

Trafford Community Infrastructure Levy: Statement of Representations Received – Regulation 19 (1)(b)(i)



September 2013



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1. Background

1.1 Trafford Council invited representations on its Community Infrastructure Levy (CIL) Draft Charging Schedule (DCS) for a 6-week period from 13 May 2013 to 24 June 2013.

1.2 In accordance with Regulation 19 (1) (b) (i) of the CIL Regulations 2010 as amended, this statement confirms that representations were made to Trafford Council in respect of the CIL Draft Charging Schedule.

2. Statement of representations

2.1 In total 30 representations were received in accordance with Regulation 17 of the CIL Regulations 2010 as amended. Information relating to the respondents making representations is set out in Appendix 1, and a summary of the responses received to the consultation on the DCS is provided in Appendix 2.

2.2 A summary of the main issues raised by the respondents is set out below:

GENERAL

- Concern that the Council has not adequately assessed the need to balance the desirability of funding new infrastructure from CIL and the potential effects of the imposition of CIL as a whole on economic viability of development across the borough (Regulation 14).
- Request for an amendment to the Instalments Policy, so that it is triggered by completion of development phases rather, than number of days.
- Request for greater flexibility in the use of the exceptions policy.
- Request for a more detailed Regulation 123 list for greater transparency and to demonstrate that there will be no “double dipping”.

RESIDENTIAL

- Concern that inadequate analysis has been undertaken on the effect of CIL on the delivery of affordable housing.
- Concern that the Infrastructure and Economic Viability Study has not accurately assessed the viability of residential development and specifically that retirement apartments should be tested as a separate development typology in the CIL viability assessment.
- Request for Trafford to revisit the inputs and assumptions set out in the viability assessment to produce a revised CIL rate for residential development.
- Concern that the discount from the ceiling rate to the final charges for residential development differs between the different market areas, without any explanation.

RETAIL

- Concern that the definitions used for retail purposes are not precise enough and proposed differentiations are not evidenced.
- Suggested that the supermarket charge cannot be justified based on the evidence base.
- Concern regarding the revision of the supermarket rate to include all size and locations, and not just those outside of a defined centre.
- Consider that Town Centre convenience retail has been omitted from the economic viability study, which is a key element of the Local Plan (Policy W2).

OTHER CHARGEABLE DEVELOPMENT

- Suggested that the evidence base doesn't support the introduction of a base charge of £10 per square metre to all other chargeable development; this fails to recognise the great variety of businesses, the different conditions in which they operate and the range in value of their land and property.

3. Right to be heard

3.1 There were 5 respondents that requested to be heard by the CIL Examiner. The details of respondents requesting to be heard are set out in the table at Appendix 1.

4. Modifications to the Draft Charging Schedule

4.1 The Council has proposed a number of minor modifications to the DCS, after it was published in accordance with Regulation 16 of the CIL Regulations 2010 as amended, to provide clarity in relation to the proposed rates.

Appendix 1 – List of respondents and requests to be heard at examination

URN	Name	Organisation	Right to be heard at Examination
1051	Alan Hubbard	National Trust	No
1290	Stephen Ashworth		Yes
1157	Ziyad Thomas	McCarthy and Stone Retirement Lifestyles Ltd and Churchill Retirement Living Ltd	No
1019	Sabaa Ajaz	United Utilities	No
1041	Moira Percy	Transport for Greater Manchester	No
1241	Mark Harris	Maloneview (Sale) Ltd	No
1088	Brian O'Connor	Taylor Wimpey UK Ltd	No
1040	Simon Artiss	Bellway Homes	No
1293	Matthew Robinson	Prospect (GB) Ltd	No
1106	Sarah Jones	Sainsbury's Supermarket Ltd	No
1152	John Suckley	Nikal Ltd	No
1289	Lucie Jowett	Wm Morrison Supermarkets Plc	Yes
1294	Victoria Carr	Cheshire West and Chester Council	No
1096	Helen Telfer	Environment Agency	No
1295	John Francis	Barratt David Wilson Homes	Yes
1284	Brett Harbutt	Intu Properties Plc	No
1024	Mike Gibson	GM Chamber of Commerce	No
1286	David Walker	Wigan Council	No
1288	J Morrison	Morrison Property Services	No
1037	Janet Baguley	Natural England	No
1211	Dan Mitchel	Royal London Asset Management	No
1074	Emily Hrycan	English Heritage	No
1198	Caroline Payne	Emery Planning Partnership	No
1146	Jeremy Williams		Yes
1149	Malcolm Simister	Greater Manchester Waste Disposal Authority	No
1297	Terence Norris	Peak and Northern Footpath Society	No
1296	Clare Moran	Oldham Council	No
1035	Rose Freeman	Theatres Trust	No
1045	Matthew Spilsbury	Peel Holdings (Management) Ltd	Yes
1026	Andrew Thomson	Shell	No

Appendix 2 – DCS Consultation Responses: Summary

A total of 30 responses were received to the Draft Charging Schedule consultation during May and June 2013.

No.	URN	Name	Company	Agent	Comments
1	1051	Alan Hubbard	National Trust		<ul style="list-style-type: none"> • The Map suggests that in places on one side of the line a site will be in a 'hot' market area, and on the other side in a 'cold' market area, with no intermediate 'moderate' market area. • It is requested that a 'moderate' market area is considered around the Partington/Carrington area. • It is the intention of the Adopted Core Strategy to secure regeneration in Partington/Carrington, in substantial part by significant new housing development. Some of this will need to be on greenfield sites, such as the land outside the Green Belt to the south/south east of Carrington. It is suggested that this location, including land 'cheek by jowl' with the 'cold' market area should be reviewed in terms of its 'hot' market allocation - for example, residential development here will not provide the same returns as sites in other parts of the Borough such as Hale and Bowdon.
2	1290	Stephen Ashworth			<ul style="list-style-type: none"> • The Regulation 14 balancing exercise has not been properly undertaken. • Inadequate analysis has been carried out on the effect of CIL on affordable housing provision. • The limited evidence on strategic sites does not

Draft Charging Schedule Consultation: Summary of Responses – June 2013

No.	URN	Name	Company	Agent	Comments
					<p>seem to be reflected in the charges proposed.</p> <ul style="list-style-type: none"> • The definitions used for retail purposes are not precise enough and proposed differentiations are not evidenced, either in terms of them being different intended uses or having different viabilities. • The differentiation between houses and apartments is similarly inadequately evidenced.
3	1157	Ziyad Thomas	McCarthy & Stone Retirement Lifestyles Ltd and Churchill Retirement Living Ltd	The Planning Bureau Ltd	<ul style="list-style-type: none"> • Request that a specific development scenario for sheltered accommodation is carried out using a set of viability assumptions that are considered to be appropriate for this form of housing. • There is no explanation as to why the Council has not separately assessed the viability of specialist accommodation for the elderly in the addendum report (March 2013). • Do not consider that the Council has given any meaningful consideration to the issues raised in relation to specialist accommodation for the elderly. • The effect of the imposition of CIL will be to constrain land supply and therefore the delivery of retirement developments. • Where provision of specialist accommodation for the elderly plays a clear role in meeting housing needs, by not properly considering the effect of CIL on this form of development the Council will be putting the objectives of its plan

No.	URN	Name	Company	Agent	Comments
					<p>at risk, thereby contravening CIL guidance.</p> <ul style="list-style-type: none"> • At present all but a handful of schemes for specialist accommodation for the elderly are able to support policy compliant levels of affordable housing. Need to ensure the viability work for CIL accurately represents the current market for all forms of housing. • Sheltered/retirement housing differs from 'general needs' flatted development in a number of clearly defined ways. • The Council has had an advanced copy of a joint position paper advising charging authorities on how to suitably assess retirement housing for CIL, detailing a set of viability appraisal inputs which are considered representative of a significant proportion of the industry. Therefore unjustifiable response not to provide a separate viability appraisal for this type of housing. • Have submitted a development scenario that shows the proposed rates would render specialist accommodation for the elderly unviable in the 'hot' housing market area.
4	1019	Sabaa Ajaz	United Utilities		<ul style="list-style-type: none"> • No comment.
5	1041	Moira Percy	TfGM		<ul style="list-style-type: none"> • It is not clear from the CIL DCS if new public transport development (such as a new bus station, transport interchange or cycle hub) would be classed as other chargeable development and therefore liable to a CIL

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					charge rate of £10 per sq m; or if such development would be exempt from CIL. Would welcome clarification on this matter.
6	1241	Mark Harris	Maloneview (Sale) Ltd	Barton Willmore	<ul style="list-style-type: none"> • The revision of the supermarket rate to include all size and locations and not just those outside of a defined centre is of significant concern. • The supermarket charge cannot be justified based on the evidence base. • The evidence base is not reasonably related to actual development across Trafford. • As proposed the supermarket charge will have a significant impact on the economic viability of town centre convenience retail-led development and undermine regeneration schemes. This is contrary to the CIL Regulations and NPPF paragraph 173 and will lead to the failure to deliver a key Development Plan objective (Policy W2.5 and saved Policy S7(iii)). • There is an important omission from the retail development types considered in the economic viability study – town centre convenience retail. • Challenge the ‘Basic Build’ and ‘External Works’ costs for supermarkets in the assumptions in Tables 2.1 and 2.2, which should be more akin to Retail Warehouses as they are a relatively simple construction compared to town centres. • The cost and approach to town centre development is not limited to comparison development, it also applies to convenience

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					<p>development which encounters the same challenges and hurdles, but can be considered distinct from the type of 'supermarket' development tested in the evidence base.</p> <ul style="list-style-type: none"> • Appropriate regard should be given to the viability hurdles that town centre convenience development experiences, given the objectives of NPPF and the Trafford Development Plan where convenience development is directed towards town centres and is a key element of the strategy for each centre (Policy W2). • The proposed assumptions are not fully justified; recommend that the town centre development example includes 'convenience'. • The appraisal undertaken to inform the proposed 'supermarket' rate is too generalised to support a robust rate for this type of development in Trafford. • Once the evidence base has been revised it will be self-evident that town centre convenience should be subject to the £10 per sq m rate. • The evidence base fails to take into account the change in viability between town centre convenience development and supermarket development in other locations.
7	1088	Brian O'Connor	Taylor Wimpey UK Limited	Nathaniel Litchfield & Partners	<ul style="list-style-type: none"> • Welcome the addition of exceptional circumstance relief in accordance with the CIL Regulations. • Strongly recommend that discretionary relief is

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					<p>applied to schemes where a planning obligation combined with the CIL Levy would have an unacceptable impact on the economic viability of a scheme.</p> <ul style="list-style-type: none"> • Support the provision of neighbourhood funding in the DCS consultation as it enables local residents to feel empowered to shape their surroundings. • Do not consider that the EVS has accurately assessed the economic viability of residential development. • No work has been undertaken with regards to housing land supply from greenfield sources which would create a more accurate picture of viability within Trafford. • Would welcome a breakdown for residential development in the same manner and detail e.g. as the DCS provides for retail viability. • The EVS does not provide sufficient information on how the build costs were established. • The figures provided in the EVS with regards to revenues do not appear to be reflective of current sales figures e.g. average house in hot market would equate to £391,820 and in a cold market £179,692. The revenues in the Study are therefore too high to be used as an average. • The average size of dwelling per market area used in the EVS is too high e.g. would expect dwelling in hot market to average 1,000-1,100

No.	URN	Name	Company	Agent	Comments
					<p>sq ft and in a cold market to average 850-950 sq ft in size.</p> <ul style="list-style-type: none"> • The housing densities are not realistic. Housing densities of over 35 units per hectare would not allow the delivery of family sized housing with the required standards of amenity space. • Developer's profit should be based on a percentage of development value, not costs. Profit on costs will result in insufficient developer's profit margin being used. • Sales assumptions in the cold market are ambitious. The assessment states that values of £160-£170 per sq ft are achievable, whilst experience suggests £130-£150 per sq ft is more realistic. • There is a lack of information provided on other potential development costs such as sales and marketing expenses and agent's fees. • The evidence for the assumptions used in the viability assessments needs to be made available so that the accuracy of the assessments can be properly gauged. • The assumptions used in the EVS result in a major underestimate in terms of development costs. Request that Trafford revisit their viability assessments using a more accurate set of inputs and assumptions and determine a revised CIL rate for residential development. • Hot market areas are charged at twice the rate

No.	URN	Name	Company	Agent	Comments
					<p>of moderate market areas, with no reason for this clearly set out in the EVS. The proposed charges should be based on the same percentage range (£ psm) ideally within a preferred range of between 50% and 60% of the identified theoretical maximum. This would result in a more proportionate CIL charge.</p> <ul style="list-style-type: none"> • Further sensitivity analysis should be carried out to account for potential increases in development costs, rather than relying on falls in sales values to assess the viability of the proposed CIL rates. • Strongly oppose the current form of the instalments policy. • It is important for Trafford to introduce flexibility to the payments system to ensure that development is not made unviable by imposing rigid payment structures on developers. • Suggest that payment is required on completion of a set number, or proportion, of the total number of units, in line with current splits and phasing of payments. • Consider that Trafford should include a specific policy for large developments. This should prevent developers having to pay substantial sums of money at the front end, which would place a huge financial burden on the delivery of a development.

No.	URN	Name	Company	Agent	Comments
8	1040	Simon Artiss	Bellway Homes Limited		<ul style="list-style-type: none"> • Other Councils in the NW are ‘holding fire’ in progressing CIL Charging Schedules due to concerns over its impact on the level of investment and regeneration. • The AMR demonstrates a continued lack of investment in new homes and CIL is a cost on development in these on-going challenging economic times. • There is a need for Trafford to review CIL corporately, to assess the costs and benefits of its introduction in light of the above concerns and the risk that investment may go to areas with no (or a lower) CIL rate. • The £80 rate for ‘hot market areas’ is too high – reference to recent examinations in Mid-Devon and Norwich where Inspectors have recommended reduced residential rates. • Given the Council’s aim to regenerate ‘cold areas’ is any CIL rate here justified? • Suggest a rate not in excess of £30 per sq m for ‘hot’ and ‘moderate’ areas. Anything higher would be prejudicial to delivering the level of housing envisaged in NPPF and Trafford’s Core Strategy. • It would greatly assist prospective developers if your schedule made clear what planning matters will be covered by CIL and what ‘planning costs’ will still be covered by S106, planning condition, S278 etc.

No.	URN	Name	Company	Agent	Comments
9	1293	Matthew Robinson	Prospect (GB) Ltd	How Planning LLP	<ul style="list-style-type: none"> • Taking into account paragraph 173 of NPPF it is dangerous to impose a standard charge for a particular use, such as residential. • As each development site is subject to different development costs, flexibility should be introduced into the CIL proposals to enable, on viability grounds, the standard charge to be reduced where necessary so as not to prevent development. • Whilst exemption provisions are included within the DCS at Appendix 2 these relief measures are discretionary and offer developers no firm security that viability will be taken into account when calculating CIL payments. • Whilst the principle of payments by instalment is broadly welcomed, it is essential that there is sufficient flexibility built into the CIL Charging Schedule to enable the phasing of payments to be flexible and agreed with the Council on a scheme by scheme basis. • Should the CIL Charging Schedule be adopted in April 2014 it is essential that suitable transitional arrangements are in place to provide certainty to developers – especially those with applications already in the system.
10	1106	Sarah Jones	Sainsbury's Supermarkets Ltd	Turley Associates	<ul style="list-style-type: none"> • Object to the basis for different charges for retail uses. The proposed approach does not provide adequate evidence of differentiation “by reference to the way a building is used” as is

No.	URN	Name	Company	Agent	Comments
					<p>required by Regulation 13.</p> <ul style="list-style-type: none"> • Whilst the DCS has sought to define the characteristics of retail types, the intended use of the buildings in all four categories is for shopping, with the purpose being for providing a service to enable people to purchase goods. • The fact that supermarkets and convenience stores can be utilised for the same activity demonstrates that the ‘use’ of the building does not differ – rather it is the choice and range of retail products to the shopper that differs. • If the CA wishes to differentiate between retail developments in this manner, the evidence base has to be suitably fine grained and detailed in order to demonstrate this is the case. • The evidence base does not establish that there are four different intended retail uses, nor does it provide clear and fine grained evidence that there are viability differences between the intended uses. • The definitions used for retail development are inadequate and inequitable and therefore there should be a single CIL rate for all retail development. • It should be made clear whether the town centre comparison retail development category is to be charged under the ‘other chargeable uses’ at £10 per sq m. • The proposed differentiation of town centre

No.	URN	Name	Company	Agent	Comments
					<p>comparison retail development may deter supermarkets from town centre redevelopment schemes – as they are required to pay 10 times more.</p> <ul style="list-style-type: none"> • The evidence (March 2013) indicates that town centre comparison retail development is not viable with a CIL charge. To include a CIL charge for this use will set a rate up to, and beyond, the ‘margin of economic viability’, which the CLG Guidance (April 2013) strongly advises against. • If supermarkets, with comparison goods ranges, are being charged a significant CIL levy, over 4 times more than out of centre retailers and significantly more than town centre comparison goods retailers, there is a selective financial advantage to the other retailers – this may give rise to issues of State aid. • Any CIL rate for retail (and supermarket) development should be significantly lower than £225 per sq m so as not to deter regeneration and investment. • Welcome the instalments policy however there should be consideration to introducing lower thresholds and refinement in the instalments policy to support cash flow on mixed use and large regeneration schemes. • Support the proposed adoption of an exceptions policy pursuant to Regulation 55. It is also

No.	URN	Name	Company	Agent	Comments
					<p>submitted that the CLG proposals to remove the requirement for a planning obligation to be in place before any relief from CIL is considered is recognised as a forthcoming provision in the policy and to be taken forward in due course.</p> <ul style="list-style-type: none"> • The draft Regulation 123 list only includes “headlines” of types of development to be included rather than identifying specific infrastructure projects. In this respect it does not contain sufficient information to provide developers with certainty on schemes proposed. • The emerging CIL proposals in Trafford should recognise likely changes – CIL Guidance (April 2013) and CIL further reforms consultation – and be flexible to adapt to any subsequent changes. A review mechanism and timetable should be confirmed in the emerging CIL to allow it to be reviewed regularly should CLG advice and regulations change. • Strongly recommend the Council re-evaluates the evidence base prepared, and approach taken to CIL, to ensure it fully takes account of the latest CIL Guidance and the potential implications of the ‘CIL further reforms consultation’.
11	1152	John Suckley	Nikal Ltd	How Planning LLP	<ul style="list-style-type: none"> • Clarification is still required as to whether town centre retail development would fall within the “other chargeable developments” use as listed on the DCS and therefore subject to the £10 per

No.	URN	Name	Company	Agent	Comments
					<p>sq m charge.</p> <ul style="list-style-type: none"> • Confirmation is still required as to whether office use is covered within the same category and subject to the £10 per sq m charge. • Request that confirmation is provided on whether leisure developments are subject to the £10 per sq m charge under the emerging CIL proposals. • Suggest that a comprehensive CIL Charging Schedule is produced which sets out the costs associated with each specific planning use/general use class order in order to provide certainty to developers promoting large scale regeneration schemes. • Taking into account paragraph 173 of NPPF it is dangerous to impose a standard charge for a particular use. • As each development site is subject to different development costs, flexibility should be introduced into the CIL proposals to enable, on viability grounds, the standard charge to be reduced where necessary so as not to prevent development. • Whilst exemption provisions are included within the DCS at Appendix 2 these relief measures are discretionary and offer developers no firm security that viability will be taken into account when calculating CIL payments. • Whilst the principle of payments by instalment is

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					<p>broadly welcomed, it is essential that there is sufficient flexibility built into the CIL Charging Schedule to enable the phasing of payments to be flexible and agreed with the Council on a scheme by scheme basis.</p> <ul style="list-style-type: none"> Should the CIL Charging Schedule be adopted in April 2014 it is essential that suitable transitional arrangements are in place to provide certainty to developers – especially those with applications already in the system.
12	1289	Lucie Jowett	Wm Morrisons Supermarket Plc	Peacock and Smith	<ul style="list-style-type: none"> Consider that further work remains to be undertaken in order to ensure that the CIL rate meets the tests of the appropriate balance and indeed is not at the margins of viability. Consider that presently the CIL rate for Supermarkets remains inappropriately high. A number of costs typically associated with supermarket development have been excluded or underestimated. These include: site assembly (compensation payments, fees, holding costs etc.), remediation and site preparation and demolition. Aspinall Verdi has consulted BCIS (see attachment) and it can be seen that there is a wide variation in construction costs. Any costs assumed for the purposes of CIL need to be on the higher side to reflect differing circumstances and eventualities – in order to avoid breaching the margins of viability. It is interesting to note

No.	URN	Name	Company	Agent	Comments
					<p>that the Median cost for the 1,000 to 7,000 sqm category is £1,042 – higher than that adopted.</p> <ul style="list-style-type: none"> • Recommend that the construction costs are reviewed and amended upwards. • The 5% allowance adopted for contingencies is too low, particularly given that the consultants have made no allowance for demolition, remediation and site preparation. A 10% contingency would be appropriate. • With commercial development it would be normal to make allowances in the order of 12-15% for professional fees. For larger convenience retail, given costs around planning, survey and design the professional fees are in the order of 14-15%. • The professional fees allowance is too low and this critically must be reviewed. • Interest – believe that the finance calculation has been undertaken on the basis of an 18 month period. This is considered wholly unrealistic and far too optimistic. Suggest as a minimum a period of 36 months. • Land and Purchase Costs – noted that a figure of £500 per sq m has been used. This is a critical figure for the assessment of the CIL rate. However there is neither explanation nor evidence of how this figure has been arrived at. Consider that the £500 per sq m is too low, given that the land payment for a 5,000 sq m

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					<p>foodstore would be £2.5m.</p> <ul style="list-style-type: none"> • The Roger Tym appraisals clearly indicate a considerably higher land value for town centre comparison retailing £1,000-£1,500psqm, but provide no evidence or justification for this. • Suggest more detailed work is undertaken including sensitivity analyses to examine the sensitivity of changes to a suggested CIL rate. • Developer's Profit/Margin – the consultants have used 20% of cost which is considered too low and that given the risks and costs associated with this type of development it would be appropriate to assume 20% of Gross Development Value. • All property transactions have a local context and yet there is no evidence presented of convenience retail transactions which have taken place in and around Trafford to support the assumptions made. • Neither the July 2012 or March 2013 reports provide any market evidence to support rental or yield assumptions. • Note the comment at Paragraph 7.17 of the July 2012 report where it says 'readily available evidence' – however non is present or explained. Does such evidence exist? If so what is it? • Transactional evidence is needed to support the assumptions in the appraisal. This is particularly

No.	URN	Name	Company	Agent	Comments
					<p>important given the significant difference in land values between town centre comparison retail and supermarket sites.</p> <ul style="list-style-type: none"> • The construction cost, professional fees, borrowing cost, contingencies and the additional costs all need to be reviewed and adjusted. • More traditional development appraisals, complete with sensitivity analyses, need to be presented. Presenting appraisals on an 1 per sq m basis is opaque.
13	1294	Victoria Carr	Cheshire West and Chester Council		<ul style="list-style-type: none"> • What is the proposed method or level of reduction from the 'ceiling' rate of CIL Charge? The discount from the ceiling rate of CIL to the final charge seems to differ between the different market areas (i.e. reduction from £117 to £85 is a reduction from ceiling of 27%, £64 to £40 is a reduction of 37%, £39 to £20 is a reduction of 49%. What is the methodology behind this? • 5.1 What is the justification for a 10% reduction of the charge on supermarkets – what evidence is there? • Why are apartments not charged in other locations? Assuming that increasing density of development on a site would increase viability, surely apartments would be more viable than houses on a similar sized plot? Is this just a decision based on the market? • If the proposed CIL will be raising less income

No.	URN	Name	Company	Agent	Comments
					<p>than previous s106 SPDs, and it is not compulsory, what is the rationale for taking forward a CIL?</p> <ul style="list-style-type: none"> • There are no obvious issues that have a direct impact upon a potential CWaC CIL at present.
14	1096	Helen Telfer	Environment Agency		<ul style="list-style-type: none"> • Support the DCS and the scope of work undertaken in the accompanying evidence based documents. • Would like to be involved in any future revisions to the Regulation 123 list where there are amendments or additions to be made to flood defence infrastructure.
15	1295	John Francis	Barratt David Wilson Homes	DPP	<ul style="list-style-type: none"> • In general terms the assumptions used by RTP are over simplistic which leads to a weak justification of the viability case for CIL. • Tangible evidence ought to be referred to in a specific form rather than through generalisations and direct reference should be made to consultation with named parties to make the evidence base credible. • With regard to residential prices being asking prices rather than actual realised prices an adjustment of 10% should be made to reflect purchaser inducements. • The floor area/size of units specifically referred to in the assumptions base is quite high. Given the adoption of overly stated purchase prices this enhances the 'surplus' above an assumed residual land value, which relative to costs again

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					<p>simplistically supports the case for CIL.</p> <ul style="list-style-type: none"> • The development model that RTP has used seems to be a bespoke Excel package. Query the adequacy of that package especially as there are a number of commercially available software packages, some of which are used by house builders. • Whilst the 2013 addendum report applies a sensitivity analysis to the 'assumed figures', still have concerns relating to the potential variations that may arise in any one appraisal exercise. • NPPF and the Council's Adopted Core Strategy, January 2012 requires affordable housing to be provided by all residential developments where need is identified. It is therefore appropriate that account should be taken of it through all appraisals at the rate required by policy as it cannot be assumed that the Council will be prepared to accept a figure less than the general requirement of 30% in all instances. • The position of CIL does not take cognisance of the fact that many land deals may have taken a significant period of time to negotiate, and may include factors such as anti-embarrassment clauses where third parties may also be entitled to a share of an uplift in land value. • The simplistic model used by RTP also doesn't adequately reflect funding requirements, where

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					<p>many house builders are now looking to make instalment payments, which in the current market is a material consideration.</p> <ul style="list-style-type: none"> • It is appropriate that RTP shares its overall assumption base and appraisal methodology in more detail. • Given that regeneration needs to be kick started and relies on intervention rather than on natural causes and processes, and particularly given the current economic climate, it would be sensible for key forms of development in key areas in need of regeneration to be exempt from any charge. • CIL in cold market areas would clearly impact more on a prospective seller of a site where the risk element is always passed on to the seller in the form of reduced land value or where there is scope for reductions in land purchase prices. The consequence could lead to moth balling of opportunities and sellers holding on to sites so as to wait for improvements and uplifts in values in the market place. • In cold market areas no charge should apply. This is because these areas, by reference to the revised plan forming part of the DCS document, generally focuses on those parts of the Borough the CS identifies to be in need of regeneration. • In the context of residential in moderate market areas, the rate is too high and should be

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					<p>lowered to circa £20 / sq m.</p> <ul style="list-style-type: none"> • In the context of residential in hot market areas, the rate is too high and should be lowered to circa £40 / sq m. • Keeping CIL at a lower threshold will encourage the release of sites to the market place and ensures that sellers of land can acknowledge that they are getting a fair price for their land and not having to absorb too much of the risk. • Agree in principle to the different charging zones for residential development as it is accepted that the market in so far as it applies to residential development in the Borough is different, and that key differences in the market are triggered through differences in the general profile and quality of the Borough. • There should be the opportunity for the respective charge to be varied or not applied at all if development in a hot or moderate market area (cold should be fully exempt as proposed earlier) if it can be demonstrated that the development in question would deliver a range of benefits that would, for example, benefit a regeneration objective/initiative, including those in cold market areas. • The base rate charge makes no sense in commercial terms and it could have the same effect as the Sword of Damocles in so far as commercial investment and regeneration

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					<p>initiatives are concerned, this also applies to certain developments regardless of the proposed use.</p> <ul style="list-style-type: none"> • If the appraisal analysis is such that CIL cannot be justified then that ought to be the outcome of the exercise, i.e. a CIL charge will not be levied. • It is inconceivable that the overall vision for the Borough will be achieved if the charging regime set out in the DCS is introduced. This is because, in the context of new residential, development in cold market/regeneration areas will be rendered unviable; development in moderate areas, which aren't as strong as the Council might consider them to be, will in many cases be rendered unviable; and even in historically/currently strong hot market areas many developments will struggle to get across the viability line or to be implemented.
16	1284	Brett Harbutt	Intu Properties Plc		<ul style="list-style-type: none"> • Support the DCS, on the basis that the DCS excludes the Trafford Centre Rectangle, including the Trafford Centre, from specific CIL charges and therefore requires any new development within this area to pay the "Standard CIL Charge" of £10 per sq m. • This position will encourage and invigorate the regeneration of the Trafford Centre Rectangle over the plan period providing the necessary impetus for significant economic and residential development to take place.

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17	1024	Mike Gibson	Greater Manchester Chamber of Commerce		<ul style="list-style-type: none"> • The levy rates proposed distinguish between various housing markets, supermarkets and retail warehouses, but lump every other chargeable development together on a rate of £10 per sq m. This fails to recognise the great variety of businesses that there are, the different conditions in which they operate and the range in value of their land and property. • If the above factors are not to be taken into account when making the charge, then the rate should distinguish the higher-value developments, such as leisure and intensive sports developments, hotels, multiplex cinemas and the like, from those with a lower value, such as shops, offices, industry and storage and distribution uses, with a lower rate applying to the latter and a higher rate to the former. • Support the proposal to allow the CIL to be paid in instalments and the proposal to allow discretionary relief in exceptional circumstances, although ask that due consideration is given to exceptional circumstances cases and the Council do not merely pay lip service to this offer of relief.
18	1289	David Walker	Wigan Council		<ul style="list-style-type: none"> • No detailed comments. In general consider that the proposals are reasonable and appear to be based on sound background evidence.
19	1288	J M Morrison	Morrison Property		<ul style="list-style-type: none"> • The Council should be looking to fund community projects from all who live in Trafford.

No.	URN	Name	Company	Agent	Comments
			Services Ltd		<p>To tax just business and builders, is unsustainable.</p> <ul style="list-style-type: none"> • If a Council wants to plant trees, build parks, or block pave a shopping street, why does a residential builder, building a house 2 miles away, have to pay any more than any other resident for that facility? • The Report and the PDCS (Preliminary Draft Charging Schedule based on CIL) is flawed, as it is unfair (Legally), and probably challengeable in the Court of Human Rights. • The bulk of the report is based on the assumption that CIL will be applied universally and hence we are totally against the report and the imposition of taxing Development inspiration. • Local good causes or projects are a wonderful notion and full marks to those driving these forward. However, they have to be paid by the local public who want them or need them, not forced on those few innovators, who are trying (against all odds) to reshape the UK with their investment and experience. • Recommend that use and charges for CIL are re-defined. • If infrastructure is needed, then let it be so. As always, the Stakeholders of Trafford or the Government, or both must pay for such matters. • At this time we need Developers, people who

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					will invest their money, time and energy, into local projects for the good of all. It follows, that we should be encouraging them, not discriminating against them and not landing all our social worries and costs upon them.
20	1037	Janet Baguley	Natural England		<ul style="list-style-type: none"> No Comments.
21	1211	Dan Mitchel	Royal London Asset Management (RLAM)	Barton Wilmore	<ul style="list-style-type: none"> It is considered the Council has followed the proper procedure in terms of basing the DCS on an up-to-date list of infrastructure and that the Viability Study is broadly robust. Base charge of £10 per sq m broadly supported. However, if there are any abnormal costs identified with the development of a site, there needs to be provision which allows for a relaxation of the charges if a viability appraisal shows it will preclude the development. The Council's intention to monitor CIL and progress a review where appropriate is supported. It is considered that progress on the HS2 proposals and the need for associated infrastructure will necessitate a review, at which time the infrastructure costs associated with HS2 and the proposed Manchester Airport station should be included in an amended Regulation 123 list. Overall supportive of the procedure followed to inform the proposed CIL levy rates.

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22	1074	Emily Hrycan	English Heritage		<ul style="list-style-type: none"> • The Council should ensure that the conservation of its historical assets is taken into account when considering the level of CIL to be imposed. The imposition of CIL could cause harm to the historic significance of heritage assets or their settings if the viability of a scheme is affected by the application of CIL. • Need a clear understanding of the potential impact that CIL could have on investment in and the regeneration of, historic areas, particularly those identified as being at “risk”. • CIL could hamper heritage-led regeneration so CIL relief should be offered where viability affects schemes that reuse heritage assets on the EH Register of Heritage at Risk. • Strongly advise that conservation officers are involved in preparing the DCS.
23	1198	Caroline Payne	Emery Planning Partnership		<ul style="list-style-type: none"> • The wording in the footnote of the DCS relating to the conversion of buildings is not consistent with that in Regulation 40(10). This requires clarification. • Object in principle to the inclusion of conversion of buildings in the charging schedule. Conversion of floorspace should be exempt from CIL and in the case of redevelopment schemes, existing floorspace should be off-set against the CIL requirement irrespective of whether it is vacant, lawful or not. • CIL should only be charged where there is a net

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					<p>increase in floorspace.</p> <ul style="list-style-type: none"> • The Viability Study appears to focus on new build development; no appraisal for change of use applications, particularly those that involve vacant floorspace i.e. conversion of an office building to residential, yet a charge is to be levied. • There is likely to be no or very little impact on infrastructure from change of use or replacement development, so the charge should be zero. • Once introduced, CIL will act as a disincentive to development; going against the mechanisms the Government has introduced with the changes to permitted development rights for the conversion of buildings for a temporary period i.e. office to residential. • The proposed application of CIL to vacant floorspace is contrary to the provisions of The Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2013. • Inappropriate to apply charges to existing floorspace, whether vacant or not. • Consider the proposal to remove the vacancy test from regulation 40, as set out in the CIL further reforms consultation, reasonable and fair. • Consider that all residential extensions should

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					<p>be excluded from charging schedules. Householder extensions are unlikely to intensify use of infrastructure.</p> <ul style="list-style-type: none"> • If charges are to remain on residential extensions, clarification should be provided on which charge is applicable as this is not clear. Assume extensions fall within other chargeable development category and not the categories for private market housing (between £20 and £80 per sq m); assumption is that these charges apply only to new homes. • Suggest agricultural development is excluded from the charge. This does not appear to have been considered in the viability study. • Question whether the charging levy should take into account if a site is greenfield or previously developed; greenfield sites would have a greater impact on the need for infrastructure to support development. • Revised terminology should be given to the CIL charging zones for residential development; using the same terminology for affordable housing in the Core Strategy (Policy L2) and residential areas in the CIL is confusing. • Quality of the plan in the DCS is poor. • Draft Regulation 123 list is supported in principle, but considered to be too vague. As a funding gap of over £226m has been identified, there must be more specific infrastructure detail

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					<p>that could be used.</p> <ul style="list-style-type: none"> • The list should clarify that contributions to schools are for improvements and extensions to existing schools and not for the provision of new schools; under the Government's current regime any new school is not funded at borough level. • A more detailed Regulation 123 list would provide clarity and transparency for applicants that there is no duplication between CIL charges and S106 obligations relating to infrastructure.
24	1146	Jeremy Williams			<ul style="list-style-type: none"> • Do not consider comments made at PDCS have been addressed. • Evidence base is not robust. • The rates as currently conceived could put the overall development of the area at serious risk. • Do not agree with differential rates for residential development in the south of the Borough. • If a differential charging approach is to be justified and implemented, Land Registry evidence should be used. • There should be no boundaries unless they are based on robust evidence. • Unable to demonstrate a coherent and justifiable rationale for a base rate charge.
25	1149	Malcolm Simister	Greater Manchester Waste Disposal Authority	Unity Partnership	<ul style="list-style-type: none"> • GMWDA has made significant investment in new facilities, to serve the community in which they are located, and the GMWDA area as a whole. A CIL levy would inhibit the ability of

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			(GMWDA)		<p>GMWDA to construct enhanced facilities where they are required.</p> <ul style="list-style-type: none"> Any GMWDA developments should be classed as community facilities in the charging schedule and be charged at £0 per sq m. This zero rate should apply to any facilities developed directly by GMWDA, whether via PFI or appointed contractors.
26	1297	Terence Norris	Peak Northern Footpath Society		<ul style="list-style-type: none"> Disappointed there is no specific reference to the use of the levy for improving or providing new footpaths in and around development sites. Suggest reference is added in the spatial green infrastructure or sustainable transport schemes section for the provision of improved or new public right of ways within or adjacent to development sites.
27	1296	Clare Moran	Oldham Council		<ul style="list-style-type: none"> No comments.
28	1035	Rose Freeman	Theatres Trust		<ul style="list-style-type: none"> Object to the setting of a £10 base rate for 'all other chargeable development' as assume this includes performance spaces and art venues. It is not clear if cultural facilities (theatres) are included within the zero rated public/institutional facilities. Suggest a nil rate of CIL be set for D1, D2 and specific sui generis uses (e.g. theatres). This type of facility is very unlikely to be built by the private sector and often does not generate sufficient income to cover its costs and

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					<p>consequently requires some form of subsidy to operate.</p> <ul style="list-style-type: none"> It may be that theatres could obtain discretionary relief or have charitable status, but recommend that the charging authority clearly indicates what is applicable to this development type.
29	1045	Matthew Spilsbury	Peel Holdings (Management) Ltd	Turley Associates	<ul style="list-style-type: none"> The Government only intends to extend transitional measures to charging authorities that published a DCS in advance of the 'CIL Further Reforms Consultation' proceeding on 15 April 2013. Therefore the Council should take into account the likely implications of the consultation proposals related to the charge setting process and examination. A number of the changes set out within the 'CIL Further Reforms Consultation' – on reliefs and exemptions, for instance – apply to all charging authorities, this is not considered in the Trafford DCS; request that the Council makes the necessary modifications to do so. CIL is effectively a development tax. It was conceived when economic conditions were very different. This is the wrong time for a development tax particularly outside of the South and South East. It will prevent the delivery of much needed affordable housing as sites will not be able to support the CIL payment as well as provide

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					<p>affordable housing.</p> <ul style="list-style-type: none"> • The CIL Regulations have become unduly complex, slow to introduce, onerous to apply and inflexible. • CIL should be concluded to be unworkable and that the CIL Regulations should be revoked. • Have significant concerns relating to proposals by charging authorities to adopt a “default” CIL rate for “all other development” even when the evidence base suggests that these rates are unviable. • The Regulation 123 List only includes “headlines” as to broad types of development rather than identifying specific infrastructure projects. • The Council has identified an ‘infrastructure funding gap’ exceeding £232 million, but the Regulation 123 List does not specify which items from the ‘gap’ CIL will cover, and what will be funded from other sources. • Recommend the Council publish an itemised project-specific Regulation 123 List, complete with indicative timings for delivery of infrastructure. • At present, the draft Regulation 123 List will not be compliant with the proposed regulatory reforms. • The publication for consultation of the Obligations SPD alongside the consultation on

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					<p>the CIL DCS is welcomed.</p> <ul style="list-style-type: none"> • Welcome the revised Obligations SPD which confirms that site specific planting will still be required to mitigate site specific impacts of the proposed development, but that strategic planting will be dealt with through CIL. • Advocated a need for a clear statement from the Council as to how the extension of Metrolink and other similar, as yet unimplemented, infrastructure works, are to be dealt with within the CIL/residual S106 regimes prior to submission of the DCS for examination. • There should be a form of CIL “claw back” provision such that future private contributions towards infrastructure (e.g. WGIS) which are acknowledged to have much wider benefit that extend beyond the site and its immediate vicinity, should receive some contribution to (reimbursement of) the costs that infrastructure from any future developments that will be facilitated by or derive substantial benefit from that infrastructure. Request the Council considers and addresses this issue within the DCS prior to submission for examination. • Suggest that the instalments policy should be further amended to make specific allowance for schemes with particular pre-development and abnormal costs, for example site remediation/ preparation requirements, whereby the payment

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					<p>of CIL monies is made in instalments triggered by the completion of a development phase, rather than after a set number of days from the commencement of development.</p> <ul style="list-style-type: none"> • The Council should further amend the instalments policy to include both a lower threshold, and refinement to the instalments payments to support scheme cash flow. • Welcome the inclusion of an exemptions policy with the Charging Schedule; request that the Council publish the proposed wording of their exemptions policy, which should be subject to public consultation. • The Council should ensure policy remains flexible to incorporate future changes in Regulations. If adopted, expect the Council to introduce the proposal to allow exemption from CIL liability (via social housing relief) for further models of affordable housing including Discount Market Sale. • Strongly in support of the CLG proposal to remove the requirement for a planning obligation which is greater than the value of the CIL charge to be in place before relief in exceptional circumstances can be provided. • The proposed approach by the Council seeks to circumvent the CIL Regulations in their present form by attempting to differentiate by type of retail use – albeit still differentiating by size and

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					<p>effectively following the same approach as in the PDCS. This is not consistent with Regulation 13.</p> <ul style="list-style-type: none"> • The Retail and Leisure Study (2007) does not provide evidence of the Council treating supermarkets, retail warehouses, convenience and comparison stores as different 'uses'. • Request clarity as to whether 'convenience retail' and 'town centre comparison retail' are classed as 'all other chargeable development' in the DCS. • The Council should amend this policy so as to include one rate only for all retail development, which does not prejudice development viability and the delivery of the relevant Local Plan. • Do not believe that the Council's approach, to alter the Trafford Quays area from 'moderate' to 'cold', is sufficiently reflective of the evidence base prepared. As set out in representations to the PDCS, the CIL rate for Trafford Quays should be zero. This would conform to the viability evidence prepared by GVA in 2011, which underpins Core Strategy policy. • Request the Council clarify what development is proposed to be included within the rates set within the DCS for 'private market housing' and 'apartments'. At present there are no definitions provided, which lacks transparency and could create confusion and conflict upon

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					<p>implementation.</p> <ul style="list-style-type: none"> • The build cost assumptions as set out in the EVS are considered to be too low. • The EVS appears to have omitted any reference to the direct implication of lease length on yield. While it is appreciated that the EVS must provide a borough wide evidence base, from the information presented it is not transparent what evidence has informed the choice of yield. • The Trafford CIL Economic Viability Study – Addendum Report (March 2013) indicates such ‘other’ uses as highly unviable before a CIL rate is applied within Table 5.1. Therefore question how the Council can consider the application of an additional CIL charge as achieving an ‘appropriate balance’, in line with the CIL Regulations, despite the Council’s own viability evidence base indicating that any CIL charge would further accentuate the negative viability of these types of development. • To include a CIL charge for these uses will set a rate not only ‘up to’, but also ‘beyond’, the ‘margin of economic viability’. The CLG CIL Guidance (April 2013) strongly advises against such an approach. • Clarify whether development for hotel use is incorporated within the ‘base charge’. At present this is unclear. • There is no evidence presented by the Council

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					<p>to justify that 'all other chargeable development' can viably accommodate a CIL charge within Trafford. This proposed CIL rate runs contrary to paragraph 173 of the NPPF, and the CIL Guidance, and request the Council demonstrate otherwise or remove the proposed rate.</p> <ul style="list-style-type: none"> • The Council needs to have a clear and evidenced monitoring and review strategy in place to ensure that the rates within the adopted CIL Charging Schedule can be swiftly revised if the market changes significantly. • Recommend a high-level quarterly review of market performance, and delivery rates, is undertaken to evaluate whether the CIL rates set for the area remain appropriate. • As infrastructure on the Regulation 123 List is delivered, it will be important to re-evaluate the implication on CIL rates. • Request that the Council sets out its detailed proposals for monitoring and review prior to CIL examination.
30	1026	Andrew Thomson	Shell	Thomson Planning Partnership Ltd	<ul style="list-style-type: none"> • It is fundamental to any CIL proposals that the charging authority have a clear infrastructure delivery plan to meet the proposed new duty to "demonstrate" that it has struck an appropriate balance between the desirability of funding infrastructure and the effects on the economic viability of development. • Greater transparency is required when setting

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					<p>the rates for the levy and there should be the ability for a developer to pay CIL by providing infrastructure in kind.</p> <ul style="list-style-type: none"> • There should also be the facility for developers to pay the levies in phases, particularly in the case of the large strategic sites within Trafford such as Carrington which will be delivered over a number of years. • The new charging rates for development are welcomed but there may be concerns regarding the definition of boundaries between 'hot and 'cold' areas. • It is unclear how these differential charging rates will be revised in the future to reflect potential changes within Trafford as changes take place in these market areas. • A charge of £225/sqm for supermarkets may still be unrealistic and unviable within Trafford and may impact upon the potential to secure major retail investment in Trafford in the future. • Whilst the suggested Instalments Policy may be considered acceptable, as set out it is unrealistic in relation to the implementation and delivery of the strategic locations. By their very nature they will take several years to implement. Suggest that there should be a fourth element to the proposed Instalments Policy specifically related to the 5 Strategic Locations, allowing for payments to be made in kind, as well as the

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					repayment period reflecting the more extended timescales associated with large and complex developments. At the moment the maximum repayment period currently proposed is only 18 months.