



SUB/18



Listening Learning Leading

CIL Draft Charging Schedule Representations to Statement of Modifications

December 2015

1. Introduction

- 1.1 The council published a Statement of Modifications to the Draft Charging Schedule with regard to the proposed charging zone map. The justification for this modification is set out in section 3.

2. Consultation and summary of responses

- 2.1 As required under Regulation 19, a copy of the Statement of Modification was sent to each person previously invited to make representations on the Draft Charging Schedule under Regulation 15; published on the council's website, and has been made available at the council's offices and in libraries across the district.

- 2.2 We invited representations to the Statement of Modifications between 23 October and 20 November 2015 and have received six representations. A summary of responses is set out in table 1 below.

Ref No.	Name	Response
DCM2/2	Scottish & Southern Energy	I can confirm that, at this present time, I have no comments to make.
DCM11/2	Natural England	Natural England does not consider that this Statement of Modifications poses any likely risk or opportunity in relation to our statutory purpose, and so does not wish to comment on this consultation.
DCM14/2	Environment Agency	We have no comments to make on the minor modifications to the Draft Charging Schedule and charging area.
DCM13/2	Historic England	We have no comments to make on the proposed modifications
DCM/HE	Highways England	We have reviewed the document for this consultation and have no objections
DCM18/2	Savills	This is a fundamental change to the Charging area map, and thus, the council should explain and fully justify the reasons for the change. The full response is set out in Appendix 1.

Table 1 – summary table of responses

- 2.3 Of the statutory consultees five had no comments to make on the proposed modifications to the Draft Charging Schedule charging zone map. One planning agent (Savills) responded and set out that the council should explain the reasons for the change, which is explained in section three below.

3. Justification for modification

3.1 South Oxfordshire District Council carried out a public consultation on its Preliminary Draft Charging Schedule (ref: SUB/13). The proposed CIL rates have been based on viability evidence prepared by BNP Paribas Real Estate (ref: SUB/16), which was discussed at two rate setting workshops in July and September 2014. Councillors also considered the charging zone map and concluded that East Hagbourne and West Hagbourne share similar sales values and that the parish of East Hagbourne should sit together with West Hagbourne in Sub area B and not in Sub area G (together with Didcot).

3.2 Sales values (paid prices) for East Hagbourne supported this approach:

Address	Property type	No of beds	Sale price	Sale date
37 Blewbury Road, OX11 9LE	Detached	4	£562,000	16/12/2013
Farthings, Blewbury Road, OX11 9LF	Detached	5	£580,000	26/09/2013
16 Main Road, OX11 9LN	Detached	4	£599,300	27/03/2014
Hagbourne Mill Lodge, Blewbury Road, OX11 9EA	Detached	4	£620,000	03/03/2014

(Source: www.zoopla.co.uk)

3.3 During the last five years the average price paid for a property in East Hagbourne is £419,682 and for a property in West Hagbourne is £418,140. This compares with the average price paid for a property in Didcot of £268,708 (www.zoopla.co.uk).

3.4 The residential appraisal results (set out in Appendix 3 of the viability study, October 2014) show that Sub area B is highly viable and can sustain a maximum CIL rate of between £225 and £350 on green field land.

3.5 Councillors have made a reasoned judgement based on evidence regarding the appropriate level at which CIL rates should be set and on the proposed charging zones. Councillors agreed to merge zone 1 and zone 2 into one zone and to move East Hagbourne into zone 1 (please refer to paragraph 30 of Cabinet Portfolio Holder paper, dated 6 October 2014, attached as Appendix 2).

3.6 We carried out a public consultation on the CIL Preliminary Draft Charging Schedule from 20 October to 17 November 2014 which included the proposed charging zone map showing East Hagbourne in zone 1 (residential CIL rate of £150 per square metre).

- 3.7 We received 34 responses from statutory bodies, the development industry and general public. These consultation responses have been set out in the Preliminary Draft Charging Schedule Consultation Report, February 2015 (ref: SUB/12).
- 3.8 The consultation was facilitated with a questionnaire, which included the following question: “Do you think that the boundary between the different residential charging zones as shown on the proposed charging zone map are appropriate?”. Responses to this specific question can be found on pages 27 and 28 of the Consultation Report (ref SUB/12). Four of the consultees agreed with the proposed charging zone map including Savills (see Appendix 3). The council considered consultation responses and proposed no changes to the charging zone map.
- 3.9 Following the first round of consultation South Oxfordshire District Council prepared a CIL Draft Charging Schedule and supporting evidence which was subject to further public consultation during February/March 2015 and submitted to the Secretary of State in May 2015. Unfortunately an incorrect charging zone map was attached showing the parish of East Hagbourne within zone 2 (residential rate of £85 per square metre) and this error has been carried through unnoticed until October 2016, which resulted in the Statement of Modifications, October 2016.

Appendix 1

Heike Wetzstein

From: Planning Policy South
Sent: 13 November 2015 10:30
To: Heike Wetzstein
Subject: FW: Community Infrastructure Levy – Statement of Modifications
Attachments: 2015-10-23-Statement of Modification +cover.pdf

From: Gaskell, Chris [mailto:~~chris.gaskell@southoxon.gov.uk~~]
Sent: 26 October 2015 08:50
To: Planning Policy South <Planning.Policy@southoxon.gov.uk>
Cc: Heike Wetzstein <~~Heike.Wetzstein@southoxon.gov.uk~~>, ~~Thacker, Martin~~ <~~Martin.Thacker@southoxon.gov.uk~~>
Subject: FW: Community Infrastructure Levy – Statement of Modifications

Heike,

I refer to your message below, originally sent to my colleague, Martin Thacker, in respect of the above topic / location and I can confirm that, at this present time, I have no comments to make.

Regards,





Chris Gaskell
Network Investment Engineer

T: +44 (0)1865 ~~150000~~
Internal: ~~150000~~
E: ~~chris.gaskell@southoxon.gov.uk~~

1 Woodstock Road, Yarnton, Kidlington, Oxfordshire, OX5 1NY
SSE Power Distribution Web Site: www.ssepd.co.uk
SSE Power Distribution RIIO-ED1 Web Site: <http://www.yourfutureenergynetwork.co.uk>



From: Thacker, Martin
Sent: 26 October 2015 08:25
To: Gaskell, Chris
Subject: FW: Community Infrastructure Levy – Statement of Modifications

Morning Chris.

I think at the moment you might still be better placed to make a response to this if required as it covers Didcot.

Date: 09 November 2015
Our ref: 169681



Mr H Wetzstein
SODC – CIL
South Oxfordshire District Council
135 Eastern Avenue
Milton Park
Milton, Abingdon
OX14 4SB

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

T 0300 060 3900

BY EMAIL ONLY

Dear Mr Wetzstein

Community Infrastructure Levy – Statement of Modifications

Thank you for your consultation on the above dated 23 October 2015 which was received by Natural England on 23 October 2015.

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 Statement of Modifications 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.

We really value your feedback to help us improve the service we offer. We have attached a feedback form to this letter and welcome any comments you might have about our service.

Yours sincerely

James Hughes
Consultations Team



DCM14/2

Heike Wetzstein

From: Planning Policy South
Sent: 13 November 2015 10:31
To: Heike Wetzstein
Subject: FW: Community Infrastructure Levy – Statement of Modifications

From: Planning-Wallingford [mailto:~~planning@wallingford-environment-agency.gov.uk~~]
Sent: 09 November 2015 14:13
To: Planning Policy South <Planning.Policy@southoxon.gov.uk>
Subject: RE: Community Infrastructure Levy – Statement of Modifications

Dear planning policy team,

We have no comments to make on the minor modifications to the Draft Charging Schedule and charging area.

Kind regards,

David Griggs
Planning Advisor | Sustainable Places
Environment Agency | West Thames Area
Telephone: ~~01491 888198~~

Environment Agency
Red Kite House
Howberry Business Park
Wallingford
Oxfordshire, OX10 8BD

<http://www.gov.uk/floodsdestroy>

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From: Planning Policy South [mailto:Planning.Policy@southoxon.gov.uk]
Sent: 23 October 2015 15:46
To: Planning Policy South
Subject: Community Infrastructure Levy – Statement of Modifications

Dear Sir/Madam,

Community Infrastructure Levy – Statement of Modifications

DCM1312

Heike Wetzstein

From: Planning Policy South
Sent: 13 November 2015 10:30
To: Heike Wetzstein
Subject: FW: Community Infrastructure Levy - Statement of Modifications

From: Small, Martin [mailto:~~Martin.Small@HistoricEngland.org.uk~~]
Sent: 09 November 2015 10:22
To: Planning Policy South <Planning.Policy@southoxon.gov.uk>
Subject: Community Infrastructure Levy - Statement of Modifications

Dear Sir or Madam,

Thank you for your e-mail of 23rd October advising Historic England of the consultation on the minor modifications to the Draft Charging Schedule and charging area map.

I confirm that we have no comments to make on the proposed modifications.

Yours faithfully,

Martin Small

Martin Small BA (Hons) B.PI DipCM MRTPI
Principal Adviser, Historic Environment Planning
Planning Group

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Heike Wetzstein

From: Planning Policy South
Sent: 13 November 2015 10:31
To: Heike Wetzstein
Subject: FW: Community Infrastructure Levy - Statement of Modifications
Attachments: 2015-10-23-Statement of Modification +cover.pdf

From: Gough, Bethany [mailto:~~Bethany.Gough@highways.gov.uk~~]
Sent: 11 November 2015 12:00
To: Planning Policy South <Planning.Policy@southoxon.gov.uk>
Subject: Community Infrastructure Levy - Statement of Modifications

Consultation: Community Infrastructure Levy – Statement of Modifications

Dear Sir/Madam,

Thank you for your correspondence dated 23rd October 2015 inviting Highways England to be involved in the above consultation process.

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.

We have reviewed the document for this consultation and have no objections.

Thank you again for consulting with Highways England.

Kind regards

Bethany Gough
SE NDD Area 3 Team Administrator
Highways England | Bridge House | 1 Walnut Tree Close | Guildford | Surrey | GU1 4LZ
Web: <http://www.highways.gov.uk>

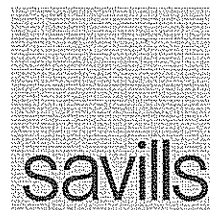
From: Planning Policy South [mailto:Planning.Policy@southoxon.gov.uk]
Sent: 23 October 2015 15:46
To: Planning Policy South
Subject: #10532 Community Infrastructure Levy – Statement of Modifications

Dear Sir/Madam,

Community Infrastructure Levy – Statement of Modifications

DCN1812

19 November 2015



South Oxfordshire District Council
135 Eastern Avenue,
Milton Park,
Milton,
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OX14 4SB

Chris Rees
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VIA EMAIL ONLY

Dear Sir or Madam,

MODIFICATIONS TO THE CIL DRAFT CHARGING SCHEDULE

We write with reference to the proposed modification to the Draft Charging Schedule – Charging area map, and the change to amend the boundary applicable for the housing market area of Didcot.

In preparing its Viability Study of May 2015, which formed a principal component of the evidence base at the Examination, the advice from BNP Paribas to the Local Authority is that the charging rates should reflect the Housing Market Areas within South Oxfordshire, and a blanket approach should not be taken. Given the nature of Housing Market Areas, there is rarely a defined boundary in respect of values attainable, and therefore the greatest pressure on viability will occur on the outer edge of the defined charging zone where the rate increases. Given the nature of CIL as a fixed tariff, it is also vital that the rates set are not on the margins of viability.

In respect of Didcot and its Housing Market Area, both the BNP Paribas advice and the Submission Version of the Draft Charging Schedule of May 2015 recognised that Town (Parish) boundary of Didcot was not an appropriate boundary to define Didcot's Housing Market Area.

In doing so, the Council's evidence base acknowledged that the influence of Didcot and its associated land values extended beyond this artificial boundary, both to the north east and to the south of the Town.

It is noted from the letter received from the Examiner to the Council dated 21st October, that the Council consider the inclusion of land to the south of Didcot as a 'drafting error'. Indeed, no other evidence is presented by the Council as to why this area of the District should be subject to Zone 1 and the higher rate of £150 per square metre.

The amendment of a charging zone boundary on this scale, contrary to the evidence base used to inform the Examination and as a modification post Examination is a significant change, and thus cannot in our view be considered free from consequences for future development within this part of the Didcot Housing Market Area. A key test of the CIL Examination is to appropriately test the implications of the proposed CIL rates on projected future development. In the circumstances where the five year housing land supply is known to be deficient, the Council must also consider land/ areas which may come forward for development via planning applications rather than any further plan review.

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To be specific, as a result of this proposed modification, the land area south of Didcot previously assessed by the Council and its advisors as having a 'maximum rate £125 per square metre', would now be subject to a tariff rate of £150 per square metre, in addition to S.106 payments. Contrary to the advice from the Council's advisors that the tariff rate should be set at a significant discount below the maximum rate, the Council is now advocating a tariff rate in excess of that previously deemed the maximum.

As the Council is aware, there is currently an Outline Planning Application submitted on the southern fringe of Didcot for up to 170 dwellings on land east of New Road. In our view, this is a fundamental change to the Charging area map, and thus, the Council should explain and fully justify the reasons for the change. This justification would need to be supported by evidence and financial appraisal, highlighting the implications in terms of viability for the large swath of land to the south of Didcot to be excluded from Zone 2. This would adhere to the principle that CIL rates are determined with reference to planned or known development, and not imposed as a policy measure

The alternative is for the Council to withdraw the proposed modification, and revert to the Charging area map as submitted for Examination, and which was supported by the evidence base presented and considered at the Examination.

I trust this representation is of assistance in testing whether the proposed modification meets requirements of the Planning Act 2008 and the relevant CIL 2010 Regulations, as amended.

Yours sincerely,

A dark, handwritten signature, likely of Chris Rees, written in ink.

Chris Rees
Director
Savills Planning

Appendix 2

Cabinet Portfolio Holder paper

AGENDA ITEM

Cabinet member: Cllr. Angie Patterson

6 October 2014

Community Infrastructure Levy Preliminary Draft Charging Schedule and Delivering Infrastructure Strategy

1. Following two Community Infrastructure Levy (CIL) rate setting workshops with Cabinet Members 21 July and 11 September 2014 and an all Councillor briefing on 2 October 2014 with regard to the proposed Preliminary Draft Charging Schedule for consultation the purpose of this report is to:
 - (a) seek agreement to publish the Community Infrastructure Levy Preliminary Draft Charging Schedule (Appendix 1) for public consultation
 - (b) seek to agreement to publish supporting documents (i) viability study (Appendix 2); (ii) Infrastructure Delivery Plan (Appendix 3); (iii) Funding Gap Report (Appendix 4); (iv) Draft Regulation 123 list (Appendix 5) alongside the public consultation
 - (c) seek agreement to publish the Delivering Infrastructure Strategy (Appendix 6)

Background

What is CIL and how does it relate to S106?

2. Councillors will recall that CIL is a charge that councils can introduce to fund a wide range of infrastructure to support new development.
3. CIL will apply to all new development delivering 100 m² or more of additional gross internal floorspace or the creation of one additional dwelling even if the gross internal floorspace is less than 100 m² (affordable housing and self build housing is exempt).
4. There could be cases where Permitted Development Rights are exercised and planning permission is not required but development may be CIL liable (see Appendix 7).

5. CIL rates are expressed as pounds per square metre and should be set at a level which does not threaten the ability to develop viably the sites and scale of development identified in the Core Strategy.
6. CIL is the government's preferred mechanism for pooling contributions from numerous development sites and from April 2015 the council will not be able to pool more than five obligations in respect of a specific infrastructure project or a type of infrastructure entered into on or after April 2010. S106 obligations can still be used for site specific on-site provision (such as transport, education, community facilities, play and open space provision) and for securing affordable housing.
7. Under the S106 regime we currently seek infrastructure and financial contributions on sites including ten or more dwellings and smaller developments are not contributing towards infrastructure. Should a CIL be introduced, it will apply to a wider range and size of developments and a broader spectrum of development will share the funding of the district's infrastructure needs.
8. The infrastructure requirements to support the development growth set out in the adopted Core Strategy have been set out in the Infrastructure Delivery Plan (IDP). The funding of this infrastructure is coming from different sources e.g. S106, CIL, local government grants, business rate retention, regional growth fund etc. However in the case of CIL the government are very clear that CIL is unlikely to pay for all the infrastructure required to support development and growth. CIL is estimated to account for between 1 and 20 percent of the estimated infrastructure cost. Consequently it is very important to consider CIL as just one part of a wider funding package.
9. To provide context to the council's approach to infrastructure delivery a draft Delivering Infrastructure Strategy has been prepared. The draft strategy aims to provide a high level and user friendly overview that identifies:
 - How infrastructure is planned and delivered
 - The various agencies responsible for the building, maintaining and operating the different types of infrastructure, and
 - The range of sources and mechanisms used to funding infrastructure, including CIL and Section 106
10. CIL is payable by the developer within 60 days of commencement of the development and the money collected from CIL can be used to fund infrastructure projects in the district i.e. money raised in one area of the district may be used to fund key strategic infrastructure in other parts of the district. Charging authorities may also spend CIL on infrastructure to be delivered outside its area if it will benefit new development that occurs within its own area.
11. The council is preparing a new Local Plan and has to test the viability of the proposed growth. Alongside the preparation of the plan the Vale is progressing with CIL to fund towards the infrastructure to support the growth in their new Local Plan 2031 and both councils will need to work together to ensure delivery of the necessary infrastructure in the Science Vale area. The council will also

need to work together with infrastructure providers (such as the County Council) and key stakeholders to establish procedures for prioritising infrastructure projects for receipt of CIL monies. Alongside this, the Council will need to develop a set of transparent governance procedures for the allocation and release of CIL monies.

12. Parishes with a Neighbourhood Plan will receive 25% of the revenues from the CIL chargeable development that took place in their area (and neighbourhoods without a plan will receive 15% subject to a cap of £100 per council tax dwelling per year). The money must be used to fund infrastructure.
13. The neighbourhood funds passed on to parishes can be spent on the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on an area¹. The district council can recover the CIL proportion if it has not been applied to support the development of its area within five years of receipt, or if it has not been applied in accordance with the CIL regulations. The CIL guidance (Feb. 2014) sets out that parishes should discuss their priorities with the district council and once the levy is in place, agree on infrastructure spending priorities. They may also agree that our council should retain the neighbourhood funding to spend on infrastructure (e.g. school) which will support the development of the area.
14. To introduce a CIL charge, the council has to demonstrate that there is a funding gap between the total cost of the infrastructure required and the total funding currently available. The Government CIL guidance recognises that there will be uncertainty in pinpointing other infrastructure funding sources, particularly beyond the short-term. This reflects longer-term uncertainties and a future need to bid for funding to secure infrastructure. A funding gap report has been prepared and will form part of the supporting evidence.
15. Once CIL has been adopted the council will need to publish an infrastructure list (known as Regulation 123 list) showing the infrastructure types and/or projects that may wholly or partly be funded by CIL money. This infrastructure list derives from the Infrastructure Delivery Plan. Infrastructure projects included in this list cannot be secured via S106 in order to avoid double charging. This list is likely to be updated periodically as infrastructure projects are completed, or new requirements identified. A first draft of the Regulation 123 list has been prepared for information. An updated draft Regulation 123 list will be published along the next round of consultation.
16. In order to establish CIL rates for residential and non-residential development the charging authority should use an area-based approach, involving a broad test of viability across their area and also undertake some sensitivity testing for strategic sites.

Viability assessment

¹ CIL Regulation 59C

17. Councillors will recall that we commissioned BNP Paribas to undertake a viability assessment to inform the preparation of the CIL Charging Schedule and the viability study has been produced. The assessment is based on the planning policies and development growth identified in the adopted Core Strategy. The council are preparing a new Local Plan and under current planning guidance all new development and infrastructure has to be assessed for viability. Therefore at the appropriate time CIL will need to be reviewed to consider the additional growth.
18. The CIL rates for residential and non-residential development must take account of the economic viability of new development and infrastructure needs. A balance has to be struck between collecting revenue to fund infrastructure and ensuring that the rates set are not so high that they put development across the district at serious risk of not commencing. This would also have implications on the council's 5-year housing land supply.

Residential Viability:

19. The viability study concluded that the ability of residential schemes to make CIL contributions varies across the district and areas can be broadly grouped into three viability areas, and comprise zone 1) Henley, Goring and surrounding area, which could support a CIL rate of £245; zone 2) other settlements and rural areas, which could support a CIL rate of £150, and zone 3) Didcot and Berinsfield which could support a CIL rate of £85.
20. The assessment also found that strategic sites that have a significant amount of on-site infrastructure plus an affordable housing requirement of 40% will not support CIL, except in the Henley/Goring area and it is recommended to set a nil CIL on those strategic sites. Strategic sites outside the Henley/Goring area include the North East site and Ladygrove site in Didcot and site B in Wallingford.

Commercial Viability

21. CIL has also been considered for non-residential forms of development, with testing undertaken by the consultants into the various costs associated with such uses. The findings of the work are set out below:
- For office development (including research and development) a CIL rate of £35 per square metre is recommended.
 - Viability of retail developments vary significantly between high street retail and retail warehousing and supermarkets. A CIL rate of £70 for supermarkets and retail warehouses is recommended and £0 for in-centre retail.
 - Industrial floorspace is unlikely to generate positive residual land values.
 - Hotel developments can bear a CIL maximum of only £4 per square metre, so therefore a Nil CIL rate is recommended.
 - D1 and D2 uses such as swimming pools, hospitals, community centres and schools often do not generate sufficient income streams to cover their costs. Consequently, they require some form of subsidy to operate. In the event that such uses are built on a commercial basis, the loss of income would be minimal. The study therefore concludes that a nil rate of CIL be set for D1 and D2 uses.

- Sui generis uses can be varied and difficult to appraise and are uncommon in the district.

Projected CIL income

22. Using the residential rates and zones referred to above in para. 19 two scenarios have been examined to explore the likely CIL income:

- Scenario One – Three zones with three different CIL rates
The higher (zone 1), medium (zone 2) and lower land value areas (zone 3) with their respective proposed CIL rates (£245 / £150 / £85).
- Scenario Two – Two zones with two different CIL rates
The higher and medium land value areas have been merged into zone one (£150) and the lower land value area is zone two (£85).

23. The reason for testing two scenarios has been to explore the advantages and disadvantages of different approaches. Firstly, the CIL Guidance states that when setting rates charging authorities should avoid undue complexity² and avoid complicated schedules difficult to administer.

24. Secondly, it is difficult to draw a distinct difference in land values between the higher and medium land value areas and it would be difficult to draw clear boundaries around the sub areas without discouraging or encouraging development in one area. However to establish the potential loss in CIL income an assessment of the income with both approaches is set out below:

25. The calculations have been based on the housing trajectory for the adopted Core Strategy, based on 4,243 dwellings. Sites with planning permission and the three strategic sites referred to in paragraph 20 have been excluded, as infrastructure is going to be secured through S106. The affordable housing requirement (40%) has also been allowed for as they are exempt from CIL. We will also receive some CIL income from commercial development but this is difficult to project as we do not have a trajectory for commercial development.

26. The calculations show that the remaining projected CIL income (after the neighbourhood allocation³) for the two scenarios are:

£12,952,487 – Scenario one (three zones)

£11,513,181 – Scenario two (two zones)

27. This examination shows that there is a little fall of the projected CIL income over the calculated period of 15 years of £1.4m when lowering the CIL rate in the Henley/Goring area to the same as the rest of the district. Looking at the next five years this would be a drop in CIL income of c. £270k. In the context of the overall funding gap of c. £203.5m this drop of CIL income does not appear to be

² CIL Guidance, paragraph 2:2:2:6, February 2014

³ Local parishes will receive 15% of the CIL levy or 25% with a Neighbourhood Plan

significant. As highlighted earlier, the Charging Schedule will need to be reviewed once the new Local Plan has been adopted.

Recommendation at CIL rate setting workshop on 11 September 2014

28. Two CIL rate setting workshops were held on 21 July and 11 September 2014 to discuss the above. In light of the above findings and to avoid an undue burden on administration of the charging schedule, it is recommended to publish a CIL Preliminary Draft Charging Schedule (see table 1) for public consultation incorporating the following CIL rates:

Table 1 – Proposed CIL rates

Table 1: Proposed CIL rates		
Use	Zone 1 District	Zone 2 Didcot and Berinsfield
Residential dwellings including extra care (C3)	£150	£85
Residential strategic sites : Didcot: North East, and Ladygrove East, Wallingford Site B	Nil – Infrastructure to be secured by S106	Nil Infrastructure to be secured by S106
Residential – care homes	Nil	
Non residential development		
Offices (incl. research and development B1b)	£35	
Large supermarkets, superstores and retail warehouses ⁴	£70	
Small retail units	Nil	
Hotels	Nil	
Other uses	Nil	

Agreed

29. It has been agreed to publish the CIL Preliminary Draft Charging Schedule for public consultation including the rates set out in Table 1 above and the supporting documents including:

- Viability Study (2014 update)
- Infrastructure Delivery Plan
- Funding Gap Report
- Draft Regulation 123 list

30. The following actions have been agreed:

- To move the parish of East Hagbourne into zone 1 (District)
- To clarify the CIL charge for retail development in the Charging Schedule

⁴ Retail warehouses: are large stores specialising in the sale of household goods (such as carpets, furniture and electric goods), DIY items and other ranges of goods. Superstores and supermarkets: are large stores selling mainly food or non-food goods. Retail warehouses and supermarkets that exceed 280m² and are classified as larger stores under the Sunday Trading Act 1994

Next steps

- Public consultation for four weeks on the CIL Preliminary Draft Charging Schedule (October)
- Review comments and prepare a CIL Draft Charging Schedule (November)
- Present CIL Draft Charging Schedule to Cabinet in December/January for consideration and publish it for a further round of consultation

CIL representations form (prelim)

Community Infrastructure Representation form (prelim)

The Community Infrastructure Levy (CIL) is a way the council can raise funds from developers undertaking new building projects with the district. This response form is designed to be read in conjunction with the consultation documents we have published.

When introducing a CIL, it is important to ensure that the charges are based on appropriate evidence. The council has undertaken this evidence through work prepared by BNP Paribas set out in the Viability Study (2014 updated). Levels of CIL have been tested in combination with the Council's planning requirements set out in the adopted Core Strategy, including the provision of affordable housing, associated development costs and fees including section 106 along with the ability of schemes to make a contribution towards infrastructure through CIL.

Q1 Do you agree that the assumptions and/or method set out in the viability assessment are robust, and that the report represents an appropriate basis for determining the level of CIL that would be viable in the district?
(please select one answer)

Agree ☐ Disagree ☒

If you disagree, please tell us your reasons for this. Please bear in mind that your reasons should be clearly justified by supporting evidence.

We disagree with a number of the assumptions used within the viability study. These include the assumptions regarding; the development typologies; site coverage and density; build costs; section 106 contributions; developers profit; promotion costs; CIL payment dates; benchmark land values; and the viability cushion.

We expand with rationale and evidence within section 4.2 of the attached representation.

To ensure that we continue to encourage development across the district we need to strike a balance between collecting revenue to fund infrastructure and ensuring that the rates are not set so high that they prevent development happening.

Q2 Do you agree that the rates proposed will not put the overall development of the area at serious risk?
(please select one answer)

Agree ☐ Disagree ☒

CIL representations form (prelim)

If you disagree, please tell us your reasons for this. Please bear in mind that your reasons should be clearly justified by supporting evidence.

We are concerned that the proposed rates will hinder a number of development from coming forward. SODC are in the process of reviewing their Local Plan after the requirement for 3,900 - 5,900 new dwellings as required by the SHMA. There is no information what sites will come forward for development. We are concerned the proposed rates will stop large and strategic sites from coming forward for future development, where there is likely to be large on site mitigation costs which are still to be collected through Section 106 mechanisms. We comment further in our attached representation.

The council is proposing two charging zones with differential CIL residential rates .These reflect the different costs and values associated with sites in terms of location and size.

**Q3 Do you think that the boundary between the different residential charging zones as shown on the proposed charging zones map are appropriate?
(please select one answer)**

Yes ☒ No ☐

If no, please indicate what boundaries should be used instead and provide justification. Please provide a map if this would assist in highlighting such boundaries.

**Q4 Do you agree with the different rates proposed in the Preliminary Draft Charging Schedule for residential development proposed in each charging zone?
(please select one answer)**

Agree ☐ Disagree ☒

If you disagree with the proposed residential CIL rates, please state clearly which rate you are objecting to and how this can be resolved, providing clear justification to your objection.

We welcome the zero rating for Didcot North East, Ladygrove and Wallingford Site B. We strongly disagree with the lack of provision for future strategic site to be zero rated. SODC is reviewing their housing supply and delivery of future housing, therefore it is imperative that any emerging strategic sites which are currently being promoted through the draft Local Plan are also zero rated. We also disagree with a number of assumptions which for the basis of the viability study, and therefore strongly recommend the study is revised to take these into consideration. We comment further in our full submission attached.

CIL representations form (prelim)

The viability study concluded that sites of 500 and above homes (outside the Henley/Goring area) that have a significant amount of on-site infrastructure plus affordable housing to deliver, will not be able to support CIL. We are therefore proposing to exclude the following sites: Ladygrove, North-East in Didcot and North West Site B in Wallingford from CIL. Infrastructure requirements will be secured through section 106 legal agreements.

**Q5 Do you agree with the approach?
(please select one answer)**

Agree ☒ **Disagree** ☐

If you disagree, please refer to any evidence you have that indicates a different approach should be applied.

CIL has also been considered for commercial development (such as retail, office development), with testing undertaken into the various costs associated with such uses.

**Q6 Do you agree with the uses the council is proposing to charge for?
(please select one answer)**

Agree ☒ **Disagree** ☐

If you disagree, please tell us your reasons for this. Please bear in mind that your reasons should be clearly justified by supporting evidence.

**Q7 Do you agree with the proposed CIL rates for development?
(please select one answer)**

Agree ☐ **Disagree** ☒

CIL representations form (prelim)

If you disagree, please tell us your reasons for this. Please bear in mind that your reasons should be clearly justified by supporting evidence.

All strategic sites should be zero rated. Not all sub markets can justify CIL rating for sites of 250 units plus. We disagree with the benchmark land values adopted as well as a number of the other assumptions within the viability study, and therefore the viability study shows an overly positive viability position.

We provide detailed comment and evidence in our attached submission.

The Government's CIL guidance allows authorities to establish an instalments policy to manage CIL payments, in order for applicants to make timely payments towards the infrastructure. These can vary in terms of timescales, according to the scale of the overall payment to be made, and help to ensure that CIL funds are paid at regular intervals through the build out process of sites. The approach also assists with providing sufficient flexibility to developers, to enable development to come forward, while still providing a steady stream of infrastructure funding.

Q8 Do you think that it is appropriate for the council to introduce an instalments policy? (please select one answer)

Yes ☒ No ☐

If you agree, what should be the basis of this instalments policy?

We strongly recommend an installments policy is included. The installments policy should be based on percentages of the total levy at certain benchmark dates. These should allow for larger sites to pay the levy over a longer time period. There should also be provision for large sites, where CIL may lead to an un-viable position, for the payment to be agreed by negotiation.

If you disagree, what would be an alternative approach that you would support and why?

CIL representations form (prelim)

The council has published a list of infrastructure projects or types of infrastructure (known as the Regulation 123 list) that it intends to fund wholly or partly by CIL. This list is the first draft and will need to be updated. The Reg 123 list is likely to be updated periodically as infrastructure projects are completed, or new requirements identified.

**Q9 Do you agree that the draft Regulation 123 list consists of relevant infrastructure projects/types and do you agree with the council's approach?
(please select one answer)**

Agree ☐ **Disagree** ☒

If you disagree, please tell us your reasons for this. Please bear in mind that your reasons should be clearly justified by supporting evidence and that the list does not need to drill down to minute detail of infrastructure projects.

We welcome further comment and clarity on the regulation 106 list to ensure it works alongside section 106 for site mitigation.

Please see our full representation for further information.

Q10 Do you have any further comments on the proposed approach to CIL?

Please see our full representation for all of our comments.

Thank you for your comments on the CIL Preliminary Draft Charging Schedule (PDCS). Please note that after consultation on the PDCS, the council will review all of the comments received and will make these available through our consultation portal consult.southoxon.gov.uk/south. Therefore please be advised that all responses received will be made available to the public to view. If responding via hard copy responses can be sent to Planning Policy, South Oxfordshire District Council, Benson Lane, Oxfordshire, OX10 8ED or e-mail planning.policy@southoxon.gov.uk. The council will use these comments to make any amendments to the approach taken and will publish a Draft Charging Schedule for consultation in 2015.

**Alternative formats of
this publication are
available on request.**

**These include large print,
Braille, audio, email,
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**Please contact Planning
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