning is weak or out of date then the council should undertake an exercise to refresh this. If the evidence base is not complete, robust and up to date the charging schedule will be unsound and the local planning authority will have difficulty adequately demonstrating their funding gap and the subsequent CIL requirements.</p> <p>The CLG guidance notes that: "Charging authorities should be able to show and explain how their proposed Community Infrastructure Levy rate or rates will contribute towards the implementation of the relevant Plan, and support development across their area. Charging authorities will need to summarise their economic viability evidence. This evidence should be presented in a document (separate from the charging schedule) that shows the potential effects of the proposed levy rate or rates on the economic viability of development across the authority area" (Section 2:2:2:3, CLG Guidance, 2014).</p>	<p>The Council has recently adopted the Aligned Core Strategy which is supported by an Infrastructure Delivery Plan.</p> <p>Outlined in the Council's supporting document "Viability Assessment".</p>
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	<p>It is important that in calculating the level of infrastructure the authority needs as a result of development the council distinguishes between new and existing demands. New houses do not always create new pressure on infrastructure as evidence shows that a large proportion will be occupied by people already living in the borough, attending local schools, and registered with local GP surgeries. They will therefore require less infrastructure provision compared to new residents in the borough.</p> <p>The available guidance makes it clear that CIL is expected to have a positive economic effect on development across an area in the medium to long term. As outlined in recent Inspector's Letters to East Devon District Council (April 2014), the CIL charging rates should not be set at such a level that would threaten development, and must be based on robust evidence and assumptions. The rate will also need to be appropriate over time, bearing in mind land values, market conditions and the wider economic climate change rapidly. The viability impact of incremental policy obligations, such as stepped Code for Sustainable Homes targets, must be assessed and reflected in the charging schedule.</p> <p>The Council needs to ensure that they have a full understanding of the potential costs of infrastructure projects needed to meet the infrastructure needs. Gladman believe that it is inappropriate to set the levy based on a partial understanding of these infrastructure costs and in particular if the total money needed for infrastructure is unknown.</p>	<p>The additional demand on infrastructure has been assessed and advised upon by individual infrastructure providers.</p> <p>The CIL rates have been set at an appropriate level and do not threaten the delivery of development.</p> <p>The Levy has been set at a level well below the identified infrastructure gap.</p> <p>The exact costs of infrastructure are difficult to assess at an early stage and some degree of informed estimation is necessary when forward planning. The costs in the IDP were set at an appropriate level for the Aligned Core Strategy. The income projection forecasts for the Levy are well below the infrastructure funding gap identified and CIL will only fund a small proportion of the Council's infrastructure needs. The Council therefore considers this an appropriate approach.</p>
<p>Geoffrey Prince Associates Ltd (Geoffrey Prince)</p>	<p>Whilst Langridge Homes Ltd do not object to the principle of the CIL and the proposed Charging Bands, it is somewhat unclear from reading the CIL and the Viability Analysis to understand</p>	<p>GBC has provided a statement setting out how CIL and S106 will work together.</p> <p>The Council has consulted with relevant parties when compiling the IDP to try to</p>

	what the likely level of S106 contributions will be, in addition to the CIL. For the large schemes at Gedling Colliery and at Top Wigway the Viability Analysis includes worked examples with S106 contributions included. It would be helpful to better understand the likely level of S106 contributions particularly for the proposed allocation sites included in your Consultation Draft Options Allocations Plan including proposed residential developments in the Key Settlements and sites adjoining the edge of the built up urban area.	assemble as accurate a forecast as possible. The list will be reviewed as projects develop and funding becomes clearer.
Nottinghamshire County Council (Planning Policy Team) (Eilidh McCallum)	Other than our Highways Department, who will be responding to the consultation directly, the County Council has no comments to make.	No comment.

Q9 Do you agree with the proposed Regulation 123 list?

Mr Richmond	No
David West	Yes
Natural England (Roslyn Deeming)	Yes
Andrew Carter	No
Ashfield District Council (Neil Oxby)	No

Q10 Please use this space to suggest any changes to the Regulation 123 list.

Mr Richmond	Extend to cover education	A review of the R123 list has been undertaken and now includes secondary school provision for Top Wighay Farm and Gedling Colliery/Chase Farm.
Natural England (Roslyn Deeming)	<p>Natural England is not a service provider, nor do we have detailed knowledge of infrastructure requirements of the area concerned. However, we note that the National Planning Policy Framework Para 114 states "Local planning authorities should set out a strategic approach in their Local Plans, planning positively for the creation, protection, enhancement and management of networks of biodiversity and green infrastructure." We view CIL as playing an important role in delivering such a strategic approach.</p> <p>With the above in mind, we welcome the inclusion of Project 4 which makes provision for mitigation measures associated with the prospective Sherwood Forest SPA, though we note that no actual costings have been</p>	<p>After further consideration this project for pSPA mitigation measures has now been removed from the R123 list as it is viewed that it would be appropriate for</p>

	included as yet.	mitigation to be sought through s106 contribution.
Andrew Carter	Because the costings for Arnold Town Centre and Calverton have not yet been worked out or published. It would be like voting for something not yet defined.	After further consideration Arnold Town Centre and Calverton have now been removed from the Reg 123 list.
C A Peck	No comment at this time	
Ashfield District Council (Neil Oxby)	<p>The projects identified in the Revised Draft Charging Schedule June 2014 S123 List are as follows:</p> <ul style="list-style-type: none"> <li>• Gedling Access Road to facilitate development of Gedling Colliery/Chase Farm - Gap £6,200,000</li> <li>• Gedling Colliery Country Park, Visitor Centre - £1,000,00</li> <li>• Arnold Town Centre Improvements, Leisure Centre Extension - no costing</li> <li>• Calverton Mitigation measures associated with prospective Sherwood Forest Special Protection Area - no costing</li> </ul> <p>It was Ashfield understanding through the Aligned Core Strategy Examination that CIL Section 123 List included secondary school places relating to Top Wighay Farm development but to be provided in Hucknall. This reflected that on viability grounds Top Wighay could not support secondary education contribution and for this reason was incorporated in to the 123 list to be funded by CIL. Throughout the Examination, Ashfield was reassured that Gedling would work closely on cross boundary issues. At no stage has Ashfield been informed that secondary school contributions at Top Wighay are proposed to be taken out of the CIL 123 List and how secondary school contributions will be financed in the future. The indication from the Viability Evidence on the consultation is that it will now form part of the S106 Agreement. However, on the basis of the lack of information provided to Ashfield, the absence of an agreed memorandum of understanding for cross boundary working, concern over the affordable housing levels, and issues over viability of Top Wighay Farm, Ashfield objects to the omission of the following project from the 123 List:</p> <p>Top Wighay Farm Project Description: Secondary School Education Estimated Cost: £2,760,000</p>	<p>Following the ACS Examination the CIL Viability assumptions were reviewed and updates from the original assessments in 2011 made. The revised viabilities indicate Top Wighay Farm could support a secondary contribution through S.106 albeit with marginal viability.</p> <p>However, in order to provide further certainty over the delivery of the site the Council agree the Secondary Schools for both Top Wighay Farm and Gedling Colliery/Chase Farm sites should be placed on the Reg 123 list.</p>

<p>Nottinghamshire County Council (David Pick)</p>	<p>The revised draft charging schedule includes a draft Regulation 123 list of schemes dated May 2014. The Regulation 123 list includes details of the Gedling Access Road (GAR) as one of four named infrastructure projects to receive CIL funding and gives the appropriate available evidence at the time of its production i.e. in May 2014, however this information is already out of date. The GAR project cost and funding profile will continue to evolve as the detailed design of the scheme is progressed, as further funding streams and opportunities present themselves and with the appointment of and financial contributions towards GAR from a development partner to deliver the redevelopment of the Gedling colliery/ Chase Farm development for residential and employment uses are secured. The eventual cost of the Gedling Access Road is likely to exceed the forecast estimate of £32.4m (contained in the revised draft charging schedule June 2014) by a significant margin. In which case it will be necessary to review the relative financial contributions of the partners working to deliver this project when more robust cost figures are available and establish how much of the GBC CIL monies will be required to make good any shortfall.</p>	<p>The Council will continue to monitor and review the costs of the access road and agree that additional financial contributions from other parties will need to be confirmed and taken on board. If costs do increase the funding gap for CIL purposes may remain unaltered or reduced if additional sources of funding are identified. As such the current figure is a best estimate.</p>
<p>Highways Agency (Susan Chambers)</p>	<p>The Agency notes that the Revised Draft Charging Schedule also includes a Regulation 123 List. This sets out the infrastructure that will be funded by CIL, including transport improvement schemes. The Agency has reviewed the Regulation 123 list and notes that there are no Strategic Road Network (SRN) schemes in the list, which is as expected, as there is no SRN which routes through the Borough or any specific issues for the SRN related to proposed growth in Gedling.</p>	<p>No comment.</p>
<p>Sport England (Steve Beard)</p>	<p>You may recall that Sport England raised concerns in October 2012, regarding the lack of evidence around the needs for built sports facilities and also playing fields, which would inform the infrastructure delivery plan and the S123 list.</p> <p>Your authority are currently working with Sport England in order to deliver a built sports facilities strategy and it understood that a Playing Pitch Strategy is planned in the not too distant future.</p> <p>We do not wish to make comments on the charging schedule, but feel that it is</p>	<p>The evidence base is being developed through the Part 2 Local Plan.</p> <p>The Infrastructure Delivery Plan will be updated to inform the Part 2</p>

	<p>imperative to expedite the built sports facilities strategy and PPS in order to inform the infrastructure delivery plan to update the 123 list. This will help to understand if any particular projects should be funded by CIL or S106 (and if so identify the 5 projects which could be used).</p>	<p>Local Plan development sites in due course.</p>
<p>Ken Mafham Associates (Ken Mafham)</p>	<p>6.1 The current round of consultation does not cover the role of the community in deciding how the proceeds of CIL are spent. We suggest this is a matter that needs to be consulted on at the earliest opportunity. We would wish to make further representations on this topic when the occasion arises</p>	<p>Consultation allows for comments on the Reg123 list. In addition the regulations allow for some CIL monies to be spent locally by communities i.e. 25% where a neighbourhood plan exists and 15% where there is no neighbourhood plan. There is no prescribed process for agreeing how the neighbourhood CIL proportions should be spent. Charging authorities are expected to use existing community consultation and engagement processes. The Council will ensure consultation and engagement will take place and such processes address the neighbourhood level.</p>