

Worthing Borough Council

COMMUNITY INFRASTRUCTURE LEVY (CIL)

DRAFT CHARGING SCHEDULE
REGULATION 19(1)(b) STATEMENT

JUNE 2014



Summary

In line with Regulation 19(1)(b) of the Community Infrastructure Levy Regulations 2010 (as amended) this statement sets out details of the representations that were made during consultation on the Draft Charging Schedule (March 2014) and a summary of the main issues raised by the representations.

Background

Worthing Borough Council invited representations on its Community Infrastructure Levy (CIL) Draft Charging Schedule for a six-week period from 6th March 2014 to 17th April 2014. Further information on the consultation process is set out in the Council's Statement of Consultation.

Statement of Representations

This statement confirms that representations were made to Worthing Borough Council in respect of the CIL Draft Charging Schedule. A total of ten (10) representations were received during the formal consultation period and in accordance with Regulation 17 of the Community Infrastructure Levy Regulations 2010 (as amended).

In addition, four more organisations acknowledged and thanked the Council for providing the opportunity to respond but confirmed that they had no comment to make.

Information relating to the respondents making representations is contained in Appendix A and a summary of the main issues raised by the representations is contained in Appendix B.

A broad overview of the ten representations received (summarised in Appendix B) is as follows:

- Three representations were in general support of the Draft Charging Schedule
- Three representations related to the proposed charge for retail uses
- One representation simply sets out CIL guidance and legislation
- One representation relates to sheltered / retirement housing
- One representation makes specific points about the methodology / approach
- One representation (from a local developer) makes a number of points relating to the evidence used to set CIL and the impact that CIL may have on the viability of some developments in the Borough.

Right to be heard

As set out in Appendix A, six respondents requested the right to be heard by the CIL Examiner.

Modifications to the Draft Charging Schedule

The Council has made some minor modifications to the Draft Charging Schedule after it was published in accordance with Regulation 16 of the Community Infrastructure Levy Regulations 2010 (as amended). The majority of these simply update the document to reflect the current stage but all amendments are outlined in the Modification Statement.

APPENDIX A

Details of respondents in relation to CIL Draft Charging Schedule Consultation

| Ref | Respondent | Organisation | Representing | Date of Response | Request to be heard at Examination? |
|-----|----------------------|-----------------------------|--|------------------|-------------------------------------|
| 1 | Ben Cheal | Roffey Homes Ltd | | 13/04/14 | Yes |
| 2 | Samantha Prior | Sussex Police | | 03/04/14 | No |
| 3 | Nicole Penfold | Gladman Developments | | 11/04/14 | No |
| 4 | Kie Farrell | Peacock and Smith | Wm Morrison Supermarkets Plc | 14/04/14 | Yes |
| 5 | Catherine Hutchins | Environment Agency | | 16/04/14 | No |
| 6 | Paul Galgey | Planning Potential | Aldi Stores Limited | 16/04/14 | Yes |
| 7 | Lucy Seymour-Bowdery | West Sussex County Council | | 17/04/14 | No |
| 8 | Karen Calkin | RPS Planning & Development | | 17/04/14 | Yes |
| 9 | Melys Pritchett | Savills | HBF Consortium | 17/04/14 | Yes |
| 10 | Ziyad Thomas | The Planning Bureau Limited | McCarthy & Stone Ltd and Churchill Retirement Living Ltd | 17/04/14 | Yes |

Responses received – acknowledgement but no comment

| Ref | Respondent | Organisation | Date of Response |
|------------|-------------------|--------------------------------|-------------------------|
| ACK1 | Angela Atkinson | Marine Management Organisation | 06/03/14 |
| ACK2 | John Lister | Natural England | 26/03/14 |
| ACK3 | Helen Sissons | Horsham District Council | 17/04/14 |
| ACK4 | Elizabeth Cleaver | Highways Agency | 25/04/14 |

APPENDIX B

Summary of representations received on Worthing Borough Council's Draft Charging Schedule during consultation between the 6th March 2014 and the 17th April 2014

| Ref | Respondent | Summary of Representation |
|-----|--|---|
| 1 | Ben Cheal (Roffey Homes Ltd) | <ul style="list-style-type: none"> • Support the principle of CIL but concerned with impact that this will have on development in Worthing. • Disappointed that Roffey Homes have not been approached for advice on sales / land values • The evidence shows that 20 of 45 situations are unable to sustain a CIL rate of £100sqm • There are errors in the viability results table for low rise apartments in high land value areas. • Developers profit should be set at 25% for apartment developments • There is no explanation offered as to why some CIL rates have changed significantly between PDCS and DCS stage. • The Council's housing delivery rates are unrealistic • The brownfield land category is not representative of brownfield land opportunities in Worthing. • The town is not delivering enough housing to meet need and a blanket rate for CIL will undermine delivery on brownfield sites. • Assessments should be made for all types of development scenarios • The CIL rate for brownfield development should be reviewed and differential rate should be set to suit the type of development and location. • Greenfield land should have CIL rates materially increased to provide for CIL that cannot be provided on brownfield land. |
| 2 | Samantha Prior (Sussex Police) | <ul style="list-style-type: none"> • Support - WBC has complied with guidance and had full regard to the appropriate available evidence. • Sussex Police note that the proposed charge is set at a rate based on the viability evidence and that this will be used to part fund the infrastructure needed to support future development in the area. • Welcome inclusion of Sussex Police infrastructure as part of the community facilities. |
| 3 | Nicole Penfold (Gladman Developments) | <ul style="list-style-type: none"> • Various comments setting out the requirements of CIL and guidance that must be adhered to when a levy is put in place. |

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| 4 | Kie Farrell (Peacock & Smith – Morrisons) | <ul style="list-style-type: none"> • Agree in principle with the methodology adopted • Objection to rate of £150/sqm for retail in that it would place undue risk on the delivery of retail proposals and would place an unrealistic burden on new retail development. • All retail categories should be tested • Question use of historic data for land values and some elements of Construction Cost Study (particularly an allowance for abnormal costs). • Request to see full financial and development appraisals. • The allowance for professional fees (8%) should be increased to 10-12.5%. • Level of developers' profit should be increased to 25%. • The allowance made for Planning Obligations is too small. |
| 5 | Catherine Hutchins (Environment Agency) | <ul style="list-style-type: none"> • Support |
| 6 | Paul Galgey (Planning Potential – Aldi stores) | <ul style="list-style-type: none"> • Concern that the proposed 'blanket' CIL rate for retail uses may jeopardise delivery of new proposals in Worthing. • Size of retail units tested does not bare any resemblance to a discount convenience operation. • Suggest introducing a differential rate based on scale - proposed floorspace threshold to be 2,000sqm |
| 7 | Lucy Seymour-Bowdery (West Sussex County Council) | <ul style="list-style-type: none"> • Generally supportive • Welcome reference allowing land payment / infrastructure delivery 'in-kind' • Suggest adding reference to Green Infrastructure • Suggest minor revisions to the Draft Reg123 list. |
| 8 | Karen Calkin (RPS Planning & Development) | <ul style="list-style-type: none"> • Concerned about impact that the proposed retail levy will have on the viability of some schemes - particularly larger retail operators. • Suggest assessing a wider variety and type of retail units. • Clarify that ancillary parking would be exempt from the levy. • Request that the Council adopts discretionary relief policy for major proposals. • Charging Schedule should recognise that for some major schemes there should be relief from the levy and that S106 agreements should be used instead. |

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| 9 | Melys Pritchett (Savills - HBF) | <ul style="list-style-type: none"> • Acknowledge that a number of issues raised at PDCS stage have now been addressed. • WBC must take into account changes made to CIL guidance 2014. • There is no explanation or justification as to why land value benchmarks have been altered. • The S106 allowance of £500/dwelling within the appraisals is considered to be too low. • Suggest WBC take forward an exceptional relief policy • WBC should have a clearly defined review mechanism • In advance of the Examination the Consortium is open to meeting WBC to discuss the approach taken and areas of common ground. |
| 10 | Ziyad Thomas (The Planning Bureau Limited – McCarthy & Stone / Churchill) | <ul style="list-style-type: none"> • Commend the council for providing a Viability Assessment for sheltered / retirement housing but some concerns remain. • Council underplays a number of viability assumptions which compound the underestimation of costs - e.g. unit sizes, empty property costs, non-saleable space, sale rates, marketing, base build costs. • Despite the concerns raised above the respondent is of the view that there is not a significant distance between the respective positions and they would welcome the opportunity to resolve any outstanding issues prior to the Submission of the Charging Schedule. |