



## **COMMUNITY INFRASTRUCTURE LEVY (CIL)**

### **STATEMENT OF REPRESENTATIONS AND COMPLIANCE WITH CONSULTATION REQUIREMENTS**

**Regulation 15, 16, 17 and 19 of the Community  
Infrastructure Levy Regulations 2010 (as  
amended)**

**MAY 2019**

Planning Policy and Conservation  
Arun District Council  
Arun Civic Centre  
Maltravers Road  
Littlehampton  
BN17 5LF

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## **1.0 Introduction**

- 1.1 This Statement of Consultation (SoC) sets out how Arun District Council has carried out the necessary consultation to inform the preparation of the Community Infrastructure Levy (CIL) Draft Charging Schedule (DCS). The statement addresses the requirements of Regulations 15, 16, 17 and 19 of the CIL Regulations 2010 (as amended).
- 1.2 The Council is satisfied that the requirements of these Regulations have been met with regard to consultation on the Preliminary Draft Charging Schedule and Draft Charging Schedule.

## **2.0 The Preliminary Draft Charging Schedule**

- 2.1 Consultation on the Arun Preliminary Draft Charging Schedule (PDCS) ran from 10<sup>th</sup> December 2018 to 5pm on 21<sup>st</sup> January 2019. The CIL Regulations require that at this stage, the charging authority must send a copy of the PDCS to each of the consultation bodies<sup>1</sup> and invite them to make representations. The council must also invite representations from other persons resident or carrying out business in its area, as well as other bodies as considered appropriate<sup>2</sup>.
- 2.2 As part of the consultation process, the council:
- Sent letters/emails to consultees on the Planning Policy database informing them of the PDCS Consultation and inviting them to make representations on the PDCS;
  - Sent a copy of the PDCS to each of the consultation bodies;
  - Published a press release and published an article in the Arun Times (a free magazine produced by the Council and distributed to all householders in the district); and
  - Made hard copies of the PDCS and comment forms available at all libraries within the Local Planning Authority Area (outside of the South Downs National Park) and at the reception desks at Arun District Council and Bognor Regis Town Hall
- 2.3 During the PDCS consultation period, the Council received 34 comments from 28 respondents. A summary of the comments received was taken to Planning Policy Sub-Committee on 27<sup>th</sup> February 2019. The summary of responses received can be found in Appendix 1 and Appendix 1a which provides a

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<sup>1</sup> As defined in Regulation 15(3)

<sup>2</sup> As defined in Regulation 15(5)

focused response to Frontier Estates on the matter of Extra Care developments.

- 2.4 The comments received were taken into account in the preparation of the Draft Charging Schedule. The main changes included points of clarification and the preparation of an infrastructure list (in accordance with Reg. 123 of the CIL Regulations 2010 (as amended)).

### **3.0 The Draft Charging Schedule**

- 3.1 On 27<sup>th</sup> February 2019, the Planning Policy Sub-Committee agreed that the Draft Charging Schedule should be published for public consultation under Reg. 16 of the CIL Regulations 2010 (as amended) from Thursday 21<sup>st</sup> March 2019 until 5pm 2<sup>nd</sup> May 2019.

- 3.2 The consultation was carried out in compliance with Regulation 16 and 17 of the CIL Regulations 2010 (as amended). The following actions were undertaken:

- The Draft Charging Schedule, evidence documents, Reg. 17 Statement of Representation Procedure; Regulation 16 Notice of Publication; and comment forms were made available at the Arun Civic Centre and Bognor Regis Town Hall as well all libraries within the Local Planning Authority area outside the South Downs National Park Authority in accordance with Reg. 16 (1) (a).
- The Draft Charging Schedule; evidence documents; Reg. 17 Statement of Representation Procedure; a statement of the fact that the DCS and relevant evidence are available for inspection and where they can be inspected; The Reg 16 Notice of Publication of a Draft Charging Schedule and comment forms were published on the Arun District Council website in accordance with Reg. 16 (1) (b)
- A copy of the Draft Charging Schedule; Reg. 17 Statement of Representations Procedure; and the Reg 16 Notice of Publication the Draft Charging Schedule was sent to each of the consultation bodies
- A letter/email was sent to all consultees on the Planning Policy database inviting representations on the DCS
- The Regulation 16 Notice of Publication and Regulation 17 Representations Procedure was published in the West Sussex Gazette on 21<sup>st</sup> March 2019 in accordance with Regulation 16 (1)(d)

## **4.0 Representation Statement and Summary of the Main Issues Raised by the Representors**

- 4.1 A total of 22 representations were duly made in accordance with Regulation 17 of the CIL Regulations 2010 (as amended). Of those representations, 5 were 'objecting', 1 'supporting' and 16 'commenting'.
- 4.2 The duly made representations were reviewed by the Council and its viability consultants HDH Planning and Development Ltd. Appendix 2 provides a summary of the representations including whether they were formally 'supporting', 'objecting' or 'commenting' and whether the representor indicated that they wished to be heard by the examiner. The Council's responses to the representations are also provided.

## **5.0 Changes to the Draft Charging Schedule as a Result of Consultation**

- 5.1 Representations received at the DCS consultation stage were considered against national legislation, the CIL Regulations 2010 (as amended) and the National Planning Practice Guidance. Following a review of the comments received and the identification of minor drafting errors, the Council has proposed some minor modifications to the CIL DCS which are set out in the Statement of Modification (SoM). None of these changes are considered to be substantive.
- 5.2 In accordance with Regulation 19(4)(a) and (b) a copy of the SoM will be sent to the consultation bodies invited to make representations under Regulation 15 and published on the Arun District Council website before submitting the DCS and other necessary documents to the examiner.

## APPENDIX 1 – SUMMARY OF REPRESENTATIONS FROM THE PRELIMINARY DRAFT CHARGING SCHEDULE CONSULTATION

**Note:**

Reference is made in this table to a number of evidence documents including the Infrastructure Capacity Study and Delivery Plan, 2017 (ICSDP);

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
PDCS1 Individual	Identified Pagham South inconsistency – Gross Ha in Table 6.1 c (which states 18.83) and Tables 2.1 and 5.2 (which states 24.52)	See Table 9.9 on page 106 of the Arun Local Plan Viability Assessment Update, 2017. The different figures refer to the total site area and the site area less existing development, flooding, employment etc.	No change
	Queries viability evidence, in particular zero rating of strategic sites and comments on complexity of report	The viability evidence has been prepared in accordance with the requirements of the NPPF and NPPG and CIL Regulations. No changes suggested. A Q&A paper will be prepared to address points of clarification regarding technical details.	No change
	How will ADC raise sufficient funds to meet the costs of infrastructure to deliver the strategic sites?	The required infrastructure to support the delivery of the strategic housing allocations is set out in the evidence base used to support the preparation of the Arun Local Plan, which was tested at Examination in Public. The, requisite infrastructure will be delivered through S106 on the strategic sites. These costs have been taken into account in the viability evidence base. The testing showed that based on these additional costs, it would not be viable to charge CIL on these sites, based on the high S106 costs.	No change
PDCS2 Bognor Regis TC	No response to submit at this stage	Noted	No change

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
PDCS3 Walberton PC	Support	Noted	No change
PDCS4 LTC	LTC questions the assumption that town centre development would not attract CIL, particularly taking into account the change of use from retail to residential which has become a feature of the evolution of the Town Centre in Littlehampton	CIL is only chargeable on the gross area of <b>net new development</b> , therefore CIL would not apply to conversions of town centre buildings to residential units.	No change
PDCS5 Individual	Table 5.1 of the PDCS does not provide full infrastructure cost for district wide requirements	The CIL Guidance requires that charging authorities should focus on providing evidence of an aggregate funding gap that demonstrates the need to put the levy in place. This is evidenced by the ICSDP, 2017.	No change
PDCS6 Individual	<p>Comparison between large greenfield sites – non strategic and strategic. Why are the strategic sites less viable?</p> <p>The S106 contribution per strategic dwelling will be more than twice the combined S106 and CIL contribution per non-strategic dwelling.</p> <p>Concern regarding the loss of 25% portion for those areas with a made neighbourhood plan.</p>	<p>High S106 costs are included in the viability calculations for the strategic sites, based on the findings of the ICSDP.</p> <p>The viability evidence used to test the strategic sites is based upon testing the levels of S106, set out in the ICSDP.</p> <p>Noted – incorporate this into working out forecast CIL levy receipts</p>	<p>No change</p> <p>No change</p> <p>No change</p>
PDCS7 Individual	Provide an anticipated CIL Funding Total based on number of houses due to be built in each zone	This figure is provided in 27 <sup>th</sup> September, 2018 committee report, which states: <i>based on the Housing and Economic Land Availability Assessment only, it is estimated that CIL receipts could total approximately £30 million.</i> Update this figure based on emerging NSS.	See action above.
PDCS8 individual	<p>Check consistency in funding gap figure between PDCS and ICSDP, 2017.</p> <p>Update expected S106 funding for social and leisure in PDCS compared to section 8 of the ICSDP</p>	<p>Reviewed. The funding gap has been identified by taking into account expected S106. Therefore, table 5.1 in the PDCS does look different because the ICSDP does not take account of expected S106 from strategic sites in meeting part of the funding gap.</p> <p>Reviewed and found that the library requirements not included in total. These have been added.</p>	<p>Check funding gap in ICSDP report and PDCS.</p> <p>Updated</p>

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
	Concern that all district wide infrastructure will need to be funded by CIL from non-strategic sites. Implication that CIL will pay for the full funding gap – what will be the source of funds to fill the gaps?	In some cases grant funding can be achieved for certain infrastructure projects. Capital funding may also be available. In terms of identifying a funding gap, the CIL Guidance states: <i>The government recognises that there will be uncertainty in pinpointing other infrastructure funding sources, particularly beyond the short-term. Charging authorities should focus on providing evidence of an aggregate funding gap that demonstrates the need to put in place the levy</i> (016 Reference ID: 25-016-20140612). ADC will continue to review the infrastructure costs and update where possible.	No change
PDCS10 Ferring PC	Support	Noted	No change
PDCS11 Bersted PC	Consultation methods should be given consideration	Consultation carried out in accordance with Arun Statement of Community Involvement, 2012 and in accordance with CIL Regulations, 2010 as amended.	No change
PDCS12 Angmering CLT	Community Land Trusts should be exempt from the CIL charge and included specifically as a category for exemption.	All developers of affordable housing can apply for relief from CIL.	No change
PDCS13 Angmering CLT	Discretionary relief for affordable commercial business premises where the developer is a registered Community Land Trust.	The council will consider whether to implement discretionary relief following adoption of the Charging Schedule (para. 9.4 of PDCS, 2018)	No change
PDCS14  Aldingbourne PC with  Barnham and Eastergate PC	Concerned about the delivery of the right infrastructure to mitigate the impacts of strategic sites such as Barnham Eastergate Westergate.  Provided community infrastructure list needed to support growth in the village and infrastructure requirements in relation to Barnham Eastergate Westergate.	The Arun Local Plan's strategy is to deliver infrastructure required to support the strategic sites through S106. This is set out in the Infrastructure evidence used to support the Arun Local Plan.  Noted	No change  To be included in ICSDP as part of ongoing review
PDCS15	More information is needed on the maximum amount of	The council will consider whether to implement	No change



Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
Aldwick PC	discretionary relief that can be granted as well as more information on exemptions.	discretionary relief following adoption of the Charging Schedule (para. 9.4 of PDCS, 2018).  Noted - Further details regarding exemptions can be provided in a Q&A paper.	No change
PDCS16 Aldwick PC	Clearer maps outlining where each zone begins and where these intersect with parish boundaries.	Noted	Online interactive mapping is available which allows user to zoom in to property. CIL zones are not prepared based on parish boundaries therefore this data would add further complexity.
PDCS17 Landform Estates Ltd	Supports Zone 1 nil charge	Noted	No change
PDCS18 Hallmark Care Homes	Ensure the definition of Older People's Housing Sheltered Housing and Extracare Housing is clear. Does not include care homes. It is suggested that wording within Table 7.1 is amended to the mentioned row is rewritten to simply state "Sheltered Housing and Extracare housing".	Noted – Care Homes are not housing, so it falls into the 'All other development definition'. This will be clarified.	Update charging schedule to read: This charge does not apply to residential institutions (C2)
PDCS19 Frontier Estates	Various issues and questions raised in relation to extra-care developments including: <ul style="list-style-type: none"> <li>• Density figures</li> <li>• Extracare Development and Zoning – the pricing zones are not appropriate</li> <li>• Build costs and revenues</li> </ul>	See separate paper which addresses this representation (Background Paper 1a).	Overall, this representation does not result in changes to the proposed CIL rates.

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
	<ul style="list-style-type: none"> <li>• Affordable housing assumptions</li> <li>• Ground Rent Investment not justified – an uncertain income stream which is unreasonable to assume.</li> <li>• Empty Property Costs not included</li> <li>• Requests Angmering be reallocated out of Zone 2/3 and CIL rate proposed for Extracare reduced from £70/m2 to £0/m2.</li> </ul>		
PDCS20 Individual	<p>Concern relating to the delivery of infrastructure and identified funding gap.</p> <p>Include 5% administration contribution from CIL receipts.</p> <p>The Viability Evidence tests BEW at 3,000 but infrastructure evidence is for 2,300</p> <p>a)Introducing a flat rate CIL charge on all Strategic sites, of say £50.</p> <p>b) Introducing a CIL charging band for all larger houses &gt; 100 sq M, in all zones, adding the CDC text as per “This charge applies to the creation of one or more dwellings, and residential extensions or annexes which are 100 square metres or more gross internal area which are not</p>	<p>The CIL Guidance requires that charging authorities should focus on providing evidence of an aggregate funding gap that demonstrates the need to put the levy in place. This can be evidenced by the ICSDP.</p> <p>The 5% is only taken from the total received in the first three years of CIL collecting and from year four onwards, 5% can be collected towards administration of CIL.</p> <p>The viability evidence has tested the site based on the full allocation as set out in Policy HSP2c.</p> <p>This is not supported by the viability evidence</p> <p>The CIL Viability Update report does not support a charge greater than £0 on strategic sites based on the development typologies tested. Further detailed viability testing on the size of residential units is not considered proportionate in relation to setting a CIL rate.</p> <p>Add the following text from Chichester District’s charging</p>	<p>No change</p> <p>See action above regarding CIL receipts calculation.</p> <p>No change</p> <p>No change</p> <p>No change</p>

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
	<p>for the benefit of the owner/occupier.”</p> <p>d) Remove the Maximum tag from the charge schedule. It should be non-negotiable.</p>	<p>schedule under Table 7.1, with specific reference to the residential charges. “This charge applies to the creation of one or more dwellings, and residential extensions or annexes which are 100 square metres or more gross internal area which are not for the benefit of the owner/occupier.”</p> <p>This is to clarify that the charge applies on a per square metre basis to the creation of one or more dwelling, notwithstanding its size. However, only extensions and annexes that are over 100 square metres are liable for CIL (self build relief can be applied, where appropriate).</p> <p>Agreed</p>	<p>Add point of clarification</p> <p>Remove the Maximum tag from the charge schedule. It should be non-negotiable.</p>
PDCS21 Ford Landowners	Support the inclusion of strategic sites in Zone 1.	Noted	No change
PDCS22 Barnham and Eastergate Parish Council	<p>Suggest ADC introduce a CIL band for larger houses of greater than 100 sqm.</p> <p>The Parish Council supports a CIL Charging Policy as it gives parishes greater certainty. This certainty is beneficial when applying for grant funding as CIL funds will be usable as match funding (typically 50%).</p>	<p>CIL is charged per square metre on all new residential dwellings therefore if a house is larger than the average house it will pay more CIL.</p> <p>Noted</p>	<p>No change</p> <p>No change</p>
PDCS23 Sport England	Arun charge a nil rate for other uses including D2 uses that would incorporate sports facilities, as it would be	Agreed – this is implied by the final row on Table 7.1 which states <i>All other development</i> £0/m <sup>2</sup>	No change

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
	<p>rarely viable for a community sports facility such as a leisure centre to pay CIL.</p> <p>Sport England would strongly encourage that ALL site specific requirements for both indoor sports facilities and outdoor sports facilities are excluded from the Regulation 123 list as Sport England would prefer contributions towards sport to continue to be secured through planning obligations.</p> <p>Only priority strategic projects should be placed on the 123 list</p>	<p>Noted</p> <p>Noted</p>	<p>Prepare Reg. 123 list accordingly</p> <p>Prepare Reg. 123 list accordingly</p>
PDCS24 Highways England	Requires funding to be in place for A27 schemes 3-5 years before the end of the Local Plan period to enable HE to undertake the necessary detailed design etc. If this is not possible, forward funding will need to be investigated.	Noted	Review ICSDP phasing
PDCS25 Landlink Estates	<p>Provide a Reg. 123 list</p> <p>Why are district wide infrastructure projects for example transport and secondary education proposed to be funded through S106?</p> <p>Considers there is no scaling back of S106 but continued reliance on it as the main source of infrastructure funding.</p> <p>Infrastructure list to be published with PDCS to allow robust viability testing.</p> <p>The non-strategic sites need to fund the infrastructure</p>	<p>To be provided at the Draft Charging Schedule consultation.</p> <p>The infrastructure evidence supporting the Local Plan requires transport and secondary education contributions from strategic sites, to ensure growth planned in the Local Plan is sustainable.</p> <p>This is true in the case of strategic sites.</p> <p>This will be published with the Draft Charging Schedule.</p> <p>There is no requirement for the CIL evidence base to</p>	<p>Prepare Reg. 123 list accordingly</p> <p>No change</p> <p>No change</p> <p>Prepare Reg. 123 list accordingly</p>

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
	<p>gap</p> <p>Concern regarding secondary education contributions being applied to non-strategic sites.</p>	<p>show that the funding gap will be met. The CIL Guidance requires that the evidence shows an aggregate funding gap to justify the preparation of a CIL charging schedule.</p> <p>The approach taken to delivering secondary education is set out in the ICSDP, 2017. An updated process for seeking secondary education contributions is being considered but has not been finalised. Any change to the approach will be incorporated into the infrastructure evidence base update.</p>	<p>No change</p> <p>No change</p>
PDCS26 Landlink Estates	Comparison of S106 for strategic sites eg. Yapton paying £15,000 per dwelling for education questions the viability of CIL as a whole.	S106 costs have been worked out on strategic sites based on the infrastructure requirements generated by these sites. The CIL viability testing has been based on these S106 costs (as set out in the ICSDP, 2017). However, the currently unknown infrastructure costs relating to non-strategic sites will be funded partly by S106 (for on-site infrastructure) and CIL (based on an assumption that the average S106 costs will be £2,000 per unit).	No change
PDCS27 Bourne Leisure	Wish to see purpose-built rental or static caravan holiday units within holiday parks or holiday resorts specifically removed from the "residential" CIL rate. These types of developments pay business rates rather than council tax	It is correct that that particular type of development is used for holiday use if it is paying business rates and not council tax. It will be for the applicant to show provide this information to differentiate between residential and holiday uses.	No change
PDCS28 BEW Southern Consortium	Support Zone 1 nil rate	Noted	No change
PDCS29 and PDCS30 Church Commissioner s and Landlink – West of Bersted landowners	Support Zone 1 nil rate	Noted	No change

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
PDCS31 Gladman Developments Ltd	<p>The instalments policy should be linked to number of units rather than to the number of days after commencement.</p> <p>Clarification required in relation to the statement “In any event, CIL will be paid before a unit is occupied”.</p> <p>Exceptional circumstances should be set out in policy because there may be a need for an alternative strategic site. CIL may deem a potential strategic site unviable.</p> <p>When establishing a funding gap that CIL is intending to fill, it is vital that the Council take account of all income streams</p>	<p>This is the same approach adopted by other charging authorities. Commencement is defined in Regulation 67 of the Community Infrastructure Levy Regulations 2010 (as amended) as relating to the date given on the commencement notice submitted to the charging authority.</p> <p>Noted.</p> <p>The council will consider whether to implement discretionary relief following adoption of the Charging Schedule (para. 9.4 of PDCS, 2018)</p> <p>This is set out in the Infrastructure evidence, where it is possible to pinpoint all other forms of funding available.</p>	<p>No change</p> <p>Remove the statement because it is not realistic to assume that CIL will be paid prior to occupation in all cases.</p> <p>No change</p> <p>No change</p>
PDCS32 Kingston PC	<p>The reasoning for not using CIL for strategic sites but relying on S106 agreements was not made clear.</p> <p>The mechanisms by which future CIL monies will come to a parish with an adopted NP and what planning applications this would apply to are not made clear.</p> <p>To make it more easily understood it would benefit from the use of ‘plain English’.</p>	<p>See paragraphs 5.8-.510 of the CIL Viability Update Report, July 2018</p> <p>This will be set out as the implementation of CIL is finalised.</p> <p>A Q&amp;A will be prepared</p>	<p>Provide brief explanation charging schedule re. S106 vs. CIL</p> <p>No change</p> <p>Q&amp;A to be made available on the CIL webpages</p>

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
PDCS35 Pagham PC	<p>Evidence out of date and prepared before the publication of the NPPF 2018.</p> <p>Disclaimer note</p> <p>The CIL Viability Update Addendum 2018 adds nothing of consequence</p> <p>No verification of the evidence to check the estimates and projections.</p> <p>No Reg. 123 list</p> <p>Doesn't provide an up to date funding gap</p> <p>None of the areas (including Pagham) with strategic sites will receive CIL</p> <p>Results in infrastructure from strategic sites being focused on district wide requirements.</p>	<p>The evidence is fully in line with the 2018 NPPF and updated NPPG. The only change in national policy is the use of the phrases Viability Threshold and Benchmark Land Value. They are the same thing but using different terminology.</p> <p>Standard caveat saying that the report should only be used for the purpose of informing the preparation of the CIL charging schedule.</p> <p>Important clarification note regarding the difference between Littlehampton Economic Growth Area and the strategic housing allocation at West Bank.</p> <p>Consultants are used to provide objective and professional judgements and data.</p> <p>An infrastructure list will be provided alongside the Draft Charging Schedule</p> <p>Infrastructure evidence is subject to constant changes as the Local Plan is being implemented. This was accepted by the Planning Inspector in paragraph 197 of his report.</p> <p>The areas will receive S106 to deliver infrastructure to ensure planned development is sustainable.</p> <p>The infrastructure requirements have been identified through the preparation of the Arun Local Plan which is the adopted development plan for the district</p> <p>A CIL Charging Schedule can be reviewed and updated if</p>	<p>No change</p> <p>No change</p> <p>No change</p> <p>No change</p> <p>Prepare Reg. 123 list accordingly</p> <p>Updates to ICSDP where available.</p> <p>No change</p> <p>No change</p>

Comment reference	Comment	ADC Response	Change to PDCS/evidence Required?
	<p>Assumes that the current sites with planning permission will be implemented in the short term. Doesn't allow for CIL to be charged if there are changes on the application site in the future.</p> <p>If all sites treated the same (CIL charged on all sites), there would be an opportunity for the charging authority not to charge CIL on any particular development or site.</p>	<p>there are changes to the way that strategic sites are being delivered.</p> <p>Although a CIL charging schedule can be updated and changed, a charging authority is not able to turn CIL on and off according to a site's specific viability issues. Once CIL is adopted, it is charged on all development and is a fixed rate. Changes to the Charging Schedule could take up to 12 months.</p>	<p>No change</p> <p>No change</p>



## APPENDIX 1a – RESPONSE TO PDCS19 FRONTIER ESTATES

### Development Density

It is suggested that the extracare housing is modelled at an overly high density. The basis of the modelling is as set out at 9.19 of the Local Plan Viability Study:

*A private sheltered/retirement scheme of 20 x 1 bed units of 50m<sup>2</sup> and 25 x 2 bed units of 75m<sup>2</sup> to give a net saleable area (GIA) of 2,875m<sup>2</sup>. We have assumed a further 20% non-saleable service and common areas to give a scheme GIA of 3,594m<sup>2</sup>. An extracare scheme of 36 x 1 bed units of 65m<sup>2</sup> and 24 x 2 bed units of 80m<sup>2</sup> to give a net saleable area (GIA) of 4,260m<sup>2</sup>. We have assumed a further 35% non-saleable service and common areas to give a scheme GIA of 6,554m<sup>2</sup>.*

Bearing in mind the typical format of such developments, which tend to be in walking distance of the town centres, are on average a 3 storey construction<sup>3</sup> this would result in a building footprint of about 2,000m<sup>2</sup>. The modelling assumes a 0.5ha (5,000m<sup>2</sup>) site so the site coverage is less than 50%. This is appropriate and allows for communal / shared gardens and limited parking.

### Pricing Areas

It is suggested by the representation that the pricing zones are not appropriate. The evidence that is provided to support this assertion relates to unrestricted market housing rather than extracare housing. Extracare housing is very different to market housing. As set out from 4.69 of the Local Plan Viability Study:

*Extracare housing is sometimes referred to as very sheltered housing or housing with care. It is self-contained housing that has been specifically designed to suit people with long-term conditions or disabilities that make living in their own home difficult, but who do not want to move into a residential care home. Schemes can be brought forward in the open market or in the social sector (normally with the help of subsidy).*

*Most residents are older people, but this type of housing is becoming popular with people with disabilities regardless of their age. Usually, it is a long-term housing solution. Extracare housing residents still have access to means-tested local authority services.*

This type of housing is quite different to either sheltered or retirement housing as care is provided. For the sake of clarity, the extracare housing modelled is assumed to be housing - with its own front door and self-contained. Institutional housing (including care homes) are not tested and fall under the “any other development” section of the proposed charging schedule.

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<sup>3</sup> Average taken from 6 extra care developments with planning permission (R/299/07; LU/173/16/PL; R/296/15/PL; LU/417/06; BR/400/06 and; EP/111/05).

Broadly, the values in the District vary between the coastal towns and the north. This differentiation formed the basis of the analysis in the Local Plan Viability Study so can be taken as read. Having said this, the opportunity is taken here to review the market. There is relatively little specialist older people's housing available for sale in the District at the time of this consultation, so it is necessary to look a bit more widely.

- McCarthy and Stone have a retirement scheme at Triton Worthing (close to the seafront) where 1 bedroom flats are selling from £265,000 and 2 bedroom flats from £355,000. These amounts are somewhat more than the assumptions used for sheltered housing in the viability assessment.
- McCarthy and Stone have a scheme that includes care at Neptune House where 1 bedroom flats are selling from £290,000 and 2 bedroom flats from £355,000. These amounts are somewhat more than the assumptions used for extracare housing in the viability assessment.
- McCarthy and Stone have a retirement scheme at St. Marys Road, Hayling Island where 2 bedroom flats are selling from £290,000. These amounts are somewhat more than the assumptions used for sheltered housing in the lower value areas in the viability assessment.
- The Renaissance Group have a scheme of retirement flats (over 55) at Station Road Rustington where prices start £465,000 (up to £580,000). Most of the scheme is 2 bed roomed units. These amounts are substantially more than the assumptions used for sheltered housing in the viability assessment.
- The Renaissance Group have a scheme at Fleur-de-Lis Arundel, 14 Fitzalan Road, Arundel, although no pricing information has been released.
- The scheme at Hale Lodge, Littlehampton is marketing 1 bed roomed flats from £223,000 and 2 bed roomed flats from £344,950. These amounts are somewhat more than the assumptions used for sheltered housing in the lower value areas in the viability assessment.

Having considered the prices being sought from active specialist older people's schemes, the assumptions used are considered appropriate.

#### Affordable Housing Revenues

The representation states that it is *unclear how the CILVU has arrived at the affordable housing revenues incorporated into the Extracare typology appraisals within Appendix 4.*

These are derived as set out from 4.39 of the Local Plan Viability Study.

#### Ground Rents

*The CILVU includes capitalised ground rent as investment revenue arising from development within Extracare typology appraisals. Unclear how this is calculated and it is considered to be a highly uncertain income stream.*

It is accepted that the derivation of the £3,850/unit figure is not clearly set out. This is based on an average rent of £190/year capitalised at 5%.

It is not considered to be an uncertain income stream. Over the last 20 or so years many new homes have been sold subject to a ground rent. Such ground rents have recently become a controversial and political topic. The Government has announced plans to reform ground rents – but it was confirmed (on 16th October 2018) that these will continue to be chargeable in relation to older peoples housing. It is therefore appropriate to take this into account.

### Marketing Costs

It is accepted that marketing costs can vary across developers. The assumption used is carried forward from the Local Plan Viability Study.

### Furniture Fixtures and Fittings

It is accepted that some developers fit out schemes to a lesser or to a greater extent.

In large part we would separate these costs to the trading / service part of the operation, with such costs appearing and being written down on the manager's balance sheet. The costs of such fixtures and fittings of the nature mentioned, would be covered through the 'sinking fund' charges in the service charges.

### Empty Property Costs

The developer suggests a cost of £300,000 to £360,000 to allow for power, staff, cleaning and maintenance of the facility over the period from the first sale to the last sale – this is because of the cost that can not be recovered through the service charges before all the sales are completed.

Whilst it is accepted that such a cost is not allowed for, as evidenced from the market survey many of the units are sold off plan, thus minimising such costs.

### Benchmark Land Value

The approach to establishing the BLV is commented on (and criticised). The EUV Plus approach used is strictly in line with the updated PPG and was confirmed through the consultation process (as recommended by the PPG). In the absence of any alternative approach being suggested it is difficult to comment.

### In summary

A range of comments have been made, however having considered these the approach remains sound and appropriate for moving forward with CIL.

## APPENDIX 2 – DRAFT CHARGING SCHEDULE SUMMARY OF REPRESENTATIONS DULY MADE IN ACCORDANCE WITH REGULATION 17

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
DCS20191	Individual	No preference indicated	Comment	Concerned that strategic sites will pay S106 and not CIL. S106, unlike CIL, is negotiable, therefore there is greater chance of developers not paying S106.	The policy requirement on strategic allocation sites to pay for infrastructure through S106 is clear within the Local Plan and supporting Infrastructure Capacity Delivery Plan.	No Change
DCS20192	Individual	Yes	Comment	Infrastructure deficiencies should be funded by developers and landowners.	Infrastructure that is required to mitigate the impact of a development or the cumulative impacts of strategic development allocations, will be funded through S106 from those sites and therefore funding will be available as long as the requests meet the tests set out in Reg.122 of the CIL Regulations 2010	No Change
				The areas where the most new homes should pay the highest amount	CIL is based on viability evidence rather than the number of homes being built in an area.	No Change
				Scope of infrastructure funding should include putting in mains gas for those areas which do not have this; improved footways and bus services	The CIL Regulations allow Charging Authorities to spend CIL on infrastructure to support the development of its area. Therefore, it is possible to use CIL to fund improved utility infrastructure and bus services to support growth in the area and improved sustainable transport	No Change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
					measures for example.	
DCS20193	Individual	No preference indicated	Comment	Sites of 11 or more in Zone 4 are proposed to be charged £0/sqm. The impact of such developments on smaller parishes would have a disproportionate impact on infrastructure than in larger towns because smaller parishes have limited ability to raise income for infrastructure. Also, infrastructure matters are compounded by increased housing density. The CIL allocation would provide clarity and certainty for small councils when budgeting for amenity expenditure.	The viability evidence does not support a charge in this zone.	No change
DCS20194	Barnham and Eastergate Parish Council	No preference indicated	Comment	There has been no material change in the commercial viability of housing developments since 2015 when the proposed rate was £50/sqm. Therefore strategic sites should not be rated as £0 in the CIL Charging Schedule	The most up to date viability evidence (updated in 2018) does not support a CIL charge in Zone 1. The proposed rates consulted on in 2015 were not fully tested because the Draft Charging Schedule stage was not reached. The strategic housing allocations have significant policy requirements to meet and many of these will be delivered via S106 payments rather than via CIL.	No change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
				Suggest as a minimum that ADC introduce a Zone 1 CIL charging band for larger houses of greater than 100sqm.	There is no evidence to support this approach. This could impact on the delivery of the housing mix suggested through the Updated Housing Needs Evidence which shows a need for 12.4% 4+ bedroom houses.	No change
				The infrastructure requirements in the villages adjoining the BEW Strategic Development are substantial. CIL money would provide greater certainty for the delivery of local infrastructure.	Preparation of an infrastructure list will assist in the identification of costs of infrastructure requirements. This list can be used to bid for CIL money.	No Change
DCS20195	Bognor Regis Town Council	No preference indicated	Comment	No Comment	N/A	N/A
DCS20196	Littlehampton Town Council	Yes	Objecting	Disappointed that development within the town centre would be unlikely to generate CIL receipts.	The viability evidence does not support a charge for town centre retail. Furthermore, the previous response to this representation remains - that CIL is only chargeable on the gross area of net new development, therefore CIL would not apply to conversions of town centre buildings to residential or retail units.	No Change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
DCS20197	Ferring Conservation Group	No	Objecting	Objects to zero rating developments of 11 or more dwellings in zone 4. It is likely that developers will use viability arguments to negotiate S106.	The viability evidence does not support a charge in this zone on developments of 11 or more dwellings. The Planning Practice Guidance states: "the price paid for land is not a relevant justification for failing to accord with relevant policies in the plan". The guidance gives little opportunity for site promoters to challenge S106 on viability grounds if the requests for S106 money are requested in order to ensure the site complies with the policies in the adopted local plan.	No Change
DCS20198	Individual	No	Comment	CIL would be payable at the start of the development whereas S106 is payable according to triggers. It could be 3 years before some contributions are forthcoming.	Please see the Draft Instalments Policy in section 8 of the Draft Charging Schedule.	No Change
				S106 could be subject to revisions pre or post the S106 agreement being finalised.	Any changes to the agreed S106 would need to be supported by robust evidence.	No Change
				Questions the CILVU 2018 - in particular the evidence to support £0 rate on strategic allocations.	The CILVU 2018 was prepared in strict accordance with the NPPF and National Planning Practice Guidance. It is not based on a site specific appraisal and is based on a typology approach. Therefore, the assessment does not take site specific tax relief matters into account.	No Change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
				Architect costs are 6% of total costs	Overall 'professional fees' taken into account are 10%. These have been consulted on and are in the 'normal range'. The whole scheme requires design plus a range of other technical work that may be required through the planning process.	No Change
				2.5% abnormal contingency provision isn't appropriate for greenfield land?	The Planning Practice Guidance specifically mentions contingency. 2.5% is used on greenfield and 5% used for brownfield sites.	No Change
				Stamp duty will be partly or wholly rebated under quick succession relief when the property is ultimately sold to the end customer.	A scheme may take years to come forward/be sold. This is not taken into account in the appraisals.	No Change
DCS20199	Clymping PC	No preference indicated	Comment	Noted	N/A	N/A
DCS201910	Kingston PC	No preference indicated	Comment	Noted	N/A	N/A
DCS201911	Bognor Regis Regeneration Board	No	Support	Ensure that there is a transparent governance structure in place for spending and monitoring CIL	Section 10 of the Draft Charging Schedule explains that CIL income will be monitored and a report will be published on an annual basis in accordance with 62A of the CIL Regulations 2010 (as amended).	No change



Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
DCS20191 2	Historic England	No preference indicated	Comment	Suggests the council considers whether heritage related projects within the district are appropriate for CIL Funding	There will be opportunity for Historic England to provide a list of infrastructure projects that they wish to be funded by CIL.	No Change
				Rates proposed in areas where there are large groups of heritage assets at risk should not put at risk their re-use or heritage led regeneration	No evidence provided of areas in the district where this would be an issue.	No Change
				Promoting and encouraging a CIL relief in exceptional circumstances policy for development which benefits heritage assets and their setting.	There is currently no evidence to justify granting relief in this case. Robust evidence would be required to support this and to ensure the charging authority is satisfied that to grant relief would not constitute state aid.	No Change
				Ensure development specific contributions such as archaeological investigations continue.	On-site mitigation/site specific investigations/assessment required to make an unacceptable proposal acceptable in planning terms will still be required and will be funded by S106.	No change - clarify relationship between CIL and S106
DCS20191 3	Lichfields OBO Bourne Leisure	Yes	Objecting	Requires more detailed level of definition for the term 'residential'	There is scope to better define the definition of 'residential' however, purpose built holiday units clearly do not fall into residential therefore they will not be specifically listed in 'all other development' or as an exclusion from 'residential'.	Update the definition of 'residential' to - Residential does not include residential institutions including purpose built student accommodation

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
				Suggests the following changes: 1. Include a specific definition of residential within the emerging charging schedule which sets out what uses are excluded from the residential category. This definition should clearly specify that purpose built holiday rental units or static caravan units within holiday parks or resorts are excluded from this CIL category or 2. Include Purpose built holiday rental units or static caravan holiday accommodation within holiday parks or resorts as a separate development category within Table 7.1 and confirm that this would incur a zero CIL rate.	Given that purpose built holiday rental units or static caravan units within holiday parks or resorts do not fall within the definition of 'residential' or 'retail', it is considered sufficiently clear that this type of development would fall into 'all other development' category.	No change
DCS201914	Individual	Yes	Comment	Build to rent is not considered as a distinct development type in the charging schedule although it is recognised as one in guidance.	The ALP 2018 does not have policies seeking the delivery of build-to-rent property and as such the CILVU2018 did not focus on undertaking specific assessment of this use. Where build to rent is included as an element of affordable housing provision, this will be eligible for relief from CIL.	No change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
				The charging schedule should make it clear that build to rent and student accommodation schemes are rated for CIL as £0/sqm. This would be best expressed within the 'all other development' section.	Build to rent will fall into the 'residential' category. Paragraph 10.68 of the Arun District Council Local Plan Viability Study - January 2017 (ALPVS2017) states that <i>when assessed under the requirements of the NPPF and PPG, that student housing is unlikely to be viable</i> . This analysis was based on rents from 'purpose built' student accommodation set out in Table 4.14 of the ALPVS2017. This form of development is classed as C2 'residential institution' and therefore falls out of the charging schedule's definition of 'residential'.	Update the definition of 'residential' in the charging schedule to - Residential does not include residential institutions including purpose built student accommodation
				Build to rent classification should include a qualifying period where the use is proven to be used for rental purposes for 3 years, as it is for self-builders.	It is not intended that build to rent will fall into a separate category. Where the build to rent element of a development makes up the affordable housing contribution, it will be subject to social housing relief.	No change
DCS201915	Individual	Yes	Comment	CIL is a disincentive for small house builders	The CIL rates have been prepared in accordance with the CIL Regulations and Guidance and takes a consistent typology approach. It does not encourage or discourage a certain type of development.	No change
				CIL assumptions on land values don't include land already in housing use. The CILVU recognises the contribution that small sites (on existing residential plots) make to housing provision.	Infill developments/increased density on existing residential plots make up a low proportion of the overall housing supply needed to deliver the Arun Local Plan. See housing supply table provided in Appendix 3.	No change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
				No price paid data for residential land or where yield is less than 10 units.	The data used was taken from policy compliant sales of land. Garden land is classed as greenfield, therefore is not policy compliant unless other material considerations outweigh the loss of greenfield/garden land.	No change
				Viability of developments of single units was raised as an issue. Suggests a £0 rate for single units.	It is necessary to take a consistent approach to determining viability across development types. No evidence is submitted to support a zero rate for single dwellings.	No change
				Not clear what the definition is for 'single greenfield' and 'single brown' are but for these to have RLV of £2.6million and £2million respectively seems very high.	See table 9.6 and Table 9.7 of the 2017 Local Plan Viability Study. This is a greenfield plot of 0.05ha. Single brown is a plot of 0.03 ha. The residual values should be read on a per hectare basis. Therefore single green would be £150,000 and single brown would be £100,000 for the plot.	No change
				The building of a single house can't benefit from economies of scale, therefore viability is more of an issue.	CIL must be set in a consistent way across development types and is not a tool to encourage or discourage a type of development. It is accepted that CIL is a cost - but in the overall scale of development it is modest (less than 5% of GDV as per tables 6.7a and 6.7b of the CILVU 2018). Contributions from the full range of sites will make an important contribution to the provision of infrastructure.	No change
				A builder could develop two flats on a site or one house. The CIL costs would be different.	This is a factor built into the modelling. Flats are more expensive to build (£/sqm and have areas of common space).	No change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
DCS201916	Individual	Yes	Comment	Discretionary relief should be included and consulted on.	There is no evidence to support the need to offer discretionary relief at this time.	No change
DCS201917	Highways England	No preference indicated	Comment	No further comments	Noted	N/A
DCS201918	Gladman Developments	No preference indicated	Comment	Payment of CIL sums for major development should be linked to the occupation of the number of units not related to commencement	A commencement date must be clearly stated as part of the CIL collection process. Therefore, setting an instalments policy based on commencement of development is the most practical and efficient method. It also allows for ease of monitoring. A policy based on occupation would be very difficult to monitor.	No change
				Encourages the council to introduce a discretionary relief policy	There is no evidence to support the need to offer discretionary relief at this time.	N/A
DCS201919	Gladman Developments	No preference indicated	Comment	The infrastructure funding gap - the council should take account of every possible income stream - NHB, council tax, business rates receipts. Take into account statutory undertakers asset management plans as these companies will upgrade systems/facilities.	Paragraph 016 of the CIL Guidance states that <i>The government recognises that there will be uncertainty in pinpointing other infrastructure funding sources, particularly beyond the short-term. Charging authorities should focus on providing evidence of an aggregate funding gap that demonstrates the need to put in place the levy.</i> It does not require full details of all funding streams/understanding of how each funding source will be spent over time.	No change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
DCS201920	MDAssociate s obo Haskins Garden Centre Ltd.	Yes	Comment	The council should clarify that garden centres are not included under the definition of retail warehouse	Policy RET DM2 of the ALP requires that a planning condition or obligation may restrict the goods sold <i>to goods other than convenience goods</i> . However, the retail warehouse definition covers large stores specialising in the sale of household goods, DIY items and other ranges of goods catering for mainly car borne customers (therefore, this restriction on the sale of goods is taken into account). It is considered garden centres fall into this category in that their use specialises in the sale of specific goods.	No change
DCS201921	Frontier Estates	Yes	Objecting	<p>Do not agree with the development densities tested for extra care housing.</p> <p>The examples of sheltered housing and extra care homes in the district undermines the approach within the CILVU</p> <p>Ground rents are considered to be an uncertain future income stream and are now excluded from valuation appraisals.</p> <p>No evidence of pre-sales in Arun</p> <p>Angmering shouldn't be included in zone 3. Market values in Angmering are comparable to Littlehampton and Bognor Regis.</p>	See response from HDH Planning and Development Ltd in Appendix 4	No change
DCS201922	Jackson Planning	Yes	Support, object and	Agree that there is an infrastructure funding gap	Noted	N/A

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
			comment	Supports the principle of strategic sites being nil rated	Noted	N/A
				The overall package of S106 contributions and CIL contributions needs to be consistent across both strategic and non-strategic sites to avoid either development type bearing disproportionate costs	The S106 requirements for the strategic sites are provided in the Infrastructure Capacity Study and Development Plan 2017 (ICSDP 2017) and any updates to this are set out in the Infrastructure Funding Gap Update Report Amendment April 2019. If there is a lack of clarity on how Non-Strategic Sites will contribute towards infrastructure requirements, this will need to be clarified within a supporting paper.	No change - clarify relationship between CIL and S106
				Need certainty regarding delivery of appropriate mitigation to support the strategy of the adopted Arun Local Plan	This is provided through the ICSDP 2017 where possible, and through any future updates.	No change
				Supports the publication of the Reg. 123 list	Noted	N/A
				Large ticket infrastructure items within the District such as Education, Transport and Healthcare were all items that were anticipated to be paid for through S106. This position has now changed and the Regulation 123 list now includes some education provision for non-strategic sites.	The evidence based used to assess the cumulative impact of the strategic housing sites has identified a range of large ticket items which the strategic sites must fund to mitigate their impacts. This includes a new 10FE secondary school. These requirements are set out in the ICSDP 2017 and the Funding Gap Update Amendment April 2019. The large ticket infrastructure requirements are also set out within the planning policies for each strategic site. However, non-strategic	No change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
					sites will also have an additional impact on infrastructure, including education provision (when taking into consideration the cumulative impacts of Non-Strategic housing allocations, 'deliverable' HELAA sites and the windfall allowance). Where these sites are shown to have an impact (for example the possible requirement of a second new secondary school), the infrastructure requirements will be identified by service providers and bids for CIL funding will be made towards those items. To avoid double dipping, the Regulation 123 list clearly states that CIL will only pay for the infrastructure requirements where they are required 'other than site specific requirements' ie. will not apply to S106 projects.	
				The Reg. 123 list includes some education provision for non-strategic sites. This is not the case for transport.	The education element of infrastructure provision has been considered in detail by ADC and WSCC and this is clearly explained in the Infrastructure Funding Gap Update Amendment Report April 2019 and the WSCC/ADC Secondary Education Position Statement	No change
				The Local Plan made it clear that District wide infrastructure should be provided by CIL. The draft CIL charging schedule cannot change adopted local plan policy	Policy INF SP1 does not restrict district wide infrastructure from being funded by S106 by the Strategic Sites.	No change



Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
				No evidence is available to support the Reg. 123 list.	The evidence is available in the ICSDP2017, The Arun Local Plan 2018 policies, the Infrastructure Funding Gap Update Amendment Report April 2019. However, in some cases, the addition of the phrase 'other than site-specific requirements' should be added.	No change - clarify relationship between CIL and S106
				It is not clear why District wide infrastructure projects for example transport schemes are proposed to be funded through s106 from strategic sites only, against the advice of the Local Plan Inspector and as set out in INF SP1	This is not the intention of Policy INF SP1. The strategic site policies are clear in their site requirements for mitigating cumulative impacts.	No change
				Considers ADC does not intend to scale back s106 and they continue to rely on S106 as the main source of infrastructure funding	This is not the case but may need to be clarified within the DCS	No change - clarify relationship between CIL and S106
				It is not clear from the evidence in the consultation papers about the extent of additional financial burdens on the strategic development sites given the limited extent to which CIL will fund infrastructure.	Please see Appendix 4 of the CILVU 2018 that shows how S106 payments have been incorporated into the viability assessment of the strategic housing allocations.	No change
				The council rely largely on s106 to secure development in the district. Pooling restrictions remain.	Agree	No change

Comment Reference	Individual/ Consultee	Wish to be heard by the Examiner?	Comment/ Objection /Support	Summarised Comment	ADC Response	Change to DCS/Evidence Required?
				The need for additional secondary school provision has not been examined as part of the development plan process. The CIL examination should not re-open infrastructure planning issues that have already been considered in putting in place a sound relevant Plan. The further secondary education provision on the Reg.123 list places an unfair burden on strategic sites who are required to support districtwide secondary school infrastructure. This was ruled out by the Inspector who considered the Local Plan.	Please see ICSDP 2018 and Funding Gap Update Amendment Report April 2019. Agree that infrastructure issues can not be re-opened but the infrastructure requirements must be taking into account. Please see the revised PPG on Planning Obligations (Para 007 Ref ID 23b-007-20190315)	No change
				£2,000 per unit assumed S106 on non-strategic sites is considered to be too low. References Table 4.13 of the CILVU	Non-strategic sites will only pay for on-site mitigation requirements once CIL is being implemented. This will reduce S106 payments considerably to on-site provision of open space/play.	No change - clarify relationship between CIL and S106
				Considers that strategic sites will potentially have to make up the funding gap through S106 payments.	There is no evidence to show that this is the case.	No change
				There are items on the Reg. 123 list which do not have a funding gap identified. Therefore there is potential for double dipping. There is no evidence in the IFGU that these items need funding by CIL.	See above response regarding the evidence relating to the Reg. 123 list	No change - clarify relationship between CIL and S106

## **APPENDIX 3 – RESPONDING TO COMMENT ON THE DRAFT CHARGING SCHEDULE – LEGAL AND VIABILITY ADVICE**

### **1.0 The Question:**

1.1 The Community Infrastructure Levy Viability Update Report July 2018 Tables 6.1a&b, 6.2, 6.3a&b to 6.7a&b all have figures for agriculture, paddock and industrial land.

1.2 No examples are given for land which is already in a housing value use e.g. part of an existing residential garden or outbuildings etc. or housing land which might be redeveloped more intensively.

### **2.0 ADC Response:**

2.1 It is correct that land which is already in a housing value use has not been tested through the CIL Viability Update 2018. This is because redeveloping land with existing housing on it would generally generate a negligible CIL charge because CIL is only charged on net additional floorspace and exemptions can be applied. Net additional dwellings from this land use will occur but the proportion of net additional dwellings from this source is very low (see further below) and is normally likely to be resisted by policies in the adopted Arun Local Plan 2018 (The ALP). This is because the ALP considers garden land as a contributor to Green Infrastructure (para 7.3.8 point 5) and ensuring that density from development has sufficient amenity space (Policy D DM4 Extensions and alterations to existing buildings (residential and non-residential)).

2.2 Furthermore, the NPPF defines garden land as greenfield (see Glossary for Previously Developed Land). Greenfield land should not be subject to development unless there are overriding reasons supporting the development of the land. This may include land that has been specifically assessed as a housing allocation for example. Where this is the case, detailed appraisal will have been carried out, including Sustainability Appraisal, where applicable.

2.3 The main points to consider when understanding the impact of not testing existing residential garden land in the viability assessment is whether this will impact upon the delivery of the relevant plan - the ALP. This is covered in more detail below.

### **3.0 What is the supply needed to deliver the ALP?**

3.1 Table 1 below shows what proportion of sites, which are required to meet the housing supply target (as set out in Table 12.1 of the ALP) are forecast to be on existing residential land. This table is informed by the council's most up to date Housing and Employment Land Availability Assessment (HELAA) and the work emerging as part of the Non-Strategic Sites DPD.

<b>Table 1: Housing Supply from Existing Residential Land</b>			
<b>No.</b>	<b>Supply of Net Additional Homes – Ref. Table 12.1</b>	<b>Supply Total – Ref Table 12.1</b>	<b>Existing un-consented Residential Land included in supply.</b>
1	<b>Completions</b> – dwellings already completed which provide a net addition to the housing stock.	3,669	N/A – sites already completed.
2	<b>Commitments</b> (large sites) – dwellings that will provide a net addition to the housing stock on sites that already have planning permission.	3,050	N/A – these commitments were taken to count towards overall supply for the ALP. All future commitments will be made up of the supply from 4-8 below.
3	<b>Commitments</b> (small sites) - dwellings that will provide a net addition to the housing stock on sites that already have planning permission.	251	N/A – these commitments were taken to count towards overall supply for the ALP. All future commitments will be made up of the supply from 4-8 below.
4	<b>Neighbourhood Plan Allocations</b> – sites included as allocations made in Neighbourhood Plans which are yet to be developed	421 (these sites are expected to deliver 2% of the overall housing supply).	Of the ‘made’ neighbourhood plan allocations counted towards this supply figure, there are <b>39</b> units that do not currently have planning permission, that are on existing residential land.
5	<b>‘Deliverable’ HELAA sites</b> – sites located within the Built up Area Boundaries which are identified as being available and deliverable through the HELAA.	530 (these sites are expected to deliver 2.5% of the overall housing supply).	There are <b>100</b> ‘deliverable’ HELAA dwellings on existing residential land.
6	<b>Windfall Allowance</b> – reflecting the projected contribution to be made by ‘windfall’ sites to the housing supply over the plan period, based on monitoring data.	847	The windfall allowance does not include sites that are built on garden land.
7	<b>Strategic Allocations</b> – Sites of more than 300 dwellings allocated for development through the Local Plan	10,750	N/A – these sites have been individually tested through the CILVU 2018 and do not include existing residential land.
8	<b>Non-Strategic Allocations</b> – the majority of sites will accommodate less than 300 dwellings and be allocated through Neighbourhood Plans or a Non Strategic Sites Allocations DPD	At least 1,250	The NSS is currently being prepared. Out of the sites being tested through the emerging allocation process, <b>50</b> units are on existing residential land.
	<b>Total</b>	<b>20,768</b>	

3.2 Overall, 189 units out of 20,768 units are on existing residential land. This is less than 1% of the housing supply figure. Therefore, the delivery of the Arun Local Plan does not rely, to a significant extent, upon the development of site on existing residential land.

END

## **APPENDIX 4 – RESPONSE TO DCS201921 FRONTIER ESTATES (PREPARED ON BEHALF OF ARUN DISTRICT COUNCIL BY HDH PLANNING AND DEVELOPMENT LTD)**

### Background and Context

The definitions of Sheltered and Extracare are critical. Towards the end of Chapter 4 of the 2017 Viability Assessment the relevant definitions were set out:

*Sheltered or retirement housing is self-contained housing, normally developed as flats and other relatively small units. Where these schemes are brought forward by the private sector there are normally warden services and occasionally non-care support services (laundry, cleaning etc.) but not care services.*

*Extracare housing is sometimes referred to as very sheltered housing or housing with care. It is self-contained housing that has been specifically designed to suit people with long-term conditions or disabilities that make living in their own home difficult, but who do not want to move into a residential care home. Schemes can be brought forward in the open market or in the social sector (normally with the help of subsidy).*

*Most residents are older people, but this type of housing is becoming popular with people with disabilities regardless of their age. Usually, it is a long-term housing solution. Extracare housing residents still have access to means-tested local authority services.*

We stress that the modelling assumes that both these definitions fall within C3. The proposed rates of CIL would not apply to any accommodation that does not fall within Use Class C3. In the terms of the adopted *Policy H DM2 Independent living and care homes*, the modelling does not cover Day care facilities Nursing homes, and Specialised care units.

The NPPF and the PPG have been updated since the viability work was undertaken. The updated NPPF and PPG substantially limit the scope for viability testing at the development management stage (at 10-007-20190509 and 10-008-20190509). This is welcomed but it is particularly notable that paragraph 10-007-20190509 specifically makes an exception for ‘housing for older people’ and allows this type of housing to be subject to site specific viability testing when a planning application is submitted.

Whilst no reason is given for this flexibility, it is clear that such housing comes forward under a plethora of different models which can be challenging to capture in a high level plan-wide viability study. Whilst site specific viability testing is not going to apply to CIL (as CIL once set is fixed) it can be used to provide some flexibility in the affordable housing requirements. Having said this, it is still important to get the rates right.

It is timely to comment that the updated PPG uses the phrase 'Benchmark Land Value' (BLV). This is the equivalent to the phrase 'Viability Threshold' that is used in the viability evidence.

### Modelling

As set out in the 2017 Viability Assessment the modelling is based on the following assumptions:

*We have modelled a private sheltered/retirement and an extracare scheme, each on a 0.5ha site as follows.*

*A private sheltered/retirement scheme of 20 x 1 bed units of 50m<sup>2</sup> and 25 x 2 bed units of 75m<sup>2</sup> to give a net saleable area (GIA) of 2,875m<sup>2</sup>. We have assumed a further 20% non-saleable service and common areas to give a scheme GIA of 3,594m<sup>2</sup>.*

*An extracare scheme of 36 x 1 bed units of 65m<sup>2</sup> and 24 x 2 bed units of 80m<sup>2</sup> to give a net saleable area (GIA) of 4,260m<sup>2</sup>. We have assumed a further 35% non-saleable service and common areas to give a scheme GIA of 6,554m<sup>2</sup>.*

It is accepted that extracare housing can come forward under a wide range of different formats and models (as acknowledged in the PPG).

The point made on the modelling is that the densities used are too high. It accepted that some development comes forward at lower densities.

The analysis is based on a 0.5ha sites (i.e. a site that is just over an acre). In line with the wider study a BLV of £720,000/ha is used. This is derived using the EUV Plus approach, where the EUV is £600,000/ha and the plus is 20%.

At a CIL rate of £70/m<sup>2</sup> the brownfield site in Arundel generates a Residual Value of £1,294,000. If development came forward at, say half that density assumed, this would be the equivalent of £1,294,000/ha. This is about 80% above the BLV so demonstrates that there is still considerable scope for CIL.

### Development costs

In modelling the development we have taken a cautious approach. Whilst the development of Sheltered Housing and Extracare housing is essentially the development of flats, albeit with additional circulation and common space, the costs applied are not the BCIS flatted development costs.

At the time of the study the cost of flatted development was £1,478/m<sup>2</sup>. The cost applied to sheltered housing was for 'Supported Housing' being £1,641/m<sup>2</sup>, and the costs applied to Extracare was that for 'Care Homes for the elderly' being £1,778/m<sup>2</sup>. The costs used for extra care are £300/m<sup>2</sup> / 30% greater than for conventional flatted development.

## Values

The approach to establishing values is criticised – and is claimed to be highly irregular. This is rejected.

When establishing the worth of development it is necessary to look at a wide range of sources. In areas where there is limited information it is necessary to look more widely. Housing market boundaries and value areas do not follow strict administrative boundaries and to imply that they do shows a misunderstanding of the market and how to approach property valuation. A range of values were presented from new build schemes in the area. It is important to note that these are not the correct reference point. The correct reference point is that of a 3 bed semi-detached house. HDH used the median value of 3 bed. It is notable that median is now over £450,000 (Based in Rightmove data).

In the Viability Studies the values of older peoples housing was established as suggested by the RHG's representations. The values were challenged at the PDCS stage. A thorough review of local values was undertaken as set out in the Council's PDCS Response. This is criticised nor not including extra care housing – however no alternative evidence is provided.

The appraisals do include ground rents. In October 2018 the Government commenced a consultation on the future of ground rents, this followed a consultation in 2017. The outcome of this is not yet known, however it has been suggested that ground rents will be able to continue for older peoples housing.

It is wrong to suggest that the RICS Redbook excludes ground rents. Clearly the treatment of ground rents is a property specific matter but *RICS professional standards, global RICS Valuation – Global Standards 2017* does not exclude ground rents. It is important to note that the viability assessment is not a Redbook valuation.

The marketing costs were tested through the consultation process and the 2017 Viability Assessment was examined as part of the Local Plan process. Whilst some developers may well take a different approach, it is appropriate to use base the costs on the those put forward.

END