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Dear Sir/Madam

MID DEVON CIL DRAFT CHARGING SCHEDULE – JULY 2012

We write with regard to the above consultation in respect of Mid Devon District Council's (MDDC) CIL Draft Charging Schedule (July 2012).

We have reviewed the Draft Charging Schedule (DCS) and, for the Council's ease of reference, we set out below our principal concerns and observations. However, these comments should be read in conjunction with our previous representations (letter dated 5th December 2011, attached).

Our principal concerns with regard to the DCS are as follows:

1. that the evidence base presented to justify the DCS is not robust
2. that the DCS does not reflect the requirements of the MDDC Core Strategy
3. that there is still no clarity of the scope of CIL and the scope of Section 106 items
4. lack of a specific instalment policy

We address these points in more detail overleaf.

Robustness of the DCS Evidence Base

We note that MDDC have published a 'CIL Viability Supplementary Evidence' document (dated May 2012) in addition to the evidence base documents consulted on in the last round of public consultation. It is encouraging to see the list of issues raised at paragraph 2.5 of this document.

Of those issues raised at paragraph 2.6 the issue of abnormal costs is important, but perhaps the most important are the concerns raised by the use of the concept of 'additional profit' and/or the concern raised by a 'cushion' or 'uplift'. These concerns are discussed from paragraph 2.7 to 2.28 of the supplementary evidence.

All of these tests, and the concept of an 'uplift factor', fail to reflect historic market transactions and seem to promote an 'uplift factor' that represents a significant devaluation of land. Our concerns with regard to this matter are dealt with in our previous representations to MDDC (attached).

Whilst we agree generally with the market trends reported at paragraph 2.30 onwards we consider the market values for the areas stated, and in particular Cullompton, to be over optimistic. Whilst it may be possible to achieve values of £800,000 per net developable acre in Cullompton the average is more likely to be nearer the region of £700,000 per net developable acre (so £600,000 per gross developable acre). Notwithstanding, the point here is that when the market values stated are compared to the statements made in paragraphs 2.24 to 2.27 it is clear that the values now being discussed are between a tenth to a quarter of this. It is dreadfully worrying that the whole of PBA's evidence base appears to be founded upon the assumption that the market will accept a fall in value of somewhere between 75-90%. Such a fall is plainly ludicrous and is unlikely to be accepted by landowners who do not necessarily want or need to dispose of land. It is also worth noting that the residual land value is not necessarily what the landowner will get, particular if you take into account additional taxes that landowners will be required to pay on this 'residual' amount.

It seems that PBA accepts our comment that 'modelling' is imperfect. They state at paragraph 2.35 that:

> *"A site can be developed in a myriad of different ways, and the variables are so numerous that the valuation permutations are infinite".*

In our view, many modelling exercises are simply a 'rubbish in - rubbish out' process and as such, cannot necessarily be relied upon.

Further, we have concerns with regard to the achievable sales prices assumed at paragraph 2.47. In our view these values should be discounted by at least 5 – 10%. It must also be noted that it is not just the sales prices that need to be considered but also the rate of sales, both of which can have significant impacts on the viability of development sites, particularly large development sites. It is well documented that the rates of housing completions outside of London have fallen over recent years as a result of the financial market. Recent estimates suggest that build rates have fallen by at least 50%. This is a reflection of the ability to borrow rather than demand. In respect to site viability it means that developers, in the current climate, are likely to take longer to build out sites. This equates to lower rates of return and increased costs.

Bearing in mind that CIL is 'non-negotiable' and that we are in now in a double-dip recession, it will not pay for the Council to be overly optimistic with regard to their assumptions, particularly when their housing land supply relies heavily upon the delivery of a number of large strategic sites.

It is clear from the Inspector's Report into the examination of the Core Strategy that there were no particular concerns with regard to the viability of the strategic allocations. Even the Council's own evidence namely the 'Affordable Housing Viability Assessment', prepared by Fordham Research and dated April 2009, appeared to conclude that the larger sites at both Tiverton and Cullompton were viable at the level of affordable housing proposed.

The Council's historic position therefore seems to be at odds with the position taken now where PBA appear to be of the view (and presumably MDDC) that if individual infrastructure costs are to be bourne by urban extensions alone then this will render them unviable (paragraph 2.68).

Accordingly, it is anticipated that the shortfall will be met by other means - such as CIL.

However, the fact that off-site infrastructure has not been included in PBA's assessment is a serious concern given that it is not yet clear exactly what will be funded by CIL (we are yet to see a published list) or any certainty that the list (when one is eventually provided) will not be changed.

It is therefore unclear how MDDC can demonstrate that CIL, on the basis of the information provided to date, will not put overall development at risk bearing in mind PBA's conclusions with regard to the proposed urban extensions.

Failure to reflect the provisions of the Mid Devon Core Strategy

PBA have based their assessment on a number of assumptions (including those above) that do not reflect the requirements of the Development Plan.

Paragraph 2.37 states that:

> *"A merged mix of affordable and open market housing, **based on 22.5% provision of affordable units**, has been used"*

It is unclear why PBA have utilised such a figure; 22.5% affordable is not compliant with the Development Plan which provides for an overall target of 30% affordable homes (Policy COR3 of the adopted Core Strategy) and a target of 35% on sites in Tiverton, Cullompton, Crediton and Bampton (AL/DE/3 of the Allocations and Infrastructure DPD).

It is clear that MDDC provided evidence to both the Core Strategy examination and the Allocations and Infrastructure DPD, via their 'Affordable Housing Viability Assessment' (prepared by Fordham Research) to demonstrate the viability of the affordable housing targets proposed. However, it appears that this figure is not viable after all (and thus needs to be set at a lower percentage to ensure viability of CIL i.e. 22.5%).

The CIL guidance (March 2010) is clear on this point and advises that:

> *"the examiner will want to consider the implications for the priorities that the authority has identified in its Development Plan" (paragraph 10)*

The CIL guidance also states that:

> *"The CIL examination should not re-open infrastructure planning that has already been submitted in support of a sound core strategy DPD or LDP (or in London, a formally published spatial development strategy or alteration thereto). It is not the role of the CIL examination to challenge the soundness of an adopted development plan." (paragraph 18)*

It is not therefore within the scope of CIL to make amendments to the Development Plan, including the affordable housing target.

However, PBA state at paragraph 2.80 that:

> *"The viability appraisals have demonstrated, using these assumptions, that CIL is deliverable at £90/sq.m for residential development on the sites tested* ***subject to the affordable housing proportion remaining at 22.5%*** *and the specific strategic infrastructure items discussed above being paid for through other sources. Each of the five generic example sites is found to be economically viable in these circumstances."*
>
> (own bold)

The fact that the Council appears to have devised their DCS on the premise that the affordable housing target, as stated in the Development Plan, can be easily varied is a serious concern – we know that this is not the case. If the Development Plan is to be varied then this can only be done via a formal amendment (which will require separate consultation and examination).

Without undertaking an analysis of the impact of a 35% affordable housing target plus CIL it is unclear how MDDC are able to conclude that the proposed DCS will not put overall development across the plan area at serious risk.

Therefore, as the proposed DCS infringes, rather than reflects, the Development Plan it can only be concluded that there is <u>no scope</u> to levy the CIL that is currently proposed (i.e. £90 per sq m for C3).

No clarity of the scope of CIL and the scope of Section 106 items

The Council have not provided any clarity in respect of what is to be provided by way of CIL and what is to be provided by way of Section 106 agreements.

This leaves the Council (and consultees) unable to draw any realistic conclusions with regard to the cumulative economic impact of the provisions of the Development Plan and any associated/relevant Supplementary Planning Policies/Documents. In the absence of such an assessment it cannot, and should not be assumed that 'overall development' in Mid Devon will not be at serious risk.

Consultees must have the opportunity to make comment on a 'Regulation 123' list (or similar) as soon as possible and prior to the examination of the proposed CIL in order to provide any comment in relation to this matter.

MDDC Instalment Policy

Whatever level of CIL that is finally levied it is critically important for MDDC, in setting their instalment policy, to consider the matter of phasing.

It is important that any instalment policy put forward is not onerous and can provide flexibility.

The instalment policies that MDDC have provided examples of, in our opinion, do not have enough regard to the cash flow implications that CIL will have on the viability and delivery of proposals. Current market conditions mean that build programmes would not enable CIL instalments to be paid in accordance with the timetables suggested in these examples.

We would commend MDDC to adopt a degree of flexibility in the way that they apply an instalment policy i.e. that there is opportunity to vary/negotiate instalments depending on site specific viability (as presently done so with Section 106 agreements).

In drafting an instalment policy MDDC must have regard to the following question; what would happen if market conditions were such that development on site ceased? Would the Council seek to wind up the development company if it had run out of money and couldn't afford to build any more units and/or seek payment of a CIL contribution that was running ahead of house completions?

An extreme situation maybe, but it is critical that MDDC understands that the ability to pay CIL is inextricably linked to the receipts from sales of new homes, not some arbitrary timetable. We therefore commend linking completions of new homes as a measurement of 'time' (rather than days).

I trust the above comments and attached representation will be considered.

We would be happy to meet with you to discuss/explain any of the matters raised and we look forward to hearing from you.

Kind Regards

David Seaton BA(Hons) MRTPI
For PCL Planning Ltd

Your Ref
Our Ref **DS/PCL/CIL**
Date **5th December, 2011**

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Peter Williams
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Dear Mr Williams,

MID DEVON DISTRICT COUNCIL: COMMUNITY INFRASTRUCTURE LEVY (CIL) PRELIMINARY DRAFT CHARGING SCHEDULE

CIL is meant to be a way of facilitating the timely delivery of necessary infrastructure. CIL will not work if it is set at a level which means that this is unlikely to happen.

At the forthcoming CIL examination the Council needs to be able to demonstrate that the proposed CIL rates will not put overall development across the plan area at serious risk.

In order that there is clarity about the potential impact of CIL upon this test (the impact upon development viability across the plan area) it appears to us important that there is clarity about the other costs that development is expected to bear so that conclusions can be drawn about what the cumulative impact of CIL, in association with other costs, is likely to be. It would therefore be helpful if the Council would be clear about which costs are expected to be funded by CIL, and which costs are not. Following discussion with Council officers it appears that there are some costs which are currently sought from developers via section 106 which will no longer be sought via this route (such as open space contributions [except for on site provision?] and air quality contributions, education provision?). We also understand, having regard to the provisions of some of the larger urban extensions proposed in Cullompton and Tiverton, that it is not clear to what extent the obligations proposed by policies such as AL/TIV/1-AL/TIV/7 and AL/CU/8 and AL/CU/8/GI are expected to be borne by the site (i.e. a section 106 cost) or whether some of the matters are expected to be funded by CIL.

It is recommended that a clear list is published by the Council, as soon as possible to both remove these ambiguities and to commit the Council to the scope of CIL for the duration of the plan period (to avoid 'changing the goalposts' shortly after the CIL examination has been completed).

It is also worth noting that the Core Strategy 2026 imposes various environmental standards of development which have cost implications. These include such matters as early use of previously developed (brownfield) land (COR 7), carbon neutral development (COR 5, AL/IN/6), local distinctiveness (COR 2). All work on appraising the ability to pay CIL needs to accurately reflect these provisions (and not any lesser standards).

It is vitally important that the impact of seeking affordable housing contributions of 30% from residential developments is considered since this represents a significant cost to development.

The importance of CIL reflecting the provisions of the Development Plan is critical. CLG guidance (March 2010) advises that:

> *"the examiner will want to consider the implications for the priorities that the authority has identified in its Development Plan"*

This principle was understood by the Inspectors who undertook the examination into the Council's Allocations and Infrastructure DPD who stated, when considering policies AL/IN/1 and AL/IN/2 (at paragraph 3.37) that:

> *"The revised policies aid certainty in the interpretation of the DPD and the proposed change is justified, effective and renders the DPD sound, whereas in its original text it unduly anticipated the formulation of the CIL schedule."*

It is for the Council to explain why they consider that their proposed CIL rate(s) will not put overall development across the area at risk. Bearing in mind the above comments, and having read the published information base it appears to us that this is not the case.

We draw the following comments to the attention of the Council in the hope that they will reconsider their position on this matter.

Areas of Agreement

We agree with the Council that there is not the evidence base available to justify a differential CIL charging regime across the district. We concur that the district is best dealt with as a 'homogenous entity'.

We agree with the Council that it appears reasonable to make a CIL charge for large scale retail developments of over 500 square metres. We are less convinced that the rate of £250 per square metre has been appropriately justified but, bearing in mind the lack of evidence of such developments taking place, and being proposed, across the plan area it is difficult to comment further on this matter due to the lack of evidence on it. Certainly it is difficult to assess this in terms of overall development since it appears to us that there is only very limited opportunities for development of this type to take place. It therefore appears, in this case, to be less 'overall' and more 'site specific'.

We concur with Fordham Research that it would be unsound to base affordable housing returns on the emerging affordable rent initiative. In practice this initiative has already been considerably watered down since its original announcement.

Areas of Concern

With regard to the 'overall development' test we have concerns with the proposed rate of £113 per square metre for residential development.

The information base for this appears to be the 'Housing Viability Update and CIL Study (May 2011). However, a closer examination reveals that the document appears to be titled "Affordable Housing Threshold Viability Study - Viability Update and CIL) and the report is an update of the earlier 'Affordable Housing Viability Assessment (April 2009). We therefore question whether the focus of this study was actually a proper and robust assessment of the 'overall viability' test, rather than an after-thought to justify a pre-determined level of affordable housing in a CIL world (as paragraphs 1.7-1.9 appears to state). In particular we point to the caveat set out at paragraph 1.9 and the clear limitations to the report. For a CIL information base to be robust it appears to us that all of the factors mentioned in paragraph 1.9 need to be examined on a cumulative basis if one is to be able to reach a sound conclusion in relation to 'overall development'.

A further concern is that Fordham Research appears not to have fully understood the differences between affordable housing provision and CIL. Their comments at paragraphs 2.3 and 2.14 that CIL is akin to affordable housing in that it is 'means tested' and 'not designed to prevent development' misses the point that CIL has a much greater degree of rigidity than affordable housing provision which, in a post CIL world, remains to be negotiated on a site by site basis. CIL, on the other hand, is a fixed tariff that is designed to give certainty. It can only be set aside in exceptional circumstances. If the use of 'exceptional circumstances' is not to make a mockery of the CIL charging regime then it is important that the charge is appropriately set, and that CIL:

> *"should take into account other development costs arising from existing regulatory requirements, including taking account of any policies on planning obligations in the Development Plan (in particular those for affordable housing)."* (Community Infrastructure Levy Guidance : Charge Setting and Charging Schedule procedures, CLG 2010).

We are not aware that the Council has given notice of any intent to offer exceptional circumstances relief.

In our view the comment that "*the CIL schedule is capable of being operated selectively, to allow for variations in viability*" (paragraph 2.14, page 6, Fordham Research May 2010) is simply not correct.

The CIL process does not appear to permit a debate about the usefulness of 'notional site testing' as an indicator for the robustness of the impact of CIL upon the deliverability of 'overall development'. We simply note that, in our experience, such exercises are of limited value when looking at actual development costs and viability due to the myriad of scheme specific variables that impact on a site specific basis e.g. de-contamination, steepness of slope etc). In our view ignoring such variables renders the 'notional testing' of little use, particularly when one notes the comment at paragraph 3.18 of the May 2010 report (page 10) that:

> *"in view of their notional nature, abnormal costs were not assumed to arise in respect of any of the sites".*

Whilst we appreciate that a CIL charging regime is focused on 'overall development' and not site specifics – but the example of saved local plan allocation TIV 8 serves to demonstrate this point. Here a greenfield urban extension to Tiverton, whilst allocated, achieving planning permission, and being in the hands of a developer (an option agreement with Midas Homes), has not come forward for development due solely to the abnormal development costs of steepness of slope and covenant removal (over part only) over the site. In respect of CIL the point is that, to be of any value, a 'notional testing' exercise must make sufficient allowance for such costs to be borne by development (on an overall basis).

In terms of other variables it appears to us that other significant costs have been ignored/underplayed. In summary these costs are:

No reflection of the significantly reduced rate of sale that now predominates the market. In viability terms it is not just the absolute fall in house prices that is of concern, it is also the very significant reduction in the rate of sale that is important. This means that a developer must maintain his peak borrowing position for a longer period and incur significantly more interest charges than a development that is completed over a quicker period. This is best illustrated in relation to a flatted development since the whole block must be completed before any income can be earned. So, prior to first sale, during that time the developer has funded site acquisition, road sewers etc, and superstructure build and not earned a penny. Return on this investment, in the current market will be very slow so the rate at which the developer can pay down his borrowings is lengthy, resulting in increased cost and increased risk (in case the market turns down during the selling period bearing in mind the 'Euro implosion' situation this is a very real concern). It also increases the risk of market fluctuation (due to a longer period of exposure) and this is a reflection in an increased requirement for return (potential profit margin). The Fordham report does not consider these issues (at all). The Allocations and Infrastructure DPD Inspectors understood the timeliness point (but were not considering the financial implications of it) when commenting that:

> *"With the economy currently in recession and no major recovery forecast, the predicted delivery rate in the ten years up to 2026 is over-optimistic and unjustified."* (paragraph 3.42, page 14)

The CIL examiner will need to consider this matter.

We are also concerned that this 'update work' has taken a 'rose tinted' view of selling prices. Paragraph 3.20 refers to 'current market prices for new build homes in Mid Devon' whereas actual achieved transfer prices can often be some 10-20% below advertised sale prices. This concern is compounded when commentary upon prime London residential property is provided - this reflects international circumstances which are hardly likely to prevail in Mid Devon. The point is that Land Registry Actual Sales Data is robust, whereas the other data sources quoted could be significantly misleading. In our view Land Registry data should be used to provide an indication of likely selling values. The 'Fordham' conclusion that a 5% discount from November 2007 selling levels is not robustly justified and, in our opinion, may be significantly misleading. In our view market volatility has been such that new appraisals, based on Land Registry achieved sales values, should be carried out.

"The Cushion"

We commend Fordham Research for actually 'having a go' at introducing an objective test of viability. This is a common failing of many viability studies since the real question in any viability exercise is not the often hotly debated topic of developers return (which is actually the lenders required rate of return which is non negotiable), but the landowners required selling value.

We simply comment that what Fordham define as acceptable:

- Greenfield value of £130K per ha
- Brownfield value of £205 per ha

does not reflect actual historic transactions. Historic transactions have actually been undertaken at much higher levels of residual value. Whether landowners will accept this very considerable fall in potential value, or whether they will simply choose not to dispose of their land is the judgement call that needs to be made. In our view landowners will not accept such values (since, net of transaction costs, capital gains tax etc, the actual disposable receipt to the landowner will be considerably less than the per ha figures quoted by Fordham).

It cannot be sufficient for the Council to point to the examples that do exist of very low land values being accepted by some landowners (such as public sector land being disposed of at significantly below market value to facilitate the provision of affordable housing) do not represent any kind of sound baseline for concluding that the 'overall level of development' will not be prejudiced. A sounder approach would be to consider a level of return which bears some relationship to historic achieved values for residential land transactions in the district.

Affordable Housing Assumptions

Again, there is an element of 'rose tinted spectacles' being applied here. The 'Fordham Approach' examines affordable housing provision on the basis of two options:

- Free Land
- Zero Grant

The HCA have made it plain that, for the forseeable future, zero grant is to be assumed for all section 106 affordable housing provision. It appears to us that this is the only reasonable assumption that can be made at the moment since these is no evidence of a change in economic circumstances that is likely to make grant funding for section 106 sites likely in most circumstances.

The 'free land' assumption is odd. In our experience, in most circumstances, there is a cross subsidy that occurs from speculative to non-speculative (affordable) housing provision even in circumstances where HCA grant has historically been available. In a 'nil grant' environment the financial impact upon scheme viability will be much more than just 'free land' if the implications of the Development Plan are to be taken into account in setting a CIL rate (as required by Government guidance on this matter).

Also, at paragraphs 3.42-3.46, Fordham Research set out a rationale for increasing the amounts that RSL's (now RP's) will pay for affordable housing. We do not consider that the RPI is an appropriate indicator, or the index of Average Weekly Earnings are appropriate indicators upon which to base a 10% increase in the value of social rented dwellings. More robust evidence can be obtained for analysing the values paid by RSL's for completed social rented units and data of historical transactions should be used.

Shared Ownership values have been more affected due to the need for purchasers needing to obtain mortgages to purchase their equity shares. Due to the ongoing difficulty in obtaining such mortgages (since such purchasers are regarded by many lenders as 'sub prime') then a viability appraisal should assume void periods prior to disposal for this product. Accordingly, we cannot concur that there is any justification for a 6.25% increase upon Nov 2007 figures.

Appraisal Information

We therefore conclude that the appraisal information upon which the Council has based its judgement to conclude that a CIL rate of £113 per square metre for residential development is flawed in a number of areas. Those flaws are such that the assumptions drawn about scheme viability are overly optimistic, to a significant degree.

In our view the notional appraisals need to be re-worked utilising more robust data to overcome the 'rubbish in-rubbish out' criticisms that we have commented upon.

Scope For CIL

There is also a need to properly reflect the spatial vision of the development plan in any conclusions reached i.e. that the bulk of development is to be accommodated at Tiverton, Cullompton and Crediton. Robust assumptions about 'overall delivery' cannot therefore be based upon assessment of viability of schemes at Bampton.

It is noteworthy that, even without taking account of the comments that we have made about the Fordham Research methodology and data inputs they conclude that:

> *"The suggested maximum possible rates of CIL are around £150 per square metre for greenfield sites only, reducing to about £35 per square metre for all sites."* (paragraph 4.28, page 22, May 2012).

CLG guidance is that:

"Charging authorities should avoid setting a charge right up to the margin of economic viability across the vast majority of sites in their area. Charging authorities should also seek to illustrate, using appropriate available evidence, that their proposed charging rates would be robust over time........." (paragraph 29, page 10, CLG, 2010).

The Council have not undertaken any such assessment. Without any such assessment, in our view, having regard to the need for the Development plan to be implemented in accordance with the spatial vision of that plan and in a timely manner (it is worth noting that nearly all residential delivery polices in the plan are expressed on an annualised basis) it would be unsound to base assumptions about the future on anything other than current economic circumstances if a large hiatus in development activity is to be avoided. Such an outcome would be contrary to Government policy, (both extant and emerging) which is urgently seeking to encourage appropriate development activity (i.e. the timely implementation of the development plan). This is particularly so since the current economic circumstances appear to us to represent an actual contraction in available finance due to removal of that lending capacity in the world economy that was based upon poor quality collateral/imprudent financial engineering. This represents an *actual reduction* in the size of our economy. To disregard these known Issues, and to base a judgment about CIL on long run trends alone, would not therefore be sound. A sound approach which is unlikely to have negative short term consequences for 'overall delivery" should, in our opinion, assume current circumstances and then be reviewed if and when economic circumstances change.

Study Findings

It is noteworthy that Fordham Research conclude that, even disregarding our comments about the optimistic nature of their work, that,

"on average, sites could provide only a modest CIL contribution of £35 per square m. Greenfield sites taken on their own could on average provide a more significant contribution, brownfield none at all."

We conclude that the Council appear to have based their proposed CIL rate upon the Fordham Research view of greenfield site viability.

In our view this approach is flawed. It ignores a key component of the spatial vision by appearing, even on the basis of the Fordham, 'rose tinted', view of viability, to assume that there will be no brownfield development coming forward over the plan period. There are brownfield sites allocated for development in the Development Plan, one can only assume that this element of the spatial vision is unlikely to be achieved. It should not be forgotten that, whilst not planned for by way of allocations, windfalls are also likely to make a contribution to meeting housing needs. Indeed, policy COR 7 provides for a sequential approach to the use of brownfield land and provides that 30% or more of new dwellings should be on brownfield land. In our view a CIL rate should allow for brownfield development to take place.

Comparative Analysis

Bearing in mind the lack of robust data in the analysis work that the Council rely upon it seems sensible to look at some quick 'comparative checks' to provide an element of confidence that the 'Mid Devon picture' for residential development seems to make some sense. The key points are:

Exeter City are proposing a CIL rate of £100 per square metre. Selling values in Exeter are circa 10% higher than selling values in Mid Devon.

Whilst we do not wish to comment on selling values in the rest of the country we understand that the following rates have been proposed and/or found sound:

District	**Rate (£/square metre)**
LB of Redbridge	70
LB of Croydon	0 – 120
LB of Wandsworth	250, 265 – 575 in Vauxhall, 0 in Roehampton
Newark and Sherwood	0 – 75
Shropshire	40 – 80
Portsmouth	105

We do not consider the rates applicable to large urban areas as a good comparator to Mid Devon. Looking more closely at those districts that are more rural in nature then the Mid Devon proposal seems to be expensive.

Conclusions

A homogenous approach is appropriate for Mid Devon.

There is little evidence of 'large scale retail' development.

The Council need to demonstrate than the 'overall development across their area' will not be put at risk.

The Council have not produced a robust evidence base. The evidence proffered is vague and based on poorly justified assumptions. A robust evidence base of actual relevant data is to be preferred.

The proposed CIL rate does not even relate to the evidence base that the Council rely on for support - that suggests a rate of £35 per square metre, not the £113 proposed.

If one has regard to the comments that we have made above then one must concludes that a CIL rate of £113 per square metre is likely to have a significant effect upon achieving the overall level of development set out in the Development Plan. The proposed rate is far too high. A rate of nearer to £35 per square metre is a much sounder approach, and even that may be too high if proper allowance is taken for the comments made in this letter.

I trust that the Council will consider fully the comments made in this letter.

Kind Regards

David Seaton, BA (Hons) MRTPI
For PCL Planning Ltd