

TRAFFORD COUNCIL

DRAFT COMMUNITY INFRASTRUCTURE LEVY (CIL) SCHEDULE

EXAMINATION HEARING PROGRAMME AND IDENTIFICATION OF MAIN ISSUES AND QUESTIONS

1 Examiner

- 1.1. My name is Mr Philip Staddon BSc, Dip, MBA, MRTPI. I have been appointed to undertake an independent examination of Trafford Council's CIL proposals.

2 Programme Officer

- 2.1 The Programme Officer is Yvonne Parker.
- 2.2 The Programme Officer acts as an impartial officer of the Examination, under the my direction, and not as an employee of the Council. All procedural and administrative matters should be directed to the Programme Officer. Details of how to contact the Programme Officer are set out below:

Ms Yvonne Parker - Trafford Council CIL Programme Officer

Telephone: 0781 333 4305

Email: posltd@virginmedia.com

3 Hearing

- 3.1 The Examination Hearing sessions will commence at 9.30 a.m. on Monday 9 December 2013 and I will, if necessary, continue the Hearing on Tuesday 10 December 2013.
- 3.2 The venue will be Studio A, Waterside Arts Centre, 1 Waterside, Town Centre, Sale M33 7ZF. Directions to the venue can be found through the following link: <http://watersideartscentre.co.uk/about-us/how-to-find-us/>

Anyone needing any further information should contact the Programme Officer, Yvonne Parker (details above).

4 Scope of the Examination and the Examiner's role

- 4.1 The Examination is to consider whether Trafford Council's published Draft Community Infrastructure Levy (CIL) Charging Schedule, as modified by the Statement of Modifications, meets the requirements of the Planning Act 2008 and the associated Regulations in respect of legal compliance and economic viability.

- 4.2 The process of examining the CIL Schedule will be in the form of a structured 'round table' format. Prior to the examination Hearing I have studied all of the submitted written evidence, background documents and representations. This has enabled me to identify what I consider to be the main issues and questions that I need to explore to produce my examination report.
- 4.3 The Hearing will run on a rolling programme. Each of the topic issues will be discussed in full in the order set out in Section 5 below. Breaks will be taken at suitable times mid-morning, lunchtime and mid-afternoon.
- 4.4 All Representors who have, prior to the Hearing, made requests to exercise their 'right to be heard' will be able to speak to present their views. I have, very deliberately, structured some of the Hearing sessions to allow representors, on specific issues, to contribute in a focused manner. I have also separated the residential and commercial CIL issues to assist the examination process.
- 4.5 I may add to or amend the programme if I consider this to be appropriate and necessary to assist the examination. There is inevitably some duplication and overlap between the issues set out in the agenda, but it is necessary to examine thoroughly each issue.
- 4.6 The Hearing will be open to the public and the media. Any filming / recording of the Hearing will be at my discretion.

5 The Hearing Agenda and the Main Issues and Questions

Session 1 – Introductions and Scene Setting

Welcome and housekeeping matters (Examiner and Programme Officer).

Overview of CIL. Brief outline of the Trafford CIL proposals. Explanation of the examination process. (Examiner).

Welcome and introductions from Trafford Council (Trafford Council and Peter Brett Associates).

Introductions from Representors intending to appear.

Session 2 – Evidence Base – Core Strategy and Infrastructure

To assist the examination the Council will be asked to explain (briefly) the Core Strategy's approach to sustainable growth in terms of scale, type and location of housing and commercial development. The Council will also be asked to explain the importance of its five strategic locations.

The session will then explore:

- Whether the infrastructure requirements set out in the Infrastructure Note (Document CE12) are reasonable and necessary to support the Core Strategy?
- Whether the infrastructure funding gap of £232,773,000 (Document CE13) is reasonable and whether full account been taken of other (non CIL) funding sources?
- Does the Draft Regulation 123 List (Document CE5) provide sufficient clarity and transparency on the use of CIL receipts?

Session 3 –Viability Modelling Assumptions - Residential

The Council's consultants have made a range of assumptions that have been processed through its computer model to test the viability of residential developments and the ability to support a CIL charge. There have been some challenges to the assumptions made and to the model itself.

This session will explore these issues by discussing the source and robustness of the assumptions made about the following variables:

- Land values
- Sales values
- Profit levels
- Build costs
- Code for Sustainable Homes requirements
- Affordable housing content
- Site specific infrastructure costs (s.106 and S.278)
- Fees
- Contingencies
- Finance

I will be asking the Council's consultants to explain the approach to each of the above topics and I will ask questions. I will also allow participating Representatives to offer their views and evidence.

Session 4 – Residential CIL Rates and Charging Zones

Having tested the robustness of the residential evidence the examination will then look at how that evidence has been used to inform the CIL proposals. The examination will explore the following key questions in this session:

- Has the modelling on 'notional' sites been based on realistic scenarios and does it include a good range of development scenarios that reflect the variety of residential developments that are anticipated to meet the Core Strategy's planned housing requirements?
- Are the boundaries of the three geographical areas (Hot, Moderate and Cold), for which differential CIL charging rates are proposed, soundly based on evidence of residential values and development viability in these areas?
- Does the evidence support the different CIL rates proposed for private market houses in the three charging zones?
- Does the evidence support the CIL rates proposed for 'apartments' in the three zones?
- Have the viability issues concerning specialist forms of housing for the elderly been considered?
- Is there any evidence to suggest a different treatment for the five strategic locations?
- What allowances have been made for viability 'buffers', and do these allow for the variability of schemes across the charging zones?
- Overall, do the private housing CIL charges constitute a reasonable proportion of development costs?

Session 5 – Viability Modelling Assumptions – Commercial

The Council's consultants have made a range of assumptions that have been processed through its computer model to test the viability of a range of commercial development types and the ability to support a CIL charge. There have been some challenges to the assumptions made and to the model itself.

This session will explore these issues by discussing the source and robustness of the assumptions made about the following variables for the different types of commercial development:

- Land values
- Rents
- Yields
- Profit levels
- Build costs
- Site specific infrastructure costs (s.106 and S.278)
- Fees
- Contingencies
- Finance

I will be asking the Council's consultants to explain the approach to each of the above topics and I will ask questions. I will also allow any participating Representors to offer their views and evidence.

Session 6 – Commercial CIL Rates

This session will explore each of the proposed commercial CIL charges in turn.

Retail CIL Charges

Does the viability evidence support the Council's approach of differentiating (i) 'supermarkets' and (ii) 'retail warehouses', for specific CIL charges?

Are the definitions of 'supermarkets' and 'retail warehouses' sufficiently clear and precise?

Does the viability evidence support the proposed £225 psm 'supermarket' CIL charge?

Would the 'supermarket' CIL charge put at risk the delivery of town centre supermarkets in general and, more specifically, the Sale Town Centre scheme which includes a supermarket anchor?

Does the viability evidence support the proposed £75 psm 'retail warehouse' CIL charge?

Other Commercial CIL Charges (the Base Charge)

The modified draft charging schedule exempts a number of 'public' development types such as schools, health and emergency services. However, 'offices', 'industry and warehousing', 'leisure' 'hotels' and 'all other development' would incur a £10 psm CIL charge. This is referred to in the documentation as a 'base charge'.

A number of examination questions arise:

- Does the evidence support a base charge for the specified, and all other, types of development?
- Would the base charge make development currently considered to be unviable even more unviable and / or would it delay its implementation (if market conditions improved)?
- Is there a case for a different approach to the 'base charge' in the five strategic locations?

Session 7 – Other Matters raised by Representors

This session will briefly explore some related issues including:

- Discretionary relief
- CIL monitoring and review
- Instalments payment
- Any other matters

Session 8 – Round Up and Conclusions

In this final session I will give the participants an opportunity to sum up their views on the evidence. The focus of this session will be on the overarching examination question which is:

- Does the evidence demonstrate that the proposed CIL charge rates would not put the overall development of the area at serious risk?

After this discussion, I will close the Hearing. I will then prepare my report, which will contain conclusions and recommendations. The examination will remain open until the report is submitted to the Council, but I will not accept further evidence from any party unless it is information that I have specifically requested.

Philip Staddon – Appointed Examiner – 22 November 2013