

#### DCS001

To: cilands106

Subject: RE: London Legacy Development Corporation Community Infrastructure Levy (Regulation 16) Consultation -

14th January-15th February 2019

**Date:** 11 January 2019 16:43:30

Der All thanks for this communication.

Wow. The CIL is raising a lot of money!

I am not well placed to comment on the specific amounts. I simply write to say do seek local wisdom and best wishes you seek to steward it well.

Transform Newham – churches together for the good of our Borough



From: cilands106 < cilands106@londonlegacy.co.uk>

Sent: 11 January 2019 12:03

To: cilands106 < cilands106@londonlegacy.co.uk>

Subject: London Legacy Development Corporation Community Infrastructure Levy (Regulation

16) Consultation - 14th January-15th February 2019

#### Community Infrastructure Levy Regulations 2010 (the CIL Regulations)

#### Community Infrastructure Levy (Regulation 16) - Draft Charging Schedule

I am writing to you as someone who has previously expressed an interest in planning matters within Legacy Corporation area or matters relating to the Community Infrastructure Levy. References to any "Regulation" in this notice is to a regulation of the CIL Regulations.

I am specifically writing to inform you that during the period from **14 January 2019 to 15 February 2019** (the Consultation Period) the Legacy Cooperation will be carrying out public consultation on:

• The Draft Charging Schedule (Regulation 16)

#### **Community Infrastructure Levy- Draft Charging Schedule**

The Legacy Corporation is reviewing its Community Infrastructure Levy (CIL). The current Legacy Corporation CIL came into effect on the 6 April 2015 and has been used to fund infrastructure to support the regeneration of the Legacy Corporation's area. This consultation provides the opportunity to comment on the proposed new CIL charging rates and the evidence that is required to support these proposed new rates.

In accordance with the CIL Regulations, the first stage in the process of preparation of a new revised CIL Charging Schedule is consultation on a Preliminary Draft Charging Schedule (Regulation 15). Accordingly, the consultation on the Preliminary Draft Charging Schedule (Regulation 15) took place from 5<sup>th</sup> November 2018 – 17<sup>th</sup> December 2018.

The second stage in the process of preparation of a new revised CIL Charging Schedule is consultation on the Draft Charging Schedule (Regulation 16). During the Consultation Period, copies of this version of the Charging Schedule, associated documents, including a Statement of Representations Procedure, a Regulation 123 list and the CIL Draft Charging Schedule Response Form are available by the following means:

- The Legacy Corporation's website at: <a href="https://www.queenelizabetholympicpark.co.uk/planning-authority/planning-policy/community-infrastructure-levies">https://www.queenelizabetholympicpark.co.uk/planning-authority/planning-policy/community-infrastructure-levies</a>
- The Legacy Corporation's consultation portal at: <a href="https://lldcplan.commonplace.is/">https://lldcplan.commonplace.is/</a> where you can also directly submit comments
- Paper copies of these documents are available for view at the Legacy Corporation offices (see address below) between 09:00 and 17:00.
- Hard copies of the Draft Charging Schedule Response Form are also available on request through the contact details below.

You can respond to this consultation by on-line submission on the consultation portal or by email, post, or in person at the Legacy Corporation's office. Responses should only be returned using these contact methods and should be received by the Legacy Corporation **no later than 5pm on the 15 February 2019.** A more detailed guidance note can be found as part of the response form.

If you have any queries, please don't hesitate to get in touch with the Planning Policy and Decisions Team by telephone on 0203 2881800, by writing to:

Planning Policy and Decisions Team London Legacy Development Corporation Level 10, 1 Stratford Place, Montfichet Road London. E20 1EJ

or by email to: cilands106@londonlegacy.co.uk.

Further information and all consultation documents are available on the Legacy Corporation website: <a href="https://www.queenelizabetholympicpark.co.uk/planning-authority/planning-policy/community-infrastructure-levies">https://www.queenelizabetholympicpark.co.uk/planning-authority/planning-policy/community-infrastructure-levies</a>

Kind Regards,

Planning Policy & Decisions Team Queen Elizabeth Olympic Park London Legacy Development Corporation Level 10 1 Stratford Place, Montfichet Road London E20 1EJ

Website: http://queenelizabetholympicpark.co.uk/planning-authority





## Queen Elizabeth Olympic Park is now open. For more information please visit <a href="https://www.QueenElizabethOlympicPark.co.uk">www.QueenElizabethOlympicPark.co.uk</a>

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London Legacy Development Corporation, Level 10, 1 Stratford Place, Montfichet Road, London, E20 1EJ.

#### www.queenelizabetholympicpark.co.uk

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DCS002

# CIL PRELIMINARY DRAFT CHARGING SCHEDULE GUIDANCE NOTE AND RESPONSE FORM



Community Infrastructure Regulations 2010 (as amended) – Regulation 15 Consultation

## WHAT IS REGULATION 15 CONSULTATION?

Regulation 15 consultation is the first of two consultations that are required when reviewing a Community Infrastructure Levy (CIL) Charging Schedule. This provides an initial opportunity to comment on the proposed new CIL charging rates and the evidence that has been published to support this. 'The Regulations' are the Community Infrastructure Levy Regulations 2010 (as amended). You can find out more about CIL on the GOV.UK website <a href="www.gov.uk/guidance/community-infrastructure-levy">www.gov.uk/guidance/community-infrastructure-levy</a>

## WHY IS THE CIL CHARGING SCHEDULE BEING REVIEWED?

The Community Infrastructure (CIL) regulations require that existing CIL rates are regularly reviewed to ensure that they remain appropriate over time, taking account of changes in market conditions and remain relevant to the funding gap for the infrastructure needed to support the development of the area.

## WE WANT TO HEAR YOUR VIEWS

This consultation provides the opportunity to comment on the proposed new CIL charging rates and the evidence that is required to support it. This evidence has been prepared to demonstrate the economic viability impacts of the charging schedule on development within the area and of the need to fund infrastructure. The following documents have been published as part of this consultation:

- Preliminary Draft Charging Schedule (October 2018)
- Community Infrastructure Levy Update Viability Study (October 2018)
- Draft Infrastructure (Regulation 123) List (October 2018)
- Draft Infrastructure Delivery Plan Project List (October 2018)

The Legacy Corporation has also previously adopted a Planning Obligations Supplementary Planning Document to support its CIL Charging Schedule and explain the relationship between CIL and S106 Planning Obligations within the Legacy Corporation Area. These documents can be found on the Legacy Corporation website using the following link www.queenelizabetholympicpark.co.uk/planning-authority/planning-policy/community-infrastructure-levies

## WHAT HAPPENS NEXT

This consultation will run for a period of six weeks. A consultation on the Revised Legacy Corporation Local Plan is taking place at the same time and you can find out more about this on the Legacy Corporation website **www.queenelizabetholympicpark.co.uk/local-plan-review** 

After this consultation the Legacy Corporation will assess the responses to this consultation and consider whether any changes are required to the proposed CIL charges. A further consultation will then take place for a minimum of four weeks, after which an independent Examiner will be appointed to carry out an Examination of the revised draft CIL Charging Schedule. The Examiner will recommend whether the CIL Charging Schedule can be approved, rejected or approved with specified modifications.

## HOW TO MAKE YOUR REPRESENTATION

You will need to make your representation in writing to the Legacy Corporation by the end of the consultation period in one of the following ways:

- Using the Consultation Portal: Ildcplan.commonplace.is
- By returning the attached form by email to the following email address: cilands106@londonlegacy.co.uk
- In writing, using the attached form to:
   CIL Preliminary Draft Charging Schedule Consultation, Planning Policy & Decisions Team,
   London Legacy Development Corporation, Level 10, 1 Stratford Place, Montfichet Road,
   London E20 1EJ

Responses must be received no later than 5pm on 17th December 2018.

## HOW YOUR INFORMATION WILL BE USED

Due to the process of having an Independent Examination, the Legacy Corporation is required by law to make any information and/or responses publicly available and so they are not confidential. Names, company names and associated comments submitted as part of the formal consultation process (whether online, by email or in hard copy) will be made publicly available on the Legacy Corporation's Consultation Portal. The Legacy Corporation may share your personal details and responses with their professional advisors involved with the Local Plan Review and also in due course with the Independent Examiner and other relevant authorities. Your personal details will be used solely in connection with the Local Plan Review process and Examination and except as set out above, the Legacy Corporation will not share personal information with other third parties or publish the personal information provided by you when completing this form.

You can access details of our privacy policy at www.queenelizabetholympicpark.co.uk/privacy-policy

## CIL Preliminary Draft Charging Schedule Response Form



This form should be used to respond to the consultation on the Legacy Corporation CIL Preliminary Draft Charging Schedule.

## PART 1 – CONTACT INFORMATION

	Personal information	Agent details (where applicable)
Title	Miss	
Name		
Job title*	Sustainable Places Planning Advisor	
Company name or organisation*	Environment Agency	
Address	2 Marsham Street, 3rd floor, London, SW1P 4DF	
Telephone		

**NOTE:** where a response is made by an agent all communications will be with that agent unless subsequently notified otherwise.

If you would like to receive updates on the Local Plan or be consulted on other planning policy consultations please indicate below as appropriate:

I would like to receive notification of future consultations and receive updates on CIL or the Local Plan.  My preferred method of notification is (PLEASE TICK)							
Email:	<b>√</b>	Post: Post and email:					
I do not wish to re future consultatio (PLEASE TICK)	eceive any further n n or updates on CIL	otification of or the Local Plan					

## PART 2 – RESPONSE

Please use the following questions and response boxes in order to respond to this consultation.

1. Do you have any comments on the Preliminary Draft Charging So	:hedule Document?
2. Do you have any comments on the proposed charging rates in the	e Schedule?
3. Do you have any comments on the Infrastructure Delivery Plan o	r the projects listed within it?
Please see separate sheets below for comments	
4. Do you have any comments on which projects in the Infrastructuof timing and in terms of funding through CIL?	re Delivery Plan should be prioritised in terms
5. Do you have any comments on the methodology or conclusions	of the Viability Study?
6. Are there are any other comments you would like to add to thos	e made above?
FOR OFFICE USE ONLY (do not write in the boxes below)	
REPRESENTOR NUMBER	
ASSIGNED REPRESENTATION NUMBER	

Please continue on a separate sheet if necessary.

We welcome the inclusion of Hackney Wick and Hackney Marshes Flood alleviation and habitat enhancement on the draft list of identified infrastructure delivery plan projects. Within the LLDC Boundary, two key water bodies; the Lee (Tottenham Locks to Bow Locks/Three Mills Locks) and Regents Canal, lower section. We have included below opportunities which have been identified to help these water bodies achieve Good Ecological Potential under the Water Framework Directive (WFD). These projects would provide multiple benefits, including enhancing local green infrastructure, aesthetically pleasing space and flood alleviation. Please note, all values provided here are a rough guided estimation and should not be taken as a final evaluation.

The table below identifies relevant to Hackney Wick and Hackney Marshes Flood alleviation and habitat enhancement (Project 114 of Appendix 9: Draft Infrastructure Delivery Plan Project List).

WATERBODY NAME	STATUS	DESCRIPTION	TOTAL COST VALUE	OPERATIONAL COST VALUE	CAPITAL COST VALUE	NGR	EASTING	NORTHING	EXTENT LENGTH KM
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Improve floodplain connectivity with Hackney Marshes (1.1km)	£72,726	0	72726	TQ3601486329	536014	186329	1.1
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Improve floodplain connectivity with Walthamstow Marshes (900m)	£68,387	0	68387	TQ3480787581	534807	187581	0.89
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Improve floodplain connectivity with Wick Field (360m)	£18,223	0	18223	TQ3668885460	536688	185460	0.36

We have identified the following projects that relate to strategic flood mitigation options and surface water flooding mitigation (Projects 115 and 116 of Appendix 9: Draft Infrastructure Delivery Plan Project List).

WATERBODY NAME	STATUS	DESCRIPTION	TOTAL COST VALUE	OPERATIONAL COST VALUE	CAPITAL COST VALUE	NGR	EASTING	NORTHING	EXTENT LENGTH KM
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Develop and implement a catchment wide urban drainage strategy	0		0				
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Promote the use of SUDS to mitigate the effects of urban runoff into the Lee (Tottenham Locks to Bow Locks/Three Mills Lock).			20000				

Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Planting along artifcial channel banks to bring back marginal aquatic habitat (Whole Water Body)	104625		104625				
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Manage riparian and marginal vegetation to create more diverse habitats (8km)	222363	0	222363	TQ3819482226	538194	182226	7.97

We have also identified the follow projects that would provide multiple benefits to green infrastructure and flood alleviation, and therefore should be considered for the infrastructure delivery plan projects list.

WATERBODY	STATUS	DESCRIPTION	TOTAL	OPERATIONAL	CAPITAL	NGR	EASTING	NORTHING	EXTENT
NAME	SIAIUS	DESCRIPTION	VALUE	COST VALUE	VALUE	NGR	EASTING	NORTHING	LENGTH KM
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Incorporate diffuse pollution improvements (Whole Water Body)							
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Improve the drainage from the A12 (Whole Water Body)							
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Improve the drainage from the A406 (Whole Water Body)							
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Resolve the low flow issues (Whole Water Body)							
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Eradicate floating pennywort	112500						
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Improve highway runoff management							
Lee (Tottenham Locks to Bow	Heavily Modified	In channel habitat enhancement in association with the development	1149137	0	1149137	TQ3566989752	535669	189752	0.7

						1		1	
Locks/Three Mills Locks)		of Blackhorse Lane (700m)							
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Soft engineering solution from South Access Road (200m)	24340		24340		536103	188118	0.2
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Replace hard engineering with soft engineering solution including reedbed habitat (300m)	36000	0	36000	TQ3588288270	535882	188270	0.3
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Soft engineering solution from near High Maynard reservoir (1.2km)	112000	0	112000	TQ3566989752	535669	189752	1.2
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Soft engineering solution from near Gillender Street (7.2km)	2250000	0	2250000	TQ3819482226	538194	182226	7.19
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Remove timber board weir on Dagenham Brook			22500				22500
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	In channel habitat enhancement integrating to Leyton Jubilee Park (1.5km)	115000	0	115000	TQ3687087358	536870	187358	1.5
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	In channel habitat enhancement adjacent to Primary School (100m)	15000	0	15000	TQ3654687896	536546	187896	0.1
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	In channel habitat enhancement through Low Hall/St James Park (300m)	35000		35000		535882	188270	0.3
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Invasive species awareness raising/education campaign (Whole Water Body)			50000				50000
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Increase awareness of the 'preventative approach' for invasive species (Whole Water Body)			50000				50000
Lee (Tottenham Locks to	Heavily Modified	In channel habitat enhancement through North	50000	0	50000	TQ3610388118	536103	188118	0.1

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Bow Locks/Three Mills Locks)		Olympic Fringe development site (100m)							
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Soft engineering solution from near Tudor Court (100m)	0	0	0	TQ3654687896	536546	187896	0.1
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Soft engineering solution from near Leyton Orient Football Ground (1.2km)	0	0	0	TQ3687087358	536870	187358	1.18
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Install fish pass at Lea Bridge Weir			230000				230000
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Educate landowners and riparian users on preventing the spread of invasive species							20000
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Restore tidal creek habitats upstream of Three Mills Lock to Lea Bridge weir (5 km)					535649	186570	5
Lee (Tottenham Locks to Bow Locks/Three Mills Locks)	Heavily Modified	Replace hard engineering with soft engineering solution from Lea Bridge to Three Mills Lock (5 km)					535649	186570	5
Regents Canal, lower section	Artificial	Renaturalise banks and carry out riparian planting where possible. (Whole Water Body)	5557499		5557499				
Regents Canal, lower section	Artificial	Manage riparian and emergent vegetation to create more diverse habitats. (Whole Water Body)	1566900		1566900				
Regents Canal, lower section	Artificial	Install awareness raising/information boards on invasive species (Whole Water Body)			20000				20000
Regents Canal, lower section	Artificial	Educate recreational users of Regents Canal (Lower Section) on protection of ecology and invasive sp							20000



## CIL DRAFT CHARGING SCHEDULE GUIDANCE NOTE AND RESPONSE FORM

(STATEMENT OF REPRESENTATION PROCEDURE)

## INTRODUCTION

References in this document to a "Regulation" is to a regulation of the Community Infrastructure Levy Regulations 2010 (as amended) ("CIL Regulations").

This document contains guidance as to how you can make representations on the Legacy Corporation's Draft Community Infrastructure Levy Charging Schedule and is a "statement of the representations procedure" as required by Regulation 16.

## WHAT IS REGULATION 16 CONSULTATION?

The Legacy Corporation undertook an initial consultation on its revised CIL Charging Schedule between 5 November and 17 December 2018 (known as the Preliminary Draft Charging Schedule) as required by Regulation 15. Comments made in response to that consultation have been considered and the CIL Regulations require that a second consultation is undertaken (Regulation 16). This provides another opportunity to comment on the proposed new CIL charging rates as set out in the Draft Charging Schedule and the evidence that has been published to support this. You can find out more about CIL on the GOV.UK website www.gov.uk/guidance/ community-infrastructure-levy

## WHY IS THE CIL CHARGING SCHEDULE BEING REVIEWED?

National planning guidance states that CIL charging authorities should keep their CIL charging schedules under review to ensure that they remain appropriate over time, taking account of changes in market conditions, and remain relevant to the funding gap for the infrastructure needed to support the development of the area.

### WE WANT TO HEAR YOUR VIEWS

This consultation provides the opportunity to comment on the proposed CIL charging rates set out in the Draft Charging Schedule and the evidence that is required to support it. This evidence has been prepared to demonstrate the economic viability impacts of the charging schedule on development within the area and of the need to fund infrastructure. The following documents have been published as part of this consultation:

- Draft Charging Schedule (January 2019)
- Regulation 15 Consultation Report (January 2019)
- Community Infrastructure Levy Update Viability Study (October 2018)
- Draft Infrastructure (Regulation 123) List (October 2018)
- Draft Infrastructure Delivery Plan Project List (October 2018)

The Legacy Corporation has also previously adopted a Planning Obligations Supplementary Planning Document to support its CIL Charging Schedule and which explains the relationship between CIL and S106 Planning Obligations within the Legacy Corporation area.

These documents can be found on the Legacy Corporation website using the following link www.queenelizabetholympicpark.co.uk/cil and can also be inspected in person at the Legacy Corporation office at the following address:

London Legacy Development Corporation Level 10, 1 Stratford Place, Montfichet Road, London. E20 1EJ. If arranging to inspect the documents in person it is advisable to contact the Planning Policy and Decisions Team in advance by telephoning 0203 288 1800 or by email at

cilands106@londonlegacy.co.uk

### WHAT HAPPENS NEXT

This consultation will run from 14th January to 15th February 2019. After this consultation an independent examiner will be appointed to carry out an examination of the Draft CIL Charging Schedule. The examiner will recommend whether the Draft CIL Charging Schedule can be approved, rejected or approved with specified modifications.

You may request in your representations or the Response Form the right to be heard at the independent examination.

## HOW TO MAKE YOUR REPRESENTATION

You will need to make your representation in writing to the Legacy Corporation by the end of the consultation period in one of the following ways:

- Using the Consultation Portal: Ildccil.commonplace.is
- By returning the response form by email to the following email address:
   cilands106@londonlegacy.co.uk
- In writing, using the response form to: CIL Draft Charging Schedule Consultation, Planning Policy & Decisions Team, London Legacy Development Corporation, Level 10, 1 Stratford Place, Montfichet Road, London E20 1EJ

Responses must be received no later than 5pm on Friday 15th February 2019.

You can request to be notified of the following by indicating this on the Response Form and/or in your representations and by including a postal or email address to which the notification can be sent:

- that the draft charging schedule has been submitted to the examiner in accordance with section 212 of the Planning Act 2008
- the publication of the recommendations of the examiner and the reasons for those recommendations, and
- the approval of the charging schedule by the charging authority.

## HOW YOUR INFORMATION WILL BE USED

Due to the process of having an independent examination, the Legacy Corporation is required by law to make any information and/or responses publicly available and so they are not confidential. Names, company names and associated comments submitted as part of the formal consultation process (whether online, by email or in hard copy) will be made publicly available on the Legacy Corporation's Consultation Portal. The Legacy Corporation may share your personal details and responses with their professional advisors involved with review of the CIL Charging Schedule and in due course with the independent examiner and other relevant authorities. Your personal details will be used solely in connection with the CIL Charging Schedule review process and examination and except as set out above, the Legacy Corporation will not share personal information with other third parties or publish the personal information provided by you when completing this form.

You can access details of our privacy policy at www.queenelizabetholympicpark.co.uk/privacy-policy





# CIL DRAFT CHARGING SCHEDULE RESPONSE FORM

This form should be used to respond to the consultation on the Legacy Corporation CIL Draft Charging Schedule (unless you are responding using the Consultation Portal).

## PART 1 - CONTACT INFORMATION

	Personal information	Agent details (where applicable)
Title	Mr	
Name		
Job title*	Senior Planning Officer	
Company name or organisation*	Port of London Authority	
Address	London River House Royal Pier Road Gravesend Kent DA12 2BG	
Telephone		
Email		

**NOTE:** where a response is made by an agent all communications will be with that agent unless subsequently notified otherwise.

If you would like to receive updates on the Local Plan or be consulted on other planning policy consultations please indicate below as appropriate:

I would like to receive notification of future consultations and receive updates on CIL or the Local Plan. My preferred method of notification is <b>(PLEASE TICK)</b>						
Email:	Post:  Post and email:					
	receive any furthe on or updates on ( CK)					

## **PART 2 - RESPONSE**

Please use the following questions and response boxes in order to respond to this consultation.

1. Do you have any comments on the proposed charging Schedule?	g rates in the CIL Draft Charging				
To confirm the Port of London Authority (PLA) has no comments to make on the London Legacy Development Corporation consultation on its Draft Charging Schedule Document as part of the Community Infrastructure Levy (Regulation 16).					
2. Do you have any comments on the methodology or co	onclusions of the Viability Study?				
No comments					
3. Do you have any other comments on the CIL Draft Ch	arging Schedule?				
No comments					
4. Do you have any comments on draft Infrastructure De it or the draft Infrastructure (Regulation 123) List?	elivery Plan or the projects listed within				
No comments					
5. Are there are any other comments you would like to	add to those made above?				
No comments					
Please indicate if you wish to be heard at the independent examination on this matter.					
FOR OFFICE USE ONLY (do not write in the boxes below)					
REPRESENTOR NUMBER					
ASSIGNED REPRESENTATION NUMBER					

Please continue on a separate sheet if necessary.







thameswaterplanningpolicy@savills.com



0118 9520 500

4 February 2019

## London Legacy Development Corporation – CIL Draft Charging Schedule

Dear Sir/Madam.

Thank you for allowing Thames Water to comment upon the above document.

As you will be aware, Thames Water are the statutory water and sewerage undertaker for the Corporation area and we have the following comments on the draft CIL Charging Schedule consultation in this context:

The Draft Charging Schedule Table sets out that it is proposed that Community Infrastructure Levy will be charged at a new rate of £20 for "All other uses". Thames Water object to this as it could cover essential water and wastewater/sewerage infrastructure.

Thames Water provide essential water and wastewater infrastructure in order to support growth and deliver environmental improvements. That infrastructure provision can incorporate the provision of buildings such as a new sewage pumping station or new water treatment building for example. The nature of such infrastructure buildings means that there is no impact on other forms of infrastructure requirements such as schools, open space and libraries. We therefore consider that water and wastewater infrastructure buildings should be exempt from payment of the Community Infrastructure Levy.

The purpose of the CIL is to raise funds from developers of new building projects to help fund infrastructure that is needed as a result of development. This includes transport schemes, flood defences, schools, hospitals and other health and social care facilities, parks, green spaces and leisure centres. However, water and wastewater infrastructure is also essential to all new development. Such water and wastewater infrastructure provision is unlikely to put additional pressure on the above mentioned infrastructure.

Given the aim of new water or wastewater infrastructure buildings are to provide the infrastructure required to support growth or to deliver environmental improvements it is considered that charging the CIL on such water and wastewater developments would be unreasonable.

For the reasons set out above we consider that buildings required for water and wastewater infrastructure provision should be identified as being exempt from paying the CIL.

We trust the above is satisfactory, but please do not hesitate to contact me if you have any queries.



Head of Property



CIL DCS Consultation
Planning Policy & Decisions Team
London Legacy Development Corporation
1 Stratford Place
Montfichet Road
London E20 1EJ

Place Directorate Infrastructure Planning

www.towerhamlets.gov.uk

London Borough of Tower Hamlets Town Hall (Mulberry Place) PO Box 55739 London E14 2BG

Officer:	
Tel:	•
Email:	

February 2019

Dear Sir/Madam

London Legacy Development Corporation's (LLDC) CIL Draft Charging Schedule (DCS) Consultation

Thank you for engaging the London Borough of Tower Hamlets ('Council') as part of your review of the CIL Charging Schedule. The Council has a positive working relationship with the LLDC and look forward to continuing to partner together to support growth and infrastructure delivery.

In respect of the LLDC's DCS consultation, please see the Council's points below:

#### Indexation

The London Borough of Tower Hamlets has recently finished consulting on its own revised Draft Charging Schedule. By renewing our residential rate evidence we have been able to increase our rates in the areas of our Borough that abut the LLDC area. It may be worthwhile for the LLDC to explore their own residential evidence base with their viability consultants to ensure that they are maximising the amount of CIL that can be secured to meet local infrastructure needs.

#### 'All Other Uses' Category

The Council supports the introduction of a small charge of £20/m² for 'all other uses' as this will ensure miscellaneous use classes contribute financially towards infrastructure which they will benefit from in the longer term. Additionally, the Council supports the exclusion of education, healthcare and affordable workspace from being CIL liable as this will better enable the delivery of infrastructure in these key areas for the social and economic benefit of all residents.

#### Inclusion of 'Shared Living' in Residential Definition

The Council supports the proposal to include Shared Living/ Co-living and residential institutions (except hospitals), which would otherwise be classed as sui generis, within the definition of 'Residential' for CIL purposes.

#### Inclusion of "Commercial Offices"

The Council is in support of this inclusion, absorbing a sufficient rate for this use class. The growing demand for offices within the area of Stratford becoming a Metropolitan Centre should be taken in to consideration.

#### Draft Infrastructure Delivery Plan Project List

The Council supports, in principle, the projects set out in the IDP Project List. However, the Council notes that the Improvements to Bromley-by-Bow Underground Station (including new lifts) have been removed making it inconsistent with the previous iteration of the Project List. The Council requests that this project is reinstated.

The Council would also like to highlight that the Bromley-by-Bow Community Space and Cultural Facilities project no longer sets out the floorspace required (1,315m²). The Council encourages LLDC to consider whether the inclusion of a floorspace measurement would be beneficial in safeguarding and justifying sufficient floorspace for such facilities.

#### Planning Obligations SPD

The Council notes that LLDC intend to review their Planning Obligations SPD in the next couple of years. Tower Hamlets Council will also be reviewing their Planning Obligations SPD and we look forward to working together during this process.

The Council looks forward to continuing to work with LLDC in the future.

Yours sincerely

Infrastructure Planning Manager

# getliving

Publication Local Plan Consultation
Planning Policy & Decisions Team
London Legacy Development Corporation
Level 10
1 Stratford Place
Montfichet Road
London
E20 1EJ

Get Living
East Village
5 Celebration Avenue
East Village
London
E20 1DB

11 February 2019

By E-mail: <a href="mailto:cilands106@londonlegacy.co.uk">cilands106@londonlegacy.co.uk</a>

Dear Sir/Madam,

## Regulation 16 Consultation on the LLDC's Draft Community Infrastructure Levy (CIL) Draft Charging Schedule Representations by Get Living PLC

On behalf of Get Living PLC ("GL") I write in response to the Regulation 16 Consultation on the LLDC's Draft Community Infrastructure Levy ("CIL") Draft Charging Schedule.

Whilst Get Living PLC has no comment to make on the draft charging schedule itself, clarity is requested to Map 1 (page 5).

The boundary of the Stratford Retail Area appears to follow the Site Allocation SA3.1: Stratford Town Centre West boundary as shown in the adopted LLDC Local Plan (2015) (page 222) and the emerging draft LLDC Local Plan. This therefore shows that East Village (and, for the avoidance of doubt, all remaining development Plots, including Plots N18/N19 and N16) in its entirety sits entirely outside of the Stratford Retail area.

On the basis that Map 1 is not accurately drawn, this could give rise to ambiguity as to the precise boundary of the Stratford Retail Area, particularly as Site Allocation SA2.2: East Village of the adopted LLDC Local Plan (page 207) shows a slightly different (albeit small) boundary.

For the avoidance of doubt, Get Living PLC seeks to confirm that Plot N16 and N18/N19 of East Village fall outside of the Stratford Retail Area (as has been understood to be the case).

## getliving

Whilst not directly related to these representations, we note that several similar instances where Site Allocation boundaries (in so far as they relate to East Village) could give rise to ambiguity.

For the avoidance of doubt, we seek to confirm with the LLDC that East Village and all remaining development Plots, including Plots N18/N19) sit outside (albeit directly adjacent to and abutting) the Metropolitan Centre boundary and within the East Village Site Allocation (SA2.2) boundary.

I should be grateful if you would confirm receipt of the representations hereby enclosed and keep me informed of the next stages in the preparation of the draft Revised Local Plan.





## CIL DRAFT CHARGING SCHEDULE GUIDANCE NOTE AND RESPONSE FORM

(STATEMENT OF REPRESENTATION PROCEDURE)

#### INTRODUCTION

References in this document to a "Regulation" is to a regulation of the Community Infrastructure Levy Regulations 2010 (as amended) ("CIL Regulations").

This document contains guidance as to how you can make representations on the Legacy Corporation's Draft Community Infrastructure Levy Charging Schedule and is a "statement of the representations procedure" as required by Regulation 16.

## WHAT IS REGULATION 16 CONSULTATION?

The Legacy Corporation undertook an initial consultation on its revised CIL Charging Schedule between 5 November and 17 December 2018 (known as the Preliminary Draft Charging Schedule) as required by Regulation 15. Comments made in response to that consultation have been considered and the CIL Regulations require that a second consultation is undertaken (Regulation 16). This provides another opportunity to comment on the proposed new CIL charging rates as set out in the Draft Charging Schedule and the evidence that has been published to support this. You can find out more about CIL on the GOV.UK website www.gov.uk/guidance/ community-infrastructure-levy

## WHY IS THE CIL CHARGING SCHEDULE BEING REVIEWED?

National planning guidance states that CIL charging authorities should keep their CIL charging schedules under review to ensure that they remain appropriate over time, taking account of changes in market conditions, and remain relevant to the funding gap for the infrastructure needed to support the development of the area.

#### WE WANT TO HEAR YOUR VIEWS

This consultation provides the opportunity to comment on the proposed CIL charging rates set out in the Draft Charging Schedule and the evidence that is required to support it. This evidence has been prepared to demonstrate the economic viability impacts of the charging schedule on development within the area and of the need to fund infrastructure. The following documents have been published as part of this consultation:

- Draft Charging Schedule (January 2019)
- Regulation 15 Consultation Report (January 2019)
- Community Infrastructure Levy Update Viability Study (October 2018)
- Draft Infrastructure (Regulation 123) List (October 2018)
- Draft Infrastructure Delivery Plan Project List (October 2018)

The Legacy Corporation has also previously adopted a Planning Obligations Supplementary Planning Document to support its CIL Charging Schedule and which explains the relationship between CIL and S106 Planning Obligations within the Legacy Corporation area.

These documents can be found on the Legacy Corporation website using the following link www.queenelizabetholympicpark.co.uk/cil and can also be inspected in person at the Legacy Corporation office at the following address:

London Legacy Development Corporation Level 10, 1 Stratford Place, Montfichet Road, London. E20 1EJ. If arranging to inspect the documents in person it is advisable to contact the Planning Policy and Decisions Team in advance by telephoning 0203 288 1800 or by email at cilands106@londonlegacy.co.uk

#### WHAT HAPPENS NEXT

This consultation will run from 14th January to 15th February 2019. After this consultation an independent examiner will be appointed to carry out an examination of the Draft CIL Charging Schedule. The examiner will recommend whether the Draft CIL Charging Schedule can be approved, rejected or approved with specified modifications.

You may request in your representations or the Response Form the right to be heard at the independent examination.

## HOW TO MAKE YOUR REPRESENTATION

You will need to make your representation in writing to the Legacy Corporation by the end of the consultation period in one of the following ways:

- Using the Consultation Portal: Ildccil.commonplace.is
- By returning the response form by email to the following email address: cilands106@londonlegacy.co.uk
- In writing, using the response form to: CIL Draft Charging Schedule Consultation, Planning Policy & Decisions Team, London Legacy Development Corporation, Level 10, 1 Stratford Place, Montfichet Road, London E20 1EJ

Responses must be received no later than 5pm on Friday 15th February 2019.

You can request to be notified of the following by indicating this on the Response Form and/or in your representations and by including a postal or email address to which the notification can be sent:

- that the draft charging schedule has been submitted to the examiner in accordance with section 212 of the Planning Act 2008
- the publication of the recommendations of the examiner and the reasons for those recommendations, and
- the approval of the charging schedule by the charging authority.

## HOW YOUR INFORMATION WILL BE USED

Due to the process of having an independent examination, the Legacy Corporation is required by law to make any information and/or responses publicly available and so they are not confidential. Names, company names and associated comments submitted as part of the formal consultation process (whether online, by email or in hard copy) will be made publicly available on the Legacy Corporation's Consultation Portal. The Legacy Corporation may share your personal details and responses with their professional advisors involved with review of the CIL Charging Schedule and in due course with the independent examiner and other relevant authorities. Your personal details will be used solely in connection with the CIL Charging Schedule review process and examination and except as set out above, the Legacy Corporation will not share personal information with other third parties or publish the personal information provided by you when completing this form.

You can access details of our privacy policy at www.queenelizabetholympicpark.co.uk/privacy-policy





## CIL DRAFT CHARGING SCHEDULE RESPONSE FORM

This form should be used to respond to the consultation on the Legacy Corporation CIL Draft Charging Schedule (unless you are responding using the Consultation Portal).

## PART 1 - CONTACT INFORMATION

	Personal information	Agent details (where applicable)
Title	Mr	
Name		
Job title*	Executive Chairman	
Company name or organisation*	Get Living PLC	
Address	East Village 5 Celebration Avenue East Village London E20 1DB	
Telephone		
Email		

**NOTE:** where a response is made by an agent all communications will be with that agent unless subsequently notified otherwise.

If you would like to receive updates on the Local Plan or be consulted on other planning policy consultations please indicate below as appropriate:

I would like to receive notification of future consultations and receive updates on CIL or the Local Plan. My preferred method of notification is <b>(PLEASE TICK)</b>						
Email:	/	Post:	Post and email:			
I do not wish to receive any further notification of future consultation or updates on CIL or the Local Plan (PLEASE TICK)						

## **PART 2 - RESPONSE**

Please use the following questions and response boxes in order to respond to this consultation.

Do you have any comments on the proposed of Schedule?	charging rates in the CIL Draft Charging			
Please refer to accompanying cover letter				
2. Do you have any comments on the methodolo	ogy or conclusions of the Viability Study?			
Please refer to accompanying cover letter				
3. Do you have any other comments on the CIL D	Oraft Charging Schedule?			
Please refer to accompanying cover letter				
4. Do you have any comments on draft Infrastruit or the draft Infrastructure (Regulation 123)				
Please refer to accompanying cover letter				
5. Are there are any other comments you would	like to add to those made above?			
Please refer to accompanying cover letter				
Please indicate if you wish to be heard at the independent examination on this matter.				
FOR OFFICE USE ONLY (do not write in the boxes below)				
REPRESENTOR NUMBER				
ASSIGNED REPRESENTATION NUMBER				

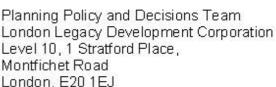
Please continue on a separate sheet if necessary.

#### DCS007

Date: 13 February 2019

Our ref: 270050

Your ref: CIL draft Charging Schedule



cilands106@londonlegacy.co.uk

BY EMAIL ONLY



Hornbeam House Crewe Business Park Electra Way Crewe Cheshire CW1 6GJ

T 0300 060 3900

Dear Sir or Madam

#### Community Infrastructure Levy (Regulation 16) - Draft Charging Schedule

Thank you for your consultation request on the above dated and received by Natural England on 11th January 2019.

Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.

Natural England does not consider that this CIL draft charging schedule poses any likely risk or opportunity in relation to our statutory purpose, and so does not wish to comment on this consultation.

The lack of comment from Natural England should not be interpreted as a statement that there are no impacts on the natural environment. Other bodies and individuals may wish to make comments that might help the Local Planning Authority (LPA) to fully take account of any environmental risks and opportunities relating to this document.

If you disagree with our assessment of this proposal as low risk, or should the proposal be amended in a way which significantly affects its impact on the natural environment, then in accordance with Section 4 of the Natural Environment and Rural Communities Act 2006, please consult Natural England again.

Yours faithfully

Consultations Team

**DCS008** 

# CIL PRELIMINARY DRAFT CHARGING SCHEDULE GUIDANCE NOTE AND RESPONSE FORM



Community Infrastructure Regulations 2010 (as amended) – Regulation 15 Consultation

## WHAT IS REGULATION 15 CONSULTATION?

Regulation 15 consultation is the first of two consultations that are required when reviewing a Community Infrastructure Levy (CIL) Charging Schedule. This provides an initial opportunity to comment on the proposed new CIL charging rates and the evidence that has been published to support this. 'The Regulations' are the Community Infrastructure Levy Regulations 2010 (as amended). You can find out more about CIL on the GOV.UK website <a href="www.gov.uk/guidance/community-infrastructure-levy">www.gov.uk/guidance/community-infrastructure-levy</a>

## WHY IS THE CIL CHARGING SCHEDULE BEING REVIEWED?

The Community Infrastructure (CIL) regulations require that existing CIL rates are regularly reviewed to ensure that they remain appropriate over time, taking account of changes in market conditions and remain relevant to the funding gap for the infrastructure needed to support the development of the area.

## WE WANT TO HEAR YOUR VIEWS

This consultation provides the opportunity to comment on the proposed new CIL charging rates and the evidence that is required to support it. This evidence has been prepared to demonstrate the economic viability impacts of the charging schedule on development within the area and of the need to fund infrastructure. The following documents have been published as part of this consultation:

- Preliminary Draft Charging Schedule (October 2018)
- Community Infrastructure Levy Update Viability Study (October 2018)
- Draft Infrastructure (Regulation 123) List (October 2018)
- Draft Infrastructure Delivery Plan Project List (October 2018)

The Legacy Corporation has also previously adopted a Planning Obligations Supplementary Planning Document to support its CIL Charging Schedule and explain the relationship between CIL and S106 Planning Obligations within the Legacy Corporation Area. These documents can be found on the Legacy Corporation website using the following link www.queenelizabetholympicpark.co.uk/planning-authority/planning-policy/community-infrastructure-levies

## WHAT HAPPENS NEXT

This consultation will run for a period of six weeks. A consultation on the Revised Legacy Corporation Local Plan is taking place at the same time and you can find out more about this on the Legacy Corporation website **www.queenelizabetholympicpark.co.uk/local-plan-review** 

After this consultation the Legacy Corporation will assess the responses to this consultation and consider whether any changes are required to the proposed CIL charges. A further consultation will then take place for a minimum of four weeks, after which an independent Examiner will be appointed to carry out an Examination of the revised draft CIL Charging Schedule. The Examiner will recommend whether the CIL Charging Schedule can be approved, rejected or approved with specified modifications.

## HOW TO MAKE YOUR REPRESENTATION

You will need to make your representation in writing to the Legacy Corporation by the end of the consultation period in one of the following ways:

- Using the Consultation Portal: Ildcplan.commonplace.is
- By returning the attached form by email to the following email address: cilands106@londonlegacy.co.uk
- In writing, using the attached form to:
   CIL Preliminary Draft Charging Schedule Consultation, Planning Policy & Decisions Team,
   London Legacy Development Corporation, Level 10, 1 Stratford Place, Montfichet Road,
   London E20 1EJ

Responses must be received no later than 5pm on 17th December 2018.

## HOW YOUR INFORMATION WILL BE USED

Due to the process of having an Independent Examination, the Legacy Corporation is required by law to make any information and/or responses publicly available and so they are not confidential. Names, company names and associated comments submitted as part of the formal consultation process (whether online, by email or in hard copy) will be made publicly available on the Legacy Corporation's Consultation Portal. The Legacy Corporation may share your personal details and responses with their professional advisors involved with the Local Plan Review and also in due course with the Independent Examiner and other relevant authorities. Your personal details will be used solely in connection with the Local Plan Review process and Examination and except as set out above, the Legacy Corporation will not share personal information with other third parties or publish the personal information provided by you when completing this form.

You can access details of our privacy policy at www.queenelizabetholympicpark.co.uk/privacy-policy

## CIL Preliminary Draft Charging Schedule Response Form



This form should be used to respond to the consultation on the Legacy Corporation CIL Preliminary Draft Charging Schedule.

## PART 1 – CONTACT INFORMATION

	Personal information	Agent details (where applicable)
Title	Mr	
Name		
Job title*	Planning Manager	
Company name or organisation*	Sport England	
Address	Sport England 1st Floor 21 Bloomsbury Street London WC1B 3HF	
Telephone		
Email		

**NOTE:** where a response is made by an agent all communications will be with that agent unless subsequently notified otherwise.

If you would like to receive updates on the Local Plan or be consulted on other planning policy consultations please indicate below as appropriate:

I would like to receive notification of future consultations and receive updates on CIL or the Local Plan. My preferred method of notification is (PLEASE TICK)					
Email:	<b>√</b>	Post:		Post and email:	
I do not wish to receive any further notification of future consultation or updates on CIL or the Local Plan (PLEASE TICK)					

## PART 2 – RESPONSE

Please use the following questions and response boxes in order to respond to this consultation.

1. Do you have any comments on the Preliminary Draft Cl	harging Schedule Document?
The Preliminary Draft Charging Schedule states that the charging rates for education de made available to the local community outside school hours which is vital in many areas demands on land. The proposal, therefore, to charge a nil rate for education facilities is centres, to pay CIL but the Preliminary Draft Charging Schedule would appear to require developments to pay CIL could have considerable negative implications on schemes co the Mayors direction of travel, to achieve active and healthy communities. Sport Englandelisure and recreation facilities being required to pay CIL and would seek that such developments.	s to meet the sporting needs of a community where there are many competing welcomed. However, it is rarely viable for community sports facilities, such as leisure e sport, leisure and recreation development to pay the levy. The requirement for such ming forward and therefore compromising DCMS and Sport England's strategies, and d therefore object to the Preliminary Draft Charging Schedule's requirement for sport,
2. Do you have any comments on the proposed charging	rates in the Schedule?
3. Do you have any comments on the Infrastructure Delive	ery Plan or the projects listed within it?
4. Do you have any comments on which projects in the In of timing and in terms of funding through CIL?	frastructure Delivery Plan should be prioritised in terms
5. Do you have any comments on the methodology or cor	nclusions of the Viability Study?
6. Are there are any other comments you would like to ac	ld to those made above?
FOR OFFICE USE ONLY (do not write in the boxes below)	
REPRESENTOR NUMBER	
ASSIGNED REPRESENTATION NUMBER	

Please continue on a separate sheet if necessary.



## CIL DRAFT CHARGING SCHEDULE GUIDANCE NOTE AND RESPONSE FORM

(STATEMENT OF REPRESENTATION PROCEDURE)

## INTRODUCTION

References in this document to a "Regulation" is to a regulation of the Community Infrastructure Levy Regulations 2010 (as amended) ("CIL Regulations").

This document contains guidance as to how you can make representations on the Legacy Corporation's Draft Community Infrastructure Levy Charging Schedule and is a "statement of the representations procedure" as required by Regulation 16.

## WHAT IS REGULATION 16 CONSULTATION?

The Legacy Corporation undertook an initial consultation on its revised CIL Charging Schedule between 5 November and 17 December 2018 (known as the Preliminary Draft Charging Schedule) as required by Regulation 15. Comments made in response to that consultation have been considered and the CIL Regulations require that a second consultation is undertaken (Regulation 16). This provides another opportunity to comment on the proposed new CIL charging rates as set out in the Draft Charging Schedule and the evidence that has been published to support this. You can find out more about CIL on the GOV.UK website www.gov.uk/guidance/ community-infrastructure-levy

## WHY IS THE CIL CHARGING SCHEDULE BEING REVIEWED?

National planning guidance states that CIL charging authorities should keep their CIL charging schedules under review to ensure that they remain appropriate over time, taking account of changes in market conditions, and remain relevant to the funding gap for the infrastructure needed to support the development of the area.

#### WE WANT TO HEAR YOUR VIEWS

This consultation provides the opportunity to comment on the proposed CIL charging rates set out in the Draft Charging Schedule and the evidence that is required to support it. This evidence has been prepared to demonstrate the economic viability impacts of the charging schedule on development within the area and of the need to fund infrastructure. The following documents have been published as part of this consultation:

- Draft Charging Schedule (January 2019)
- Regulation 15 Consultation Report (January 2019)
- Community Infrastructure Levy Update Viability Study (October 2018)
- Draft Infrastructure (Regulation 123) List (October 2018)
- Draft Infrastructure Delivery Plan Project List (October 2018)

The Legacy Corporation has also previously adopted a Planning Obligations Supplementary Planning Document to support its CIL Charging Schedule and which explains the relationship between CIL and S106 Planning Obligations within the Legacy Corporation area.

These documents can be found on the Legacy Corporation website using the following link www.queenelizabetholympicpark.co.uk/cil and can also be inspected in person at the Legacy Corporation office at the following address:

London Legacy Development Corporation Level 10, 1 Stratford Place, Montfichet Road, London. E20 1EJ. If arranging to inspect the documents in person it is advisable to contact the Planning Policy and Decisions Team in advance by telephoning 0203 288 1800 or by email at

cilands106@londonlegacy.co.uk

### WHAT HAPPENS NEXT

This consultation will run from 14th January to 15th February 2019. After this consultation an independent examiner will be appointed to carry out an examination of the Draft CIL Charging Schedule. The examiner will recommend whether the Draft CIL Charging Schedule can be approved, rejected or approved with specified modifications.

You may request in your representations or the Response Form the right to be heard at the independent examination.

## HOW TO MAKE YOUR REPRESENTATION

You will need to make your representation in writing to the Legacy Corporation by the end of the consultation period in one of the following ways:

- Using the Consultation Portal: Ildccil.commonplace.is
- By returning the response form by email to the following email address:
   cilands106@londonlegacy.co.uk
- In writing, using the response form to: CIL Draft Charging Schedule Consultation, Planning Policy & Decisions Team, London Legacy Development Corporation, Level 10, 1 Stratford Place, Montfichet Road, London E20 1EJ

Responses must be received no later than 5pm on Friday 15th February 2019.

You can request to be notified of the following by indicating this on the Response Form and/or in your representations and by including a postal or email address to which the notification can be sent:

- that the draft charging schedule has been submitted to the examiner in accordance with section 212 of the Planning Act 2008
- the publication of the recommendations of the examiner and the reasons for those recommendations, and
- the approval of the charging schedule by the charging authority.

## HOW YOUR INFORMATION WILL BE USED

Due to the process of having an independent examination, the Legacy Corporation is required by law to make any information and/or responses publicly available and so they are not confidential. Names, company names and associated comments submitted as part of the formal consultation process (whether online, by email or in hard copy) will be made publicly available on the Legacy Corporation's Consultation Portal. The Legacy Corporation may share your personal details and responses with their professional advisors involved with review of the CIL Charging Schedule and in due course with the independent examiner and other relevant authorities. Your personal details will be used solely in connection with the CIL Charging Schedule review process and examination and except as set out above, the Legacy Corporation will not share personal information with other third parties or publish the personal information provided by you when completing this form.

You can access details of our privacy policy at www.queenelizabetholympicpark.co.uk/privacy-policy





# CIL DRAFT CHARGING SCHEDULE RESPONSE FORM

This form should be used to respond to the consultation on the Legacy Corporation CIL Draft Charging Schedule (unless you are responding using the Consultation Portal).

## PART 1 - CONTACT INFORMATION

	Personal information	Agent details (where applicable)
Title		Ms
Name		
Job title*		Associate
Company name or organisation*		Savills
Address		33 Margaret Street, London W1G 0JD
Telephone		
Email		

**NOTE:** where a response is made by an agent all communications will be with that agent unless subsequently notified otherwise.

If you would like to receive updates on the Local Plan or be consulted on other planning policy consultations please indicate below as appropriate:

I would like to receive notification of future consultations and receive updates on CIL or the Local Plan. My preferred method of notification is <b>(PLEASE TICK)</b>					
Email:	<b>\</b>	Post:		Post and email:	
I do not wish to receive any further notification of future consultation or updates on CIL or the Local Plan (PLEASE TICK)					

## **PART 2 - RESPONSE**

Please use the following questions and response boxes in order to respond to this consultation.

1. Do you have any comments on the proposed charging rates in the CIL Draft Charging Schedule?			
Please refer to enclosed covering letter			
2. Do you have any comments on the methodolo	gy or conclusions of the Viability Study?		
Please refer to enclosed covering letter			
3. Do you have any other comments on the CIL E	Oraft Charging Schedule?		
Please refer to enclosed covering letter			
4. Do you have any comments on draft Infrastruit or the draft Infrastructure (Regulation 123)			
Please refer to enclosed covering letter			
5. Are there are any other comments you would	like to add to those made above?		
Please refer to enclosed covering letter			
Please indicate if you wish to be heard at the independent examination on this matter.			
FOR OFFICE USE ONLY (do not write in the boxes below)			
REPRESENTOR NUMBER			
ASSIGNED REPRESENTATION NUMBER			

Please continue on a separate sheet if necessary.

17th December 2018 MSBL421834 - Barbers Road (Legacy Wharf Phase 3)



CIL Preliminary Draft Charging Schedule Consultation Planning Policy & Decisions Team London Legacy Development Corporation Level 10 1 Stratford Place Montfitchet Road London E20 1EJ



Unex House 132-134 Hills Road Cambridge CB2 8PA T: +44 (0) 1223 347 000 savills.com

Sent via email - cilands106@londonlegacy.co.uk

Dear Sir/ Madam

## London Legacy Development Corporation Preliminary Draft Charging Schedule Consultation representation submitted on behalf of Bellway Homes (Thames Gateway)

This representation has been prepared by Savills (UK) Limited (hereafter "Savills") on behalf of Bellway Homes (Thames Gateway) (hereafter "Bellway"). It is made in respect of the London Legacy Development Corporation (hereafter "LLDC") updated Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule (PDCS) and its viability evidence base document prepared by BNP Real Estate Paribas (hereafter "BNP") 1 for the LLDC. The Council are consulting on their PDCS between 5th November 2018 and 17th December 2018.

#### **Background**

- 1.1 Our client, Bellway, is a major national housebuilder, with considerable expertise in delivering homes that people want to live in. Bellway is committed to developing the sites which they own as soon as they can, and have a track record of working in some of London's key regeneration areas, including sites within the LLDC area. Bellway are currently building out Phase 1 of Legacy Wharf on Cooks Road, Pudding Mill which is the first land parcel to come forward on the Island.
- 1.2 In addition, they own neighbouring Phase 2 of Legacy Wharf, and are in the process of purchasing Phase 3 on the neighbouring site at Barbers Road, for which two full planning applications will soon be

<sup>&</sup>lt;sup>1</sup> London Legacy Development Corporation: Community Infrastructure Levy Update Viability Study (October 2018)





submitted for a major mixed use redevelopment. Further demonstrating their commitment to the changing landscape in the LLDC, Bellway are relocating their Thames Gateway offices from a business park in Orpington to the B1a floorspace approved in Phase 1 in 2019. Additionally, Bellway has delivered a number of very high quality mixed use redevelopment schemes in other parts of London and the South East.

- 1.3 LLDC first adopted a CIL charging schedule on 29th January 2015 with implementation from the 6th April 2015. The Charging Authority's CIL charge is levied in tandem with the London Mayoral CIL (MCIL1) which was first adopted in April 2012. At present, £60 per square metre is charged on new floorspace for all residential development., and there is no charge for new business floorspace (Use Classes B1 B8).
- 1.4 The Mayor is currently consulting on a proposed MCIL2 Charging Schedule with a provisional target for adoption in April 2019. MCIL2 proposes a single rate of £60 per square metre for the whole of the Legacy Corporation area.
- 1.5 Given Bellway's interest within the SA4.3 site allocation, this representation specifically relate to the proposed CIL rates for residential and employment floorspace outside of Stratford (Use Class B1-B8), education, healthcare and affordable workspace, therefore to be captured under 'all other uses' as shown in **Table 1** below:

Table 1 – Proposed Updated CIL Charging rates

Development Type	Exclusive of Mayoral CIL
Residential (C3 and C4)	£73.90
All other uses except education, healthcare and affordable workspace	£20

Source: LLDC PDCS (October 2018)

#### **Purpose**

- 1.6 The purpose of this representation is to set out Bellway's concerns in regards to the proposed revised and new CIL rates for LLDC alongside requesting that further evidence be provided in regards to the approach to the viability testing and proposed rates.
- 1.7 The desirability of funding from CIL is a key test of the Regulations. The purpose of CIL is to facilitate the delivery of development, including new housing to meet the key National Planning Policy



Framework (NPPF)<sup>2</sup> objective to significantly boost the supply of housing. The NPPF provides perspective on how desirable CIL funding may or may not be, in relation to the range of legal and planning mechanisms available to secure infrastructure delivery.

- 1.8 Bellway would like to highlight that they are supportive of the principle of CIL and recognise the significant infrastructure that the levy has contributed towards to date. The objective of this representation is therefore not to oppose CIL; it merely seeks to ensure a reasonable rate, based on the evidence, and a collective interest to deliver well planned, viable and feasible development across LLDC.
- 1.9 In submitting this representation, Bellway is only commenting on particular key areas of the viability issues and approach to the proposed CIL residential and 'all other uses' rates. The lack of reference to other parts of the evidence base cannot be taken as agreement with them and Bellway reserves the right to make further comments upon the evidence base at the Draft Charging Schedule stage.
- 1.10 Section 211 (7a) of the Planning Act (as amended), requires Councils to use "appropriate available evidence" to inform their Charging Schedules. In the case of the PDCS, we have assumed the Council has relied upon the Viability Review³ produced by BNP as their "appropriate available evidence". We have critically examined the report as part of this representation to determine if the proposed updated CIL PDCS Charging Schedule has sufficiently met the requirements of Section 211 (7a) in preparing the proposed rates.

#### Legislation

1.11 It should be noted that this representation is made in the context of the Community Infrastructure Levy Regulations 2010 (as amended) ("the Regulations") and relevant statutory guidance<sup>4</sup>. The most recent amendments to the Regulations and associated guidance came in to force on 9<sup>th</sup> February 2018. The CIL consultation will therefore be subject to the requirements of these latest set of Regulations and Guidance.

#### Overview

1.12 Savills has been asked on behalf of Bellway to review the available evidence, the approach to viability testing and the proposed revised Charging Schedule. The objective is therefore to ensure a reasonable

<sup>&</sup>lt;sup>2</sup> Communities and Local Government, National Planning Policy Framework, March 2012

<sup>&</sup>lt;sup>3</sup> LLDC Community Infrastructure Levy Update Viability Study prepared by BNP Paribas Real Estate (October 2018)

<sup>4</sup> April 2014 (as amended)



rates of CIL are proposed, which allows for the policy requirements for sustainability and affordable housing, and anticipated residual Section 106/278 and other site specific infrastructure.

- 1.13 We have split our response in to the following Sections:
  - Part 1 Planning Overview;
  - Part 2 Approach to Viability;
  - Part 3 Interpretation of Results;
  - Conclusions Overview of key concerns and proposed CIL rates.

#### Part 1 – LLDC Local Plan Overview and Housing Delivery

- 1.14 LLDC's Local Plan guides development within its authoritative area. The Local Plan consists of the following documents:
  - Legacy Development Corporation Local Plan 2015-2031 (July 2015).
- 1.15 Local planning policies in the borough are guided by the London Plan (2016) which provides the regional planning policies for LLDC. All local planning policies must be consistent with the London Plan. The London Plan was originally adopted in 2011 and has been consolidated with alterations up to March 2016, revisions of which included an increased annual housing target across London.

#### **Emerging Policy**

- 1.16 The Mayor of London is currently undertaking steps to put in place a new (replacement) London Plan. This draft new London Plan was first consulted upon between December 2017 and March 2018, and minor modifications were released in August 2018. The document will then undergo examination in public by independent inspectors in the new year before adoption in late 2019.
- 1.17 LLDC is currently undertaking a review into its Local Plan. LLDC has prepared and published the revised draft Local Plan for consultation under Regulation 19 of the Town and Country Planning Regulations 2012. This will run from Monday 5<sup>th</sup> November 2018 to Monday 17<sup>th</sup> December 2018. The LPA's latest Local Development Scheme (February 2017) estimates adoption of the Local Plan review in October 2019.
- 1.18 LLDC has a duty to prepare a Local Plan which includes sufficient strategic housing sites to meet identified housing needs. LLDC also intends to adopt a revised Charging Schedule which sets out CIL rates across the borough. It is therefore vital that the proposed CIL rates are set at an appropriate rate



so as not to threaten the deliverability of LLDC sites which would contribute to meeting LLDC's planned housing supply within the area.

#### Housing

- 1.19 The London Plan sets the borough targets for the minimum housing delivery over the period 2015 to 2025. The current annual target for London is 42,389 net additional homes. London Plan Policy 3.3 (Increasing Housing Supply) splits this by borough. The LLDC has a target of 14,711 dwelling completions over the ten-year period, which equates to an annual completion target of 1,471 units. Of key importance is the revised ten-year housing target in the draft London Plan for LLDC to deliver 21,610 homes, which equates to an annualised average of 2,161 homes. This is an increase on the adopted housing target by 690 dwellings annually.
- 1.20 Strategic Policy SP.2 within the LLDC adopted Local Plan replicates the London Plan minimum housing delivery targets. LLDC's local planning policy related to the delivery of affordable housing units is found within Policy H.2. This states that:

"Affordable housing will be maximised on sites capable of providing ten units or more, broken down as 60 per cent Affordable Rent and Social Rent, and 40 per cent intermediate. The following shall be considerations or maximising provision:

- 1. Identified needs and tenure requirements
- 2. Affordable housing targets and delivery rates
- 3. The need to facilitate development
- 4. Viability including phased viability re-appraisal".
- 1.21 The accompanying policy text at paragraph 5.13 identifies a minimum target of 35 per cent of affordable homes across the whole of the Legacy Corporation area. The affordable housing target identified is therefore 455 units per annum.
- 1.22 The emerging London Plan Policy H6 updates affordable housing policy across London. This includes Non-Designated Industrial Sites appropriate for residential uses. Part B of emerging policy H6 'Threshold approach to applications' states:

"The threshold level of affordable housing is initially set at:

A minimum of 35 per cent; or

1. 50 per cent for public sector land where there is no portfolio agreement with the Mayor;

or



- 50 per cent for Strategic Industrial Locations, Locally Significant Industrial Sites and Non-Designated Industrial Sites appropriate for residential uses in accordance with Policy E7 'Industrial intensification, co-location and substitution', where the scheme would result in a net loss of industrial capacity".
- 1.23 As a Non-Designated Industrial Site, the emerging policy as a starting point for negotiation will require the provision of 50% affordable housing on residential development proposals on allocated land at Pudding Mill. This is in addition to the proposed increases to CIL charges (as shown in **Table 1**). Combined, these requirements threaten both the viability and the deliverability of development proposals at Pudding Mill.

#### **Employment/ Non-residential Floorspace**

- 1.24 London Plan policy E7 'Intensification, co-location and substitution of land for industry, logistics and services to support London's economic function' supports mixed-use or residential development proposals on Non-Designated Industrial Sites where:
  - There is no reasonable prospect of the site being used for the industrial and related purposes; or
  - It has been allocated in an adopted local development plan document for residential or mixed-use development; or
  - 3. Industrial, storage, or distribution floorspace is provided as part of mixed-use intensification where this is feasible; or
  - 4. Suitable alternative accommodation is available in reasonable proximity to the development proposal and subject to relocation support arrangements for existing businesses before the commencement of new development.
- 1.25 The policy also states that mixed use development proposals on Non-Designated Industrial Sites which co-locate industrial, storage or distribution floorspace with residential and/or other uses are required to meet additional design criteria under part E(4) of the policy.
- 1.26 Furthermore, London Plan Policy E2 'Low-cost business space' also states that "Development proposals for new B1 business floorspace greater than 2,500sqm (gross external area), or a locally determined lower threshold in a local development plan document, should consider the scope to provide a proportion of flexible workspace suitable for micro, small and medium-sized enterprises".



1.27 LLDC's local planning policy related to the strengthening of the economy is found within Policy SP.1.

This states that:

"The Legacy Corporation will work with its partners to develop a strong local economy, driving the transformation of east London through:

- 1. Expansion of opportunities for local, national and international business and promotion of cultural, tourist and leisure expansion
- Supporting higher and further education expansion, including opportunities for postgraduate study and research, and promoting access to skills and employment training
- 3. Strengthening the local economic profile of the area, including support of flourishing business sectors and providing additional floorspace in a range of sizes, types and forms
- 4. Growth of the town centre economies through development of appropriate scale and use to each location and maximising opportunities for vibrant interim uses throughout the area".
- 1.28 Site Allocation Policy SA4.3 within both the local and emerging policy requires the delivery of 25% non-residential floorspace across the allocated area. This is likely to trigger the requirement the deliver affordable workspace under London Plan Policy E2. Unlike affordable housing, affordable workspace is not exempt from Mayoral CIL, and its delivery, in addition to the proposed CIL charges on employment space, is particularly onerous on developers.

#### Impact on LLDC's Housing Delivery

- 1.29 The most recent iteration of LLDC's Annual Monitoring Report (2017) ("the AMR") covers the period from 1st January 2017 to 31st December 2017. The purpose of the AMR is to set out performance progress against Local Plan key performance indicators; one of which is housing delivery against its adopted housing target.
- 1.30 **Figure 1**, below, taken from the AMR breaks down the delivery of housing within LLDC by planning permission. From Q1 to Q4 of 2017, LLDC managed to deliver only 753 units. This is just over 51% of the annual housing target. This is shown below:



Figure 1: Homes completed in LLDC 2017

Table 3 Homes completed in 2017	
Glasshouse Gardens (S7)	219
Chobham Manor Phase 1 remainder	94
10/02291/FUL 2-12 High Street	191
16/00298/PNCOU Queensway House	35
15/00164/FUL The River House, 3, Blaker Road	7
06/90011/FUMODA Stratford Edge , 80-92 High Street	202
13/00397/FUL Abbey Lane	5
	753

Source: LLDC AMR (2017)

- 1.31 LLDC has failed to meet their current housing targets over the last three years. This will increase the pressure on LLDC to meet future housing targets. This is especially relevant given the impending introduction of the Housing Delivery Test. On the basis of the sites currently being built out, LLDC expect to meet their 2018 targets.
- 1.32 Notwithstanding the above, if the emerging London Plan housing targets (annualised average of 2,161 dwellings) are extrapolated against the projected completions in the AMR, it is apparent that LLDC would fall well short of delivering its housing requirements. It is therefore key that LLDC maintain an 'appropriate balance' when seeking financial contributions. Therefore, the LPA should avoid setting the rates at such a level which would threaten the ability to deliver new, future homes in the borough.

#### Impact upon LLDC's Affordable Housing Delivery

- 1.33 LLDC has fallen grossly short of achieving its Local Plan affordable housing target of 455 per annum. The AMR states that only 74 affordable homes were completed in 2017. This equates to 22% of applicable schemes (i.e. over 10 units). This is a significant under delivery of affordable units and must be a significant consideration for the impact of increasing the CIL level.
- 1.34 Unlike affordable housing and other financial contributions, CIL is non-negotiable. In light of the underdelivery of affordable housing when considered against the current CIL Charging Schedule, any proposal to increase the adopted CIL rates must be considered carefully so as not to negatively impact upon the delivery of the Development Plan overall.
- 1.35 When assessing the viability of any proposed changes to CIL levels, this must be assessed in the context of the relevant Development Plan and the identified housing supply target. Where under-



delivery has occurred, this must be fully considered when proposing any adjustment to an adopted CIL Charging Schedule.

#### Impact upon the delivery of employment space

- 1.36 The AMR states that over 20,000 sqm of gross employment floorspace was permitted in 2017, however there was a net loss of 3,349sqm of B-class floorspace across the borough, owing in part to office to residential permitted development rights.
- 1.37 Approximately 42,142 sqm of employment space has been consented to within the area allocated under Policy SA.4.3. This relates to approximately 56% of the existing employment floorspace. Future proposals are therefore required to continue to provide employment floorspace to meet the cumulative policy requirement of 25% non-residential floorspace. The emerging Local Plan supports the delivery of affordable, flexible B1 business floorspace on development proposals greater than 2,500sqm. Unlike affordable housing, there is no relief on affordable employment floorspace which may adversely impact the viability of proposals for B1 floorspace. The proposed introduction of CIL rates, on top of the heightened MCIL rates should therefore be carefully considered to ensure that there is no negative impact on the delivery of employment floorspace both across the borough, but within the area allocated under Policy SA4.3.
- 1.38 These tables, along with the data included within the Council's AMR clearly indicates that the Council has fallen short of achieving its target of 50% affordable housing completion throughout the past six years, having only reached a figure of 20% on average across the borough. This is a significant under delivery of affordable units and must be a significant consideration for the impact of increasing the CIL level.
- 1.39 Unlike affordable housing and other financial contributions, CIL is non-negotiable. In light of the underdelivery of affordable housing when considered against the current CIL Charging Schedule, any proposal to increase the adopted LLDC CIL rates must be considered carefully so as not to negatively impact upon the delivery of the Development Plan overall.
- 1.40 When assessing the viability of any proposed changes to CIL levels, this must be assessed in the context of the relevant Development Plan and the identified housing supply target. Where underdelivery has occurred, this must be fully considered when proposing any adjustment to an adopted CIL Charging Schedule.



#### Regulation 123 List and Infrastructure Delivery

- 1.41 The Planning Act 2008 (as amended)<sup>5</sup> defines infrastructure as:
  - "(a) roads and other transport facilities,
  - (b) flood defences,
  - (c) schools and other educational facilities,
  - (d) medical facilities,
  - (e) sporting and recreational facilities, and
  - (f) open space."
- 1.42 Bellway considers it <u>imperative</u> that the evidence supporting CIL:
  - Clearly outlines the key infrastructure projects required to support development (this being a key test of the Regulations); and
  - Produces an up to date, consistent and well informed evidence base of economic viability in order to test various development typologies against CIL rates.
- 1.43 The Council is proposing to slightly amend the existing implemented Regulation 123 List in respect of the proposed revised Charging Schedule. The Council states that the List will be reviewed and updated regularly.
- 1.44 The implemented Regulation 123 List includes types of infrastructure that will or may be funded in whole or part by CIL. It is imperative that the allowance for Section 106 Agreements to be sought across residential and mixed-use development sites be realistic within the Viability testing.
- 1.45 Notwithstanding this, an appropriate balance needs to be struck between funding infrastructure and viability. We therefore suggest that the Council carefully considers the items which will remain sought through Section 106 Agreements to ensure that the proposed rates take into account policy requirements. Ultimately, there is a three way trade off with regard to CIL, Section 106 and affordable housing provision. If CIL is set too high and site specific infrastructure is necessary to bring a development forward, this often results in an adverse impact on affordable housing provision.

#### Part 2 – Approach to Viability

1.46 We have reviewed the Viability Review undertaken by BNP<sup>6</sup> and note that Viability testing has only been undertaken for office development and shared-living/ co-living appraisals. Bellway's concerns are in relation to their mixed-use scheme, therefore the rates applicable for residential and employment

<sup>&</sup>lt;sup>5</sup> Section 216, Planning & Compulsory Purchase Act 2008 (as amended)

<sup>6</sup> October 2018



floorspace falling within the 'all other uses' CIL charge. We note that BNP have not undertaken Viability testing for either of these planning uses and therefore query whether the approached to the increased and new rates is appropriate and justified by evidence as required by the regulations.

- 1.47 Site Allocation Policy SA4.3 represents a major regeneration of a brownfield site into a mixed-use development therefore there is likely to be significant demolition and remediation required. These site specific factors have therefore not been considered when proposing the increased rates.
- 1.48 We therefore advise that a range of hypothetical development scenarios are modelled, to include industry standard development appraisal assumptions, alongside site specific scenarios that may include additional abnormal costs to ensure all nature of sites are tested across LLDC and value areas that may come forward over the Plan Period.

#### Part 3 - Interpretation of Results

1.49 Within the Viability Study<sup>7</sup> we note that Table 7.11.1 compares the implemented rates with indexation and the proposed increased rates. It should be highlighted that it is not clear what indexation has been applied to the 'Indexed Rate' column.

Table 2 – Proposed CIL Charging rates

Development	Adopted Rate	Indexed	Proposed Rate	% Change
Туре		Rate		
Residential C3	£60	£73.90	£73.90	+23%
use classes				
All other uses	Nil	N/A	£20	N/A
except education				
and healthcare				
and Affordable				
Workspace				

Source: BNP Viability Study (October 2018)

1.50 **Table 2** clearly highlights the approach taken to the increased residential rates is not based upon viability testing. The rates have been proposed at the equivalent index linked rates. These rates are therefore not related to market industry assumptions – costs or values – and have not been justified as appropriate levels of the rates as required under the CIL Regulations. The proposed increased residential rates have not been tested on generic or site specific schemes that are likely to be delivered

<sup>&</sup>lt;sup>7</sup> Page 40, BNP (October 2018)



within LLDC during the Plan period. It is therefore not clear whether these schemes will be viable and therefore deliverable.

- 1.51 It is also clear that the Viability Study has not undertaken viability testing to the proposed 'all other uses' rate. We note that the Viability Study advises LLDC that 'they would be able to set a nominal rate of CIL on all other uses of say £20 square metre [which] is unlikely to be a significant factor in developers' decision making'. Bellway have fundamental concerns in regards to this approach in regards to setting a nominal rate and reiterate that the additional cost will have a significant impact on the decision making and viability of the scheme coming forward.
- 1.52 We therefore request that additional viability appraisals including site specific appraisals are provided, with policy compliant and industry standard assumptions adopted, for a more comprehensive analysis at the Draft Charging Schedule stage of the consultation.

#### **MCIL2 Consultation**

- 1.53 LLDC as a charging authority is required to have regard to the Mayoral CIL when setting its own CIL rate(s). The Legacy Corporation area covers parts of four London Boroughs, therefore the current Mayoral CIL is £20 per square in Newham and Waltham Forest and £35 per square metre in Hackney and Tower Hamlets. MCIL2 is currently under consultation with the new rates likely to be implemented in April 2019. MCIL2 rates for LLDC proposes a single rate for the whole Legacy Corporation area of £60 per square metre.
- 1.54 Paragraph 026 of the PPG sets out the relationship between local CIL and Mayoral CIL rates as follows: "The Mayor and the Boroughs should work closely in setting and running the Levy in London, through mutual co-operation and the sharing of relevant information. When they set their own levy, the London Boroughs must take into account any levy rates set by the Mayor. This is to ensure that rates are set in a way which retains viability across London for local and strategic infrastructure and allows both the boroughs and the Mayor to implement their development strategies. When setting their own levy rates, London boroughs must take into account any proposals for new Mayoral levy rates that have been published in a draft or preliminary draft charging schedule."
- 1.55 Within the MCIL2 Supporting Information document, we note that the proposed MCIL2 rates against the MCIL1 rates, indexed forecast to April 2019, as follows:



Table 3 - MCIL1 v MCIL2 rates - all development in Greater London\*

MCIL2	MCIL1 rate	MCIL1 rate at	MCIL2 rate	% change
bands	at April 2012	Q2 2019	from April	(MCIL2 to
	(£ / sq m)	(indexed/	2019 (£/ sq	indexed
		forecast)	m)	MCIL1 rates)
		(£/sq m)		
Band 2	35.00	45.67	60.00	+31
Band 3	20.00	25.68	60.00	+43

Source: JLL for the Mayor of London and TfL 2017/GLA 2017

- 1.56 **Table 3** highlights that the proposed rates for Band 2 and Band 3 areas are 31% and 43% respectively higher than where the MCIL1 rates were forecast to be by April 2019.
- 1.57 Cumulatively, the proposed increases to LLDC CIL, alongside the proposed revised MCIL2 is significant. This is particularly concerning in light of incorrect value assumptions being applied within the viability testing. Fundamentally, the increased costs to development may risk rendering residential development within certain areas of the Corporation unviable.
- 1.58 In the absence of an increased range of viability testing for the proposed updated residential rates, the potential impact of these increased rates across LLDC, alongside the increased MCIL2 rates, has not been tested. Bellway therefore reiterate the importance of undertaking thorough viability testing over a wide range of generic and site specific typologies to include both the revised Charging Schedule rates for LLDC and MCIL2 alongside policy compliant affordable housing requirements.

#### **Application of Buffer**

- 1.59 It has not been made clear whether consideration has been made for a viability 'buffer' when interpreting the viability evidence and proposing the new commercial rates.
- 1.60 Site specific circumstances mean that the economics of the development pipeline will vary across the area. This is inevitable given the varied nature of housing and mixed-use development land supply and costs associated with bringing forward development within high density, regeneration and brownfield land. It is therefore important to consider these factors when proposing 'one size fits all' rates across a significantly diverse area in terms of market and development characteristics.
- 1.61 Viability buffers are recommended within the CIL Regulation when calculating CIL rates using viability testing results. They are used to mitigate against fluctuations within the market to ensure that the rates

<sup>\*</sup>except for office, retail and hotel in Central London and Isle of Dogs, and for health and education in all of Greater London



are not set at the margins of viability. In times of political and economic uncertainty, changing market assumptions and expectations, alongside the historic under delivery of affordable housing within only 22% affordable housing units approved in 2016-2017 across the Borough, it is fundamental that additional leverage is allowed for within the proposed rates.

- 1.62 As we have highlighted, MCIL2 is proposing to significantly increase the rates across the Legacy Corporation area. The viability testing of MCIL2 rates would have been based upon the implemented LLDC Charging Schedule<sup>8</sup> and therefore the increased rates across both Charging Schedules risk reducing the viability buffer that is recommended to mitigate against micro and macro market fluctuations.
- 1.63 We would therefore strongly recommend that a **minimum** viability cushion of **40%** should be adopted and request that the Council confirms that this approach has been undertaken when justifying the proposed CIL Charging Schedule.

#### **Effective Operation of CIL - Instalments Policy**

1.64 We note that the Legacy Corporation has decided not to introduce its own instalment policy and to adopt the Mayor of London's instalment policy, as follows:

Table 4 - Mayor of London Instalments Policy

CIL Liability	Number of Instalments	Payments
£100,000 or less	None	Total amount payable within 60 days of commencement of
		development.
£100,001 or	Two	The greater of £100,000 or half the value of the total amount
more		payable within 60 days of commencement of development.
		The remainder within 240 days of commencement of
		development.

Source: London Legacy Development Corporation Preliminary Draft CIL Charging Schedule (October 2018)

1.65 We have reviewed this policy and suggest that, in light of the increased proposed rates across the LLDC and in conjunction with MCIL2 rates, the Charging Authority should consider an alternative instalments policy.

<sup>8</sup> LLDC Community Infrastructure Levy: Charging Schedule (Implemented January 2015)



- 1.66 Ultimately, developer cashflow is an important consideration, notably in respect of upfront infrastructure costs typically associated with strategic development. The Instalment Policy should aim to reflect, as closely as possible, the timing of delivery of the development, to ensure that the CIL does not put unnecessary pressure on cashflow and viability.
- 1.67 With this in mind Bellway suggests the instalments proposed reflect the length of the permission granted, with equal instalments due annually post commencement of development. For example, if the permission has a time limit requiring commencement within 5 years, 20% of the CIL tariff should be due annually for the 5 consecutive years post commencement. This is particularly applicable to those permissions with CIL liabilities over £500,001.
- 1.68 We would strongly advocate that the Charging Authority considers adopting a similar approach to Chichester District Council's who implemented the following Instalments Policy:

Table 5 – Alternative Instalments Policy

CIL Liability	Number of Instalments	Payments
Amounts up to	None	Full payment within 90 days of commencement
£49,000		
Amounts from	2	£50,000 payable within 90 days of commencement
£50,000 to		Balance payable within 180 days of commencement
£249,999		
Amounts from	3	£100,000 payable within 90 days of commencement
£250,000 to		50% balance payable within 180 days
£499,999		50% balance payable within 270 days
Amounts from	4	£250,000 payable within 90 days of commencement
£500,000 to		33% balance payable within 180 days
£999,999		33% balance payable within 270 days
		33% balance payable within 360 days
Amounts over	4	In principle, as set out above for amounts over £500,001, but
£1,000,000		instalments for this scale of development will be open to
		negotiation on an individual basis.

Source: Chichester District Council's Adopted Instalments Policy (Implemented 1st February 2016)

#### Conclusion

The assessment of planned development and its viability is an inherent test of the CIL Examination, making the following points significant:



- Premature Consultation Given the status of LLDC's emerging Local Plan, alongside the emerging London Plan, it is not yet known for certain where the sites will come forward for development within the Corporation area during the Plan period. We therefore question whether the PDCS is premature given the uncertainty and potential risk to housing delivery if the rates are set incorrectly;
- Incorrect Approach to Residential Rates Bellway have fundamental concerns with the approach to proposing the revised residential rates based upon the equivalent indexed figure. No additional viability analysis has been undertaken to ensure that the current marketing assumptions - costs and values- are tested against generic and site specific schemes, along with the proposed CIL rates, to ensure they remain deliverable. Incorrect inputs critically risk producing results overestimating the viability across areas within LLDC and ultimately it is not clear what impact the increased rates may have on residential development coming forward across the Legacy area;
- Incorrect Approach to 'all other uses' Rates- BNP advise LLDC that a nominal rate of CIL could be adopted of 'say £20 per square metre'9. There is no justification for this proposed rate. Bellway have fundamental concerns to this approach and disagree with BNP's statement that a nominal rate is unlikely to be a significant factor in developers' decision making and that the rate could be absorbed without having a significant impact on viability across the area.
- MCIL2 LLDC PDCS CIL Charging Schedule sits alongside the Mayoral CIL Charging Schedule. It has been highlighted that the proposed revised Charging Schedule in LLDC will result in 23% increase to the residential rates and will introduce a new rate for 'all other uses' to £20. These increases sit alongside the increased proposed MCIL2 rates for the LLDC which are 43% higher than the current MCIL1 rates were index forecast to be in April 2019. The cumulative impact of both rates increasing is therefore significant. Whilst CIL rates can be reviewed by the Charging Authority, this is a time consuming and expensive process. It is fundamental that the proposed revised rates, in conjunction with the revised MCIL2 rates, do not result in viability constraints for future development across LLDC;
- Application of Buffer It is fundamental that a minimum viability cushion of 40% should be adopted within the proposed LLDC rates to minimise risk to the housing supply, particularly when the affordable housing delivery is historically not meeting the required need. This is particularly important in light of a number of uncertainties within the wider political and economic backdrop alongside general property market fluctuations;

<sup>9</sup> Page 60, BNP Viability Study (October 2018)



- Effective Operation of CIL Bellway have raised their concerns in regards to the operation of the revised
  Charging Schedule and seek further clarification on this. Furthermore, further justification for the proposed
  instalments policy in light of the increased liabilities across development schemes is welcomed;
- Risk to Housing Delivery In light of the above, Bellway are concerned that the proposed increased CIL
  rates, across LLDC alongside the increased MCIL2, will exacerbate the consistent under delivery of
  housing, including affordable housing across LLDC and ultimately risks the delivery of the housing targets
  beyond 2019.

We would therefore strongly advise that viability testing and appraisals, generic and site specific, be undertaken across a wide range of residential and mixed-use sites across the LLDC area, and at policy compliant levels of delivering affordable housing, for the Draft Charging Schedule stage of consultation.

Moving forward, Bellway and Savills are open to a meeting with the LLDC and its advisors to discuss the approach taken and to discuss common ground in advance of the Draft Charging Schedule being proposed.

Yours faithfully

For and on behalf of Savills (UK) Ltd





## Appendix 1 – List of Documentation

#### General

The Community Infrastructure Levy (Amendment) Regulations 2018 (SI 2018 No. 172) Community Infrastructure Levy Guidance, DCLG (2014), Planning Practice Guidance Website

Community Infrastructure Levy Regulation (2010) (as amended)

National Planning Policy Framework, DCLG (March 2012)

Planning Act (2008) (as amended)

Viability Testing Local Plans – Advice for Planning Practitioners, Local Housing Delivery Group Chaired by Sir John Harman (June 2012)

CIL - Getting it Right, Savills (UK) Ltd (January 2014)

#### **London Legacy Development Corporation**

London Legacy Development Corporation Preliminary Draft CIL Charging Schedule (October 2018)

London Legacy Development Corporation Draft Infrastructure List (October 2018)

London Legacy Development Corporation Community Infrastructure Levy Update Viability Study (October 2018)

#### DCS0010

From: cilands106

Subject: London legacy Development Corporation - Planning Policy & Decisions Team

**Date:** 13 February 2019 16:47:29

Attachments: image001.pnq

**For the attention of:** London Legacy Development Corporation - Planning Policy & Decisions Team

**Consultation:** Community Infrastructure Levy Draft Charging Schedule (Reg. 16)

**Highways England Ref: #6608** 

Dear Sir/Madam,

Thank you for your email dated 11<sup>th</sup> January 2019 regarding the CIL draft charging schedule for the London Legacy Development Corporation.

Highways England has been appointed by the Secretary of State for Transport as strategic highway company under the provisions of the Infrastructure Act 2015 and is the highway authority, traffic authority and street authority for the strategic road network (SRN). The SRN is a critical national asset and as such Highways England works to ensure that it operates and is managed in the public interest, both in respect of current activities and needs as well as in providing effective stewardship of its long-term operation and integrity.

Our interest in such strategy documents is specifically focussed on the council's approach to highway and transport matters in relation to regeneration and new development. We are keen to understand how local authorities initially identify and prioritise transport improvements in order to deliver sustainable development. Specifically how local authorities set and implement policy to manage trip demands and ultimately how these might affect the safe and efficient operation of the SRN for which we are responsible.

It should be noted that, in accordance with DCLG guidance, any development contributions towards SRN improvements would be secured via S278 agreements, and not via a CIL Reg123 List or S106. The use of S278s will enable multiple sites to contribute if appropriate, and also secures the Secretary of State's position by ensuring that 100% of contributions go towards the SRN improvement. However, in some cases it could be more expedient for Highways England to be party to the S106 and secure mitigation through obligations.

I trust that the above comments are of assistance to you and look forward to any future consultations.

Thank you again for involving us in your consultation process.



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# **Transport for London**



Our ref: City Planning/05 Spatial Planning/03 London plan and planning obligations

Planning Policy and Decisions Team London Legacy Development Corporation Level 10, 1 Stratford Place, Montfichet Road London E20 1EJ

By Email

Transport for London City Planning

5 Endeavour Square Westfield Avenue Stratford London E20 IJN

Phone 020 7222 5600 www.tfl.gov.uk

14 February 2019

Dear

London Legacy Development Corporation Community Infrastructure Levy ~ Draft Charging Schedule.

Thank you for the invitation to comment on the London Legacy Development Corporation's (LLDC) Community Infrastructure Levy (CIL) Draft Charging Schedule. I am responding on behalf of Transport for London and the comments here are based upon the proposed charging schedule and the supporting documents, including the Update Viability Study Report (October 2018), Draft Infrastructure Delivery Project List (October 2018) and Regulation 123 List (October 2018). This response reflects TfL's role as a strategic transport infrastructure and service provider.

TfL previously responded to the LLDC Preliminary Draft Charging Schedule consultation in our letter dated 14 December 2018. As noted in that letter, TfL broadly welcomes the proposal to include the 'TfL cycle hire scheme' and 'Western Overbridge at Stratford Station' within the draft Regulation 123 List. As TfL may have a key role in the delivery of projects in the LLDC area alongside Network Rail and other stakeholders, we wish to continue to work together to develop transport proposals and ensure that the current thinking on potential transport infrastructure projects and their funding is aligned, and that the Regulation 123 List is regularly updated.

I hope that you find these comments useful and please contact me if you wish to discuss anything further.

I would be grateful if you could note our request to be notified when you submit the charging schedule for an Examination in Public.



TfL looks forward to working closely with you in ensuring that necessary transport infrastructure is prioritised and delivered within the LLDC area.



#### DCS0012

Our ref: ME/Q70071

Your ref:

Email:

Date: 15 February 2019



CIL Draft Charging Schedule Consultation, Planning Policy & Decisions Team, London Legacy Development Corporation, Level 10, 1 Stratford Place, Montfichet Road, London E20 1EJ

Dear Sir/Madam,

# London Legacy Development Corporation Consultation on Draft Community Infrastructure Levy (CIL) Charging Schedule

Please find the enclosed representations on made the revised Draft CIL Charging Schedule on behalf of Stratford City Business District Limited (SCBD Ltd). SCBD Ltd is seeking to establish the International Quarter London (IQL) as a new high quality office location in London through significant investment in buildings and placemaking, to complement the wider investments in transport services and the Queen Elizabeth Olympic Park (QEOP).

SCBD Ltd welcomes the opportunity to respond to the consultation on the London Legacy Development Corporations (LLDC's) Draft CIL Charging Schedule following the Preliminary consultation held from 5 November to 17th December 2018. Our previous representations on the Preliminary Draft CIL Charging Schedule were included in the Regulation 15 (Preliminary Draft Charging Schedule) Consultation Report with the reference PDCS012.

The enclosed representations follow the same format, which was agreed with the LLDC's Head of Planning Policy, Alex Savine, for representations on the revised Preliminary Draft CIL Charging Schedule.

We would like to restate our comments on the Draft Charging Schedule and CIL 123 List, as the supporting Viability Study and Infrastructure Deliver Plan Review ("IDP Review") both dated October 2018, have not been updated since the previous consultation on the Preliminary Draft CIL Charging Schedule.

#### **Draft CIL Charging Schedule**

SCBD Ltd remains of the view that the LLDC has to date taken a sensible and cautious approach to CIL reflecting the major viability challenges in the area and the on-going need for the area to establish Stratford as a commercial office centre.

The revised Draft CIL Charging Schedule proposes to introduce a new rate for Office (B1(a) Use Class) within the 'Stratford Retail Area', which includes IQL being developed by SCBD Ltd.

As noted in our previous representations, we consider that introducing the proposed CIL charge for office floorspace (B1a Use Class) is premature and if adopted could have a negative effect on areas of London that continue to establish themselves in challenging economic conditions.





As a result, it is our view that the LLDC should not be seeking to require local CIL contributions for what is not yet an established office location in very uncertain market conditions.

We restate our view that a much more appropriate and proportionate approach would be to monitor and develop a more refined understanding of Stratford's progress in establishing itself as an office location and the demand for office floorspace and development capacity in the Central Activities Zone, before introducing a CIL charge on office floorspace in the 'Stratford Retail Area'.

#### **Project 123 List**

We re-emphasise our comments made to the Preliminary Consultation suggesting that Item 63 "Bridge from IQL to Stratford Waterfront over rail tracks" from the October 2018 IDP Review Project List, should be prioritised through CIL funding for the reasons set out below.

The bridge referred to in Item 63 of the October 2018 IDP Review Project List is shown as phased in the short, with a £9m funding gap to be paid by the developer. Since the publication of the IDP Review in October 2018, the Stratford Waterfront planning application was submitted in November 2018 (ref: 18/00470/OUT) and included the details of the bridge across the railway.

The proposed bridge will provide a secondary pedestrian link between the International Quarter London (IQL) forming Stratford's strategic office hub and Stratford Waterfront, which will provide the main arts and cultural hub. Both sites are identified as strategic sites in the LLDC Regulation 19 Consultation on the Publication draft Revised Local Plan ("Revised Local Plan"), with IQL identified as Development Parcel 4 of Site Allocation SA3.1 and Stratford Waterfront comprising the majority of Site Allocation SA3.2. The consultation also identifies the bridge link as a key connection in Site Allocation SA3.2. As such, the Revised Local Plan emphasises the strategic importance of this bridge.

Therefore, given the details are provided in the pending Stratford Waterfront planning application, the strategic importance given to the bridge in the Revised Local Plan and the short term phasing of the project in the October 2018 IDP Review, we consider this project should be included on the draft Infrastructure (123) List and prioritised for CIL funding.

As you are aware, the Ministry of Housing, Communities & Local Government consultation on reforming developer contributions, which took place from 20 December 2018 to 31 January 2019, included proposals for the replacement of CIL 123 Lists with Infrastructure Funding Statements. Should this change to the Regulations be implemented during the preparation of the CIL Charging Schedule, we would support the prioritising of the IQL to Stratford Waterfront Bridge in the new Infrastructure Funding Statement.

I should be grateful if you would confirm receipt of the representations hereby enclosed and keep me informed of the next stages in the preparation of LLDC's CIL Charging Schedule. We would welcome the opportunity to engage further through any examination of the CIL Charging Schedule (Regulation 20 of the CIL Regulations 2010 (as amended)).



# Yours faithfully,



enc. LLDC CIL Draft Charging Schedule Response Form

Quod Review of BNPPRE Local Plan Viability Assessment – October 2018

CC.



# Annex 1 - LLDC CIL Draft Charging Schedule Response Form



# CIL DRAFT CHARGING SCHEDULE RESPONSE FORM

This form should be used to respond to the consultation on the Legacy Corporation CIL Draft Charging Schedule (unless you are responding using the Consultation Portal).

# PART 1 - CONTACT INFORMATION

	Personal information	Agent details (where applicable)
Title		Mr
Name		Matthew Eyre
Job title*		Senior Planner
Company name or organisation*	Stratford City Business District Limited (SCBD Ltd)	Quod
Address		Ingeni Building, 17 Broadwick Street London W1F ODE
Telephone		020 3597 1000
Email		matt.eyre@quod.com

**NOTE:** where a response is made by an agent all communications will be with that agent unless subsequently notified otherwise.

If you would like to receive updates on the Local Plan or be consulted on other planning policy consultations please indicate below as appropriate:

I would like to receive notification of future consultations and receive updates on CIL or the Local Plan. My preferred method of notification is (PLEASE TICK)					
Email:	<b>1</b>	Post:		Post and email:	
I do not wish to receive any further notification of future consultation or updates on CIL or the Local Plan (PLEASE TICK)					

# **PART 2 - RESPONSE**

Please use the following questions and response boxes in order to respond to this consultation.

1. Do you have any comments on the proposed charging rates in the CIL Draft Charging Schedule?

We restate our concerns regarding the introduction of charging for Office floorspace (B1(a) Use Class) in the Stratford Retail Area, which we consider is premature and if adopted could have a negative effect on areas of London that continue to establish themselves in challenging economic conditions.

Please refer to the full details of our representation in the Covering Letter.

2. Do you have any comments on the methodology or conclusions of the Viability Study?

We set out our concerns on the approach to the Viability Study in our representations on the Regulation 19 Consultation on the Publication draft Revised Local Plan in December 2018.

These concerns included how the benchmark land value is calculated, build costs, affordable housing values, commercial values and the appraisal outputs. There are also very significant concerns regarding the build to rent viability.

Our previous representations on the Viability Study are provided again with this form for reference.

3. Do you ha	ave any other	comments on	the CIL Draft	<b>Charging Schedule?</b>
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N/A

4. Do you have any comments on draft Infrastructure Delivery Plan or the projects listed within it or the draft Infrastructure (Regulation 123) List?

We suggest that Item 63 from the Infrastructure Delivery Plan Review Project List relating to the Bridge from IQL to Stratford Waterfront over rail tracks, should be included on the draft Infrastructure (Regulation 123) List. We consider the bridge should be prioritised for CIL funding as the details are currently being determined as part of the Stratford Waterfront planning application, its strategic importance to delivering the Site Allocations in the Local Plan and its short term phasing.

Please refer to the full details of our representation in the Covering Letter.

5. Are there are any other comments you would like to add to those made above?

N/A

Please indicate if you wish to be heard at the independent examination on this matter.



FOR OFFICE USE ONLY (do not write in the boxes below)		
REPRESENTOR NUMBER		
ASSIGNED REPRESENTATION NUMBER		

Please continue on a separate sheet if necessary.



Annex 2 – Quod Review of BNPPRE Local Plan Viability Assessment – October 2018



#### NOTE

# QUOD REVIEW OF BNPPRE LOCAL PLAN VIABILITY ASSESSMENT – OCTOBER 2018

#### 1 Introduction

- 1.1 Quod have reviewed LLDC's 'Revised Local Plan Viability Study' (October 2018), prepared by BNPPRE, on behalf of Stratford City Business District Limited (SCBD Ltd). This review is important in the context of the changes introduced by the National Planning Policy Framework (NPPF) and National Planning Policy Guidance which places greater emphasis on viability testing of policies at the plan making stage. The NPPG states 'the role for viability assessment is primarily at the plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan' (paragraph 002).
- 1.2 The review highlights a number of specific concerns, each of which are outlined below, with the approach taken and/or underlying assumptions to test the ability of developments to accommodate the policy requirements of the LLDC's Revised Local Plan ('RLP').

#### 2 Methodology

- 2.1 BNPPRE have used a typology approach to determine the viability of schemes within LLDC. This is in accordance with NPPG (paragraph 003) which states that 'plan makers can use site typologies to determine viability at the plan making stage'. It should also be noted that the NPPG states that the 'assessment of sample of sites may be helpful to support evidence. In some circumstances more detailed assessment may be necessary for particular areas or key sites on which delivery of the plan relies'. No specific sites have been tested at this stage.
- 2.2 15 development typologies have been tested, reflecting different densities and types of development that have and are likely to come forward in the LLDC area over the life of the emerging Local Plan. Whilst there is extensive typology testing, the nature of this method does not allow site specific constraints and circumstances to be taken into consideration. In accordance with planning policy requirements including national and regional policy it is necessary to ensure that the land value provides an incentive for the land owner to bring forward a site for redevelopment. A typology approach may significantly underestimate the land value of a site, and therefore inflate scheme viability and the ability to provide affordable housing.
- 2.3 The extensive appraisal output of the typology testing is extremely complicated, and is not easy to interpret. This may provide an issue when attempting to benchmark a scheme against the relevant scenarios. It is also evident that further typology testing needs to be undertaken to ensure that every type of scheme coming forward can relate to a typology.

#### 3 Benchmark Land Value

3.1 The approach taken within the study is to compare the residual land value of a development to the Existing Use Value (plus premium) referred to as the 'Benchmark Land Value.' BNPPRE have identified that the approach of using current use values is a more reliable indicator of viability than using market values of prices paid for sites.



### **NOTE** continued

- 3.2 It is important to note that the NPPG (para 17) identifies that the Alternative Use Value of a site may be informative in establishing Benchmark Land Value. It states that 'If applying alternative uses when establishing benchmark land value these should be limited to those uses which have an existing implementable permission for that use.' The NPPG also states that the Alternative Use Value may be applicable 'if it can be demonstrated that the alternative use could be implemented on the site in question, if it can be demonstrated there is a market demand for that use, and if there is an explanation as to why the alternative use has not been pursued.'
- 3.3 The alternative use approach to land value is also outlined in the recently adopted Homes for Londoners Affordable Housing and Viability SPG (August 2017). It states in paragraph 2.51 'An 'alternative use value (AUV) approach must reflect policy requirements. Generally the Mayor will only accept the use of AUV where there is an existing implementable permission for that use...and there is a market demand for that use'. It is not unreasonable that AUV has been relied on unless it can be evidenced that there is prospect for mixed use sites to come forward without residential.
- 3.4 BNPPRE have used a typology approach to assess potential land values across LLDC. BNPPRE have selected four benchmark land values to provide a broad indication of likely land values across the LLDC area. This approach only identifies office, industrial and open storage uses as a potential basis for the land value. It does not incorporate other common uses such as retail and community space. Whilst it is understood the typology approach may be relevant for smaller sites, it does not take into account site specific factors and is therefore not applicable for larger strategic mixed use schemes.

#### 4 Build Costs

- 4.1 BNPPRE have commissioned WT Partnership ('WTP') to advise on build costs. WTP have provided advice on base build costs as well as adjustments to reflect LLDC's emerging policy requirements. The typology approach to build cost results in an over simplification of costs, and whilst it includes different densities, it may not incorporate site specific factors that would have a significant impact on the build cost.
- 4.2 It should also be noted that the BNPPRE approach to build costs does not appear to include exceptional costs. These costs relate to works that are abnormal and are site specific. BNPPRE clarify that they are unable to accurately provide a reliable estimate of what exceptional costs may be. The inclusion of these costs may drastically affect the viability of a scheme. For large scale strategic schemes there is a high chance of unexpected or abnormal costs. We therefore consider viability assessments at application stage will be necessary on a high proportion of applications coming forward.

#### 5 Affordable Housing Values

5.1 BNPPRE have identified the broad methodology in which they have calculated affordable housing values. BNPPRE have only provided the rents per tenure, and high level assumptions. Due to a lack of information, it's unclear whether the approach to valuing the affordable housing is acceptable, or what capitalised values have been assumed. BNPPRE do not include a £/psf value for the affordable tenures, which is not in accordance with the NPPG which encourages transparency in the viability process.

#### 6 Build to Rent

6.1 In regard to Build to Rent, BNPPRE have provided a range of potential rents and an investment yield of 3.5%. The range of rents are broad and do not provide clarity on an acceptable level to be used within a viability appraisal or site locations.



## **NOTE** continued

- 6.2 BNPPRE have included a 20% management fee for Build to Rent. It is however not clear what this fee is made up of, and whether any other deductions should be included. It is also not clear what the vacancy rate is, and whether this has been taken into account in the typology appraisals.
- 6.3 BNPPRE have tested a number of different Build to Rent scenarios on tenure and density. In most cases where 35% affordable housing is provided, the scheme is deemed to be unviable. Only in some circumstances where costs required by policy (i.e. CIL & S106) are removed, do the scenarios show a surplus. These options would not be deliverable, we therefore consider the policy target of 35% to be unjustified and ineffective.
- 6.4 As set out in Quod's policy representations, there are concerns over the affordable tenure mix outlined in emerging policy H.2. The policy sets out that the tenure mix should consist entirely of DMR with 60% being offered at a discount equivalent to LAR, 30% as LLR and the remainder offered at equivalent rates to other intermediate housing offers. BNPPRE have tested this mix in a number of different typologies, and no schemes are viable with 35% affordable housing on this tenure mix.

#### 7 Commercial Rents & Yields

7.1 BNPPRE have outlined their assumptions on rents and yields for a number of commercial uses. These assumptions are informed by lettings of similar floorspace in the area over the past year. A retail rent of £85 psf has been identified in Stratford, with an investment yield of 4.5%. Although this rate may be achievable on prime retail units, it is questioned as to the appropriateness of applying this across all retail units where these form part of a mixed use development. We consider there should be more variation for these unit types, with the impacts set out in the analysis section. This risks overstating value.

#### 8 Appraisal Outputs

8.1 Even before taking into account the impact of the comments above, which is at risk of supressing costs and overstating values, a significant proportion of the typologies are not viable at policy level affordable housing. Typology MU3 is unviable at policy affordable housing in every scenario. In other typologies, many schemes are only viable with the lowest open storage land value. Only the highest sales value, best case scenarios are viable at 35% affordable housing. The larger schemes are often unviable at 0% affordable housing.

#### 9 Conclusion

- 9.1 As identified in the NPPG, it is important to review viability at the plan making stage. The NPPG states that 'policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision making stage.'
- 9.2 Having reviewed the revised Local Plan Viability Study, a number of concerns have been identified. These include how the benchmark land value is calculated, build costs, affordable housing values, commercial values and the appraisal outputs. There are very significant concerns regarding the build to rent viability.
- 9.3 Whilst the typology method is in accordance with the NPPG, there are a number of issues that need to be addressed to identify whether the policy target is 35% target is deliverable across the type of sites that will be brought forward to enable the LLDC to meet its housing targets. It would be beneficial for the viability



# **NOTE** continued

- study to be reviewed in detail. A number of key sites e.g. site allocations should also be tested given they will play a significant role in the delivery of the plan.
- 9.4 We also have concerns to the affordable housing tenure mix proposals to Build to Rent housing and the deliverability of Built to Rent when all other policy considerations are taken into consideration. MU3 typology most relevant to large mixed use developments is unviable with no affordable housing, it is therefore considered this risks the deliverability of the 35% target as set out in the RLP.