

Worthing Borough Council

COMMUNITY INFRASTRUCTURE LEVY (CIL)

REVISED DRAFT CHARGING SCHEDULE

REGULATION 19(1)(b) STATEMENT

October 2020



WORTHING BOROUGH
C O U N C I L

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 revised Draft Charging Schedule (June to August 2020) 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 an eight-week period from 30th June 2020 to 25th August 2020. 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 seven (7) 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, six 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 seven representations received (summarised in Appendix B) is as follows:

- Two representations simply refer to the content of the revised Draft Charging Schedule
- One representation supports the proposed 'greenfield' residential rate
- One representation supports the proposed flatted residential development of more than 10 units on PDL rate
- One representation relates to areas with heritage assets at risk
- One representations suggests a £0 charge for flatted residential development of more than 10 units on PDL
- One representation makes a number of points relating to the effect of COVID on the viability evidence used to set CIL and the impact that CIL may have on the viability of some developments types in the Borough

Right to be heard

As set out in Appendix A, three 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	Jessica Riches	South Downs National Park		01/07/2020	No
2	Eleanor Millward	Goring Residents' Association		13/07/2020	No
3	Kevin Bown	Highways England		24/08/2020	No
4	Lucy Bird	St William Homes LLP		25/08/2020	Yes
5	Alan Byrne	Historic England		25/08/2020	No
6	Rebecca Hoad	ECE Planning	Roffey Homes	25/08/2020	Yes
7	George Burgess	WSP	St Clair Developments Ltd	25/08/2020	Yes

Responses received – acknowledgement but no comment

Ref	Respondent	Organisation	Date of Response
Ack 1.	Hannah Hyland	Environment Agency	11/08/2020
Ack 2.	Susan Belton	Worthing Society	13/08/2020
Ack 3.	Charlotte Mayall	Southern Water	18/08/2020
Ack 4.	Andrew Fleetwood	Lemo	24/08/2020
Ack 5.	Simon Harkins	SGN	25/08/2020
Ack 6.	Chay Took	Worthing and Adur Chamber of Commerce	25/08/2020

Appendix B

Summary of representations received on Worthing Borough Council's Draft Charging Schedule during consultation between the 30th June 2020 and the 25th August 2020

Ref	Respondent	Summary of Representations
1	Jessica Riches (South Downs National Park)	<ul style="list-style-type: none"> Clarification needed for 'net additional floorspace' in Charging Schedule – i.e. when the existing floorspace can meet the 'in-use' test
2	Eleanor Millward (Goring Residents' Association)	<ul style="list-style-type: none"> Support the proposed higher levy on Greenfield development - to the maximum amount you can charge
3	Kevin Bown (Highways England)	<ul style="list-style-type: none"> Charging Schedule should include an introduction to CIL explaining what it is and how it is set
4	Lucy Bird (St William Homes LLP)	<ul style="list-style-type: none"> Generally support the proposed CIL fee of £25 per sqm for flatted residential development, as it is a decrease from current rate However, they highlight the need to balance between CIL, planning benefits and other policy requirements to help minimise the impact upon development viability, so that a site can be bought forward They welcome further discussion with the Council
5	Alan Byrne (Historic England)	<ul style="list-style-type: none"> Believe that the rates proposed in areas where there are groups of heritage assets at risk are not set such as would be likely to discourage schemes being put forward for their re-use or associated heritage-led regeneration – in these areas there may be a case for lowering the rates charged Encourage the Council to introduce a CIL exceptional circumstances relief policy
6	Rebecca Hoad (ECE Planning – Roffey Homes)	<ul style="list-style-type: none"> Suggest a £0 charge for flatted developments on previously developed land (PDL) – believe that a CIL charge at any level would jeopardise the viability of flatted developments Suggest that the viability analysis shows that the inclusion of even a nominal CIL rate would negatively impact the viability of flatted development schemes and would result in negative viability negotiations

		<ul style="list-style-type: none"> ● Suggest that some key input assumptions within the ‘base’ viability analysis of flatted schemes do not reflect the realities of these schemes, these include: standard construction costs; site works (abnormal and infrastructure works costs); and net to gross adjustment. ● Adjusting the input assumptions to more realistic levels further worsens the viability ● Note that no detailed appraisals and cash flows were made available, and summary appraisals were not provided for all typologies ● Recommend that the Council should look to adopt a CIL exceptional circumstances relief policy
7	George Burgess (WSP – St Clair Developments Ltd)	<ul style="list-style-type: none"> ● Concern that the CIL Viability Assessment (March 2020), has not tested the viability findings in a COVID-19 environment – believe it is essential that any increased CIL rates are properly scrutinised and take into account the impacts of COVID-19 ● Support the proposed lower CIL rates for flatted developments of more than 10 dwellings on previously developed land (PDL) ● However, in order to ensure sufficient housing is provided to meet local demand, suggest the Charging Schedule should go further and make the CIL charge zero ● Believe the COVID-19 pandemic will have worsened the viability position for flatted developments of more than 10 dwellings and therefore the £25 per sqm rate could render major flatted residential developments completely unviable ● Suggest that the financial burdens of development must be minimised as much as possible in the current economic climate to ensure that much needed housing is delivered ● The currently adopted CIL rate within the town centre (Zone 1) for Class C3 developments is £100 per sqm and the proposed new rate (for developments of 10 dwellings (Class C3) or less in the ‘Built Up Area Boundary’) would therefore represent a 25% increase on this ● The CIL Viability Assessment suggests a CIL rate of circa £100 to £125 per sqm ● Suggest a significantly lower rate than £125 per sqm (or even nil) for developments of less than 10 dwellings in the ‘Built Up Area Boundary’ – to reflect the uncertainty in the development sector and financial stress that businesses are under ● Suggest the introduction of a CIL exceptional circumstances relief policy, to enable key developments to come forward where they may otherwise be rendered unviable

		<ul style="list-style-type: none">● Encourage amendments to CIL Instalment Policy to extend the times within which the CIL payment is required – given the current economic climate and major financial constraints of many developers● Suggest the revised Charging Schedule includes a provision to allow part or full CIL relief for mixed-use town centre developments which maintain retail uses at ground floor – as a way of attracting additional retail development within the town centre● Suggest that the revised Charging Schedule should not introduce any CIL charges for live/work developments, as no viability testing has been undertaken on such forms of development and a charge would kill the market for live work schemes and reduce further the provision of flexible space for start-up businesses
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