

# Community Infrastructure Levy (CIL)

*Improving access to services and facilities for all*

Draft Charging Schedule

Summary of Comments



December 2018

Building a world-class city for everyone

## Summary of responses to the Draft CIL Charging Schedule consultation

14 respondents commented on the Draft CIL Charging Schedule. The table below summarises the main issues raised.

The Draft Charging Schedule is the same as the Preliminary Draft, with the exception that strategic sites, e.g. Northern Gateway, have been removed from nil charge. Alongside the consultation on the draft Charging Schedule was a consultation on the Regulation 123 list.

Ref.	Topic	Respondent	Summary of comments
1	CIL rates for college owned and student accommodation	St Hilda's	Believe the CIL rates are unjustifiably high. The increase to £200/m <sup>2</sup> would add to the capital costs of a student room, and would act as a deterrent for the Universities to provide further student accommodation in line with policy. The proposed increase would therefore act contrary to the Council's policy of encouraging the building of further student accommodation on college-owned sites. The Economic Viability Study that is used to justify the proposed increase cites 29 developments, none of which relates to a college developing student accommodation for its own use. This is an omission. The Economic Viability Study excludes any consideration of the additional levy of £147/m <sup>2</sup> proposed in lieu of affordable housing when student accommodation is built on a college-owned site, which has hitherto been exempted from affordable housing obligations. Rationale not stated for levying CIL for student accommodation.
2	CIL rates for large and small developments	Chris Bonfiglioli	The per metre amount charged should be higher for larger developments aimed at making a profit. There should be exemptions for small developments, say under 100 square meters.
3 42	Viability and Reg 123 List	Christ Church, Magdalen College and St Johns College 'The Consortium'	It is the Consortium's opinion the proposed CIL rates are set too high, at a level which is not evidenced by the viability assessment undertaken by GVA. The typologies assessed do not reflect the development proposed in the draft Local Plan, further there is no assessment for commercial B1 uses. The proposed rates for B1 uses and D1 uses are currently in contravention of Section 211 (7a) of the Planning Act (as amended) as they are not based on any appropriate evidence. Residential sales values are overstated – sales values for Zone 4 are not substantiated by evidence. The Consortium also have fundamental concerns that certain development costs are understated and / or not included appropriately within the residual appraisals. This particularly relates to build costs, abnormal costs and Section 106 costs. It is fundamental that a minimum viability cushion of 30% should be adopted within the proposed Oxford City rates to minimise risk to the housing supply, particularly when the housing delivery is historically not meeting the required need. Large infrastructure projects such as Cowley Branch line should be added to Regulation 123 list.
4 and 5	Maximizing CIL rates	Vale of White Horse and SODC	Continue to welcome the positive steps taken to ensure contributions are maximised, particularly in light of the Oxford City Local Plan 2036, which is yet to be subject to Examination. The Council considers it necessary that the CIL Draft Charging Schedule is examined in parallel with, or shortly after, the Examination of the Local Plan 2036, which is currently scheduled for Summer 2019, to ensure viability is considered in a consistent manner.
6	Viability	TWO	Worried due to the quick turnaround between this consultation and the previous, that the comments were not taken into account. Doubling CIL rate for residential and shop uses, this is a significant increase. Do not support the proposed rates. This is because the viability study does not test office (B1) developments, large developments, and those developments that also require S106. Due to this, there is no evidence that the rates are appropriate or viable. No consideration of development pipeline and emerging policy requirements in new Local Plan. A bespoke arrangement for Northern Gateway should be considered.
7	Viability and Reg 123 List	Oxford Science Park	No assessment of Class B1 uses. Employment sites not properly assessed- increase realistic? Cowley Branch Line should be added to the Regulation 123 list so that CIL receipts from development across the City can be pooled to fund this exciting project. It is highly unlikely that justifiable and proportionate Section 106 contributions could reasonably be secured by the City Council from employment development along the route of the Branch Line that would come anywhere close to bridging the existing funding gap.
8	IDP	Thames Valley	TVP would like to secure contributions towards the delivery of infrastructure: Staff set up costs, new vehicles and bikes, premises, mobile IT, radio capacity, ANPR cameras, control room and PND capacity. TVP welcome the acknowledgement in the draft IDP of developer

		Police	contributions towards policing under 'community services' but ask for it to be categorised separately as 'Police infrastructure' to highlight the importance of creating safe communities as identified in NPPF. The Police infrastructure listed falls within the definition of infrastructure as defined in 2008 Act and is not limited to buildings. Therefore equipment could be funded as described.
9	Viability	Oxford Bus Company	The removal of the proposed exclusion of strategic sites from CIL regime is welcomed and will deliver new development more quickly. It will also provide more clarity to developers. Must prioritise the delivery of key infrastructure by ensuring that CIL income is maximised, that the spend process is transparent and that the responsibility for delivering strategic infrastructure is not left to other authorities to deliver. The level at which CIL rates should be set to support infrastructure delivery in comparison to delivering affordable housing does not appear to have been transparently considered with a clear balancing exercise not undertaken. There would be scope for CIL to be set at an even higher level but it has been limited by the level of affordable housing provision without consideration of the impact on infrastructure delivery. The Economic Viability Study does not test a range of options to assist in determining what the CIL rate could be set at. The table on page 40 of the Study shows that only a rate of £200 was tested for residential, student accommodation and retail (and £50 for other uses). No other rate levels have been tested. That table also shows that the majority of site typologies would be viable but, due to the lack of CIL rate options or sensitivity testing, it is completely unknown as to whether the CIL rate could actually be set higher bringing in additional infrastructure funding and still maintaining the viability of the majority of sites.
10	Regulation 123 list and Exceptional circumstances	Historic England	Disappointed not to see any heritage-related infrastructure identified in the Revised Regulation 123 List. HE note that noted that paragraph 26 of the Preliminary Draft Revised Charging Schedule stated " <i>In Oxford City discretionary charity relief or exceptional circumstances relief is not available (CIL regulations 44, 45 and 55)</i> ". We presumed this related to a decision of the Council rather than to any bar in the Regulations themselves. This position is maintained in the Draft Revised Charging Schedule, albeit now in paragraph 25. They maintain that the City Council consider exceptional circumstances relief in accordance with Regulation 55 where the requirement for CIL would threaten the viability of a redevelopment scheme bringing new life to heritage assets.
43	CIL rates for D1 Uses	Department of Education	The consultation took place too soon to consider all representations. Believe this consultation was legally non-compliant and undermines the meaning and value of public consultation. Nothing in EVA to justify CIL charge for state funded schools which are a type of infrastructure and do not make a profit. Only assessed care home D1 use. D1 uses or state funded schools specifically should be removed. In the meantime, we request that the Council adopts a policy allowing 'in kind' infrastructure payments, as a matter of urgency in view of the delivery timescale for The Swan School, a new secondary free school which is being fully funded by the DfE. Permissible under Regulation 73(A) of the Community Infrastructure Levy Regulations, an 'in kind' infrastructure payment would allow the levy to form part of the DfE's agreed costs in delivering the school. The DfE is not prepared to double fund education through direct delivery of a new school and also a CIL payment which may be used for education according to the R123 list. In the absence of an infrastructure agreement allowing 'in kind' payment as described in Planning Practice Guidance, the DfE will seek the reimbursement of any CIL payment made
12	Regulation 123 List and Viability	University of Oxford	Disappointed the consultation on this schedule remains unchanged from previous. Increase to CIL rates too high. Do not support the following infrastructure on 123 list: Queen Street Pedestrianisation, Redbridge Park and Ridge Capacity Improvements, Seacourt Park and Ride expansion/improvements. Suggest 4 more transport schemes for the list: traffic free cycle routes on key radial road routes, mass rapid transit infrastructure on key radials, new pedestrian and cycle crossing of River Thames at Oxpens, demand management measures, ZEZ. Employer Linked Affordable Housing cannot support CIL at the proposed residential rate. Asking OCC to introduce a new CIL rate of £0 psm for accommodation that meets the definition set out in Draft Policy H3. Where it is not possible to offset the payment of CIL against the purchase price of land it would potentially become another significant capital outlay before development which would potentially make that development unrealistic.
13	CIL rates for student accommodation	Oxford Brookes University	Disappointed to note that no substantive changes have been made to the documentation in response and no statement setting out detailed reasoning in response to the points raised have been made. Concerned with the increase on new education floor space by nearly 100% and student accommodation by nearly 60%. This will have adverse impacts on investment plans for the institution. The increase in CIL would have the following impacts: 1. Adverse impacts on the University's Estates Investment Plan; 2. Constraining the supply of purpose-built student accommodation, contrary to the objectives of the City's planning policy; 3. Eliminating the delivery of affordable

			student accommodation within Oxford that allows students from less affluent backgrounds to access education at Oxford Brookes University. OBU propose that the Council introduces a variable rate for Headington and east Oxford, recognising that many of the schemes that will emerge here in the future will be to meet the needs of Oxford Brookes University's students.
14	CIL rates for B2/B8 uses	BMW	The response to the PDCS consultation is equally relevant to this consultation. The main comments for the Draft Charging Schedule consultation are as follows: Insufficient time has been allowed to enable the Council to undertake a proper analysis of the comments received on the PDCS consultation; The rationale for proceeding with an "unviable" CIL on B2/B8 uses is unclear as the impact of the levy on a B2-B8 development larger than 3,500m <sup>2</sup> has not been tested; No reasoning is given as to why the Council continues to uniquely seek CIL on new industrial floor space when neighbouring and other charging authorities with automotive plants do not; No justification is provided for removing the proposed nil CIL on strategic sites; No new viability evidence has been undertaken for larger employment developments of the scale and complexity which might be required by MINI Plant Oxford; and No opportunity has been provided for detailed review by stakeholders of all the comments submitted to the PDCS consultation in October 2018. BMW believe that a "do minimum" approach has been adopted in order to meet the requirements of the CIL Regulations with undue haste.