

Community Infrastructure Levy Consultation 2023

QUESTION SUMMARIES

DATA TRENDS

INDIVIDUAL RESPONSES

All Pages –

Respondent #50 –

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Page 1: Survey Information

Q1

Do you confirm that you have read and understood the privacy notice? You must select 'Yes' in order to take the survey.

Yes

Page 2: Register for consultation

Q2

Your name:

Tim Waring

Contact details:

Organisation (optional) Quod Ltd

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City/town

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Post code

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Email address

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Q4

Do you wish to notified of future updates to CIL by the council? If yes we will use contact details provided above

Yes

Q5

Do you wish to participate in the CIL examination? If yes we will use contact details provided above

Yes

Page 3: Your response

Q6

1a. The Community Infrastructure Levy (CIL) Viability Study informed the production of the proposed rates in the draft CIL Charging Schedule. Do you have any comments on the content of the CIL Viability Study?

Yes; please refer to attached correspondence (Quod) and report (Bidwells).

Q8

2a. Do the proposed levy rates set out in the draft CIL Charging Schedule appropriately reflect the conclusions of the CIL Viability Study?

No; please refer to attached correspondence (Quod) and report (Bidwells).

Q10

3a. Do the proposed levy rates set out in the draft CIL Charging Schedule provide an appropriate balance between securing infrastructure investment and supporting the financial viability of new development in the area?

No; please refer to attached correspondence (Quod) and report (Bidwells).

Q12

4a. CIL rates should not be set at a level which could render new development financially unviable. To ensure the financial viability of new development in the area, and to take into account variations in land prices and development costs throughout the authority's area, the draft CIL Charging Schedule proposes variable rates for different kinds of development. Do you have any comments on the proposed CIL rates?

Yes; please refer to attached correspondence (Quod) and report (Bidwells).

Q14

5a. Should any types of development be charged a different CIL rate, and if so, why? Where alternative rates are proposed, please provide evidence to demonstrate why a proposed rate should be changed.

Yes; please refer to attached correspondence (Quod) and report (Bidwells).

Page 4: Your response

Q16

6a. To support the financial viability of new development in the area, the draft CIL Charging Schedule includes an Instalments Policy which allows specified levels of levy charges to be paid in instalments over a set period of time. Do you have any comments on the draft Instalments Policy?

No; please refer to attached correspondence (Quod) and report (Bidwells).

Q18

7a. Part 6 of the CIL Regulations (as amended) allows the Council to give discretionary relief for certain types of development from paying the levy. The Council has not identified any types of

development which may require this beyond the compulsory relief and exemptions outlined in the Regulations. Is there a need to provide discretionary relief from the levy to any types of development, and if so, why?

No; please refer to attached correspondence (Quod) and report (Bidwells).

Q20

8a. Do you have any other comments on the draft CIL Charging Schedule?

Yes; please refer to attached correspondence (Quod) and report (Bidwells).

Q22

9a. Do you have any other comments on the CIL evidence base?

Yes; please refer to attached correspondence (Quod) and report (Bidwells).

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CIL Consultation
City of York Council
West Offices
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YO1 6GA

For the attention of Strategic Planning Policy Team

By Email

Dear Strategic Planning Policy Team

Draft Community Infrastructure Levy – City of York Council (February 2023) Representations on behalf of Langwith Development Partnership Ltd (“LDP”)

I write on behalf of Langwith Development Partnership Ltd (“LDP”) in response to City of York Council’s (“CYC”) Community Infrastructure Levy (“CIL”) Draft Charging Schedule (“DCS”).

Government guidance clearly states that CIL rates require, amongst other matters, for charging authorities to consider the impacts of proposed rates on delivering the types of sites and uses set out in their Local Plan. Presently, CYC do not have an adopted Local Plan, but their current emerging Local Plan is close to adoption¹. The CIL is intended to be applied post adoption of the Local Plan.

LDP is promoting one of the largest strategic sites within York (Land to the West of Elvington Lane - site ST15, covered by Policy SS13) (“ST15”) of the draft Local Plan which will deliver a significant scale of housing, meeting a large proportion of the City’s housing needs. It is, therefore, essential to the delivery of the Local Plan’s strategy that the development of ST15 is not undermined on viability grounds.

These representations are concerned with a discreet matter, notably, the proposals to zero rate the residential development on this strategic site, and not to apply same to other land uses².

¹ The Proposed Modifications, following the Examination of the Local Plan by the Inspectors appointed by the Secretary of State were published alongside the DCS and it is anticipated that the Local Plan will be adopted this year.

² It is proposed to charge CIL rates on sheltered/retirement accommodation (£100) PBSA (without an affordable housing contribution) (£150), PBSA (with 100 or fewer student bedrooms and an affordable housing contribution) (£50), convenience retail (up to 450 sqm GIA) (£100), comparison retail (outside the City Centre boundary) (£100).



It is LDP's case that the application of a CIL charge to other land uses that may come forward in the development of the new settlement at ST15 have not been proven to be viable. In fact, the attached report (by Bidwells) demonstrates it not to be viable to charge CIL on any land use at ST15 (see below for a summary of reasons).

It is, therefore, not appropriate to charge any CIL rate on any land use within ST15, and that all land uses developed at ST15 in the future should be zero rated.

Guidance on Setting CIL Rates

Government guidance on viability is contained in the National Planning Guidance, and notably states that:

- *Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan³.*
- *In some circumstances more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies⁴.*
- *It is important to consider the specific circumstances of strategic sites. Plan makers can undertake site specific viability assessment for sites that are critical to delivering the strategic priorities of the plan⁵.*
- *When deciding the levy rates, an authority must strike an appropriate balance between additional investment to support development and the potential effect on the viability of developments.*
- *This balance is at the centre of the charge-setting process. In meeting the regulatory requirements, charging authorities should be able to show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant plan and support development across their area (see [regulation 14\(1\)](#), as amended by the [2014 Regulations](#))⁶.*

The Government's guidance on setting CIL rates is contained in the Community Infrastructure Levy Guidance (last updated January 2023). This sets out the following, relevant to these representations:

³ Paragraph 002 Reference ID: 10-002-20190509.

⁴ Paragraph 003 Reference ID: 10-003-20180724.

⁵ Paragraph 005 Reference ID: 10-005-20180724.

⁶ Paragraph 010 Reference ID: 25-010-20190901.



- 1 When deciding the levy rates, an authority must strike an appropriate balance between additional investment to support development and the potential effect on the viability of developments⁷, and they should show how *“their proposed levy rate (or rates) will contribute towards the implementation of their relevant Plan and supporting development across their area”*.

In this case, the relevant Local Plan will be the York Local Plan, currently in draft.

- 2 The Regulations note that charging Authorities can apply differential rates in a flexible way, to help ensure the viability of development is not put at risk⁸.
- 3 If the evidence shows that an area includes a zone, such as a strategic site which has low, very low or zero viability, the charging authority should consider setting a low or zero levy rate in that area⁹.

In summary, both sets of guidance, and the Regulations, recognise that differential rates should be applied and zero rating, notably, where the viability of development or strategic priorities of a Local Plan are put in jeopardy. This letter goes on to demonstrate that charging any CIL on any land use at ST15 will put the delivery of that strategic project at risk, which would serve to wholesale undermine the Local Plan vision.

The City of York Local Plan and the Importance of ST15 to its Vision

The Vision of the emerging Local Plan is set out in Section 2 of the draft Local Plan, and of note is its objective of delivering *“...sustainable patterns and forms of development to support the ambition and the delivery of the City’s economic, environmental and social objectives...”*.

The key development principles of the Local Plan are set out in Policy DP1: York Sub Area, and notably, the approach taken in the Local Plan is to ensure that:

“The housing needs of City of York’s current and future population including that arising from economic and institutional growth is met within the York Local Authority area”.

ST15, amongst a number of other Strategic Sites as well as lesser scale sites, has been allocated to meet the City’s housing needs in part during the Plan period¹⁰.

⁷ Paragraph: 010 reference ID: 25-010-2019-09-01.

⁸ Paragraph: 022 reference ID: 25-022-2019-09-01.

⁹ Paragraph: 022 reference ID: 25-022-2019-09-01.

¹⁰ The garden village promoted under allocation ST15 is intended to bridge the Plan period of the draft Local Plan, and its next review.



Delivering a sustainable community of scale is key to satisfying the objectives of the vision of the Local Plan. It is important that its delivery is, therefore, not compromised with unnecessary burdens, and this is especially important in relation to the viability of delivery, given the significant costs of infrastructure required to deliver a project of this scale.

It is recognised in the allocation of the new garden village such as that at ST15 that in order to establish a new sustainable community, a range of land uses are required beyond residential. These are specifically mentioned in Criterion (ix) of Policy SS13. This is also recognised in national planning policy where it is noted that to “...support a sustainable community, with sufficient access to services and employment opportunities within the development itself (without expecting an unrealistic level of self-containment)¹¹”.

The provision of a range of land uses, including those subject to proposed CIL charges in the draft CIL charging schedule outlined beforehand, are integral to creating a sustainable community and are similarly integral to the overall viability of the site.

SS13 recognises that in order to deliver a sustainable community, there are requirements for a broad range of infrastructure which will be secured through planning conditions and obligations, and which will impact the development values, by imposing significant costs. Consequently, CIL rates should be set by reference to these policy objectives and should not be at a level that would put at risk the delivery of a sustainable new community.

Viability Evidence of CYC

CYC commissioned Porter Planning Economics Ltd (“PPE”) to undertake an economic viability assessment to identify the potential available headroom for introducing CIL¹². The purpose of the viability work is to provide a sound basis for judging the impact of CIL (as well as other obligations) on development and ensuring the right “balance” is struck, ensuring that the delivery of sites allocated for development are not put at risk.

PPE’s Viability Study follows a relatively conventional approach, involving a series of development appraisals of scheme typologies along with separate analysis of the major strategic sites proposed in the emerging York Local Plan.

It is notable, as picked up by Bidwells, that the analysis of ST15 only addresses the residential element of the scheme, and does not consider the commercial elements of the scheme which are integral to creating a sustainable garden village.

¹¹ Paragraph 73, bullet point (b) of the NPPF.

¹² The City of York CIL Viability Study (published December 2022) was an update of previous studies carried out by Peter Brett Associates (PBA) and PPE as part of the Local Plan viability testing.



Bidwells demonstrate that the outputs from the Viability Study in relation to ST15 show there is a headroom financial deficit from the residential component of the development, that means that the required land value for the non-residential development is beyond the total serviced land value that could be achieved from the non-residential uses on ST15.

City of York CIL DCS

The DCS recognises the viability constraints on the delivery of strategy sites, including ST15 and, as such proposes to zero rate the charge for residential on such sites, whereas elsewhere in the City, residential will attract a charge. LDP support this zero rating for the strategic site ST15, and concur with CYC that it is not viable to charge CIL on such land uses.

The draft CIL charging schedule proposes the following rates for land uses that will be provided in ST15, and which are likely to be required in order to deliver a sustainable community.

Table 1: Land Uses Proposed to be Subject to CIL at ST15

Development Type	CIL Rate (per sqm)
Sheltered/retirement accommodation	£100
Extra care accommodation on brownfield sites	£100
Purpose built student housing (without an affordable housing contribution)	£150
Purpose built student housing with 100 or less student bedrooms (with an affordable housing contribution)	£50
Convenience retail with up to 450 sqm gross internal area	£100
Comparison retail built outside the City Centre boundary	£100

Bidwells demonstrates, in the attached report that none of the uses outlined in Table 1 above would be capable of generating a land value sufficient to address the headroom deficit that arises from the residential element of ST15. This appears to be acknowledged by PPE, who recognise that the delivery of ST15 has a significant cost burden given the substantial infrastructure required to open up the site.

It is demonstrated in the attached report that these significant infrastructure costs need to be managed on an “*all uses*” and “*whole site*”. It is now a well-established principle of viability assessments (for planning purposes) that the entirety of the red line of the planning application should be considered; it is, therefore, the case that the viability of strategic developments in local plan making should also adopt the same “*all use/whole site*” principle.



Summary and Conclusions

LDP is a key landowner and promoter of development within the City of York and, most notably, the promoter of the largest allocation for a sustainable residential lead community (site ST15). Development of ST15 is central in the delivery of the Local Plan's vision and objectives. LDP wish to work positively with CYC to ensure that the policy requirements, as well as CIL, are appropriate, viable and will incentivise and accelerate development of much needed housing in the City.

It is demonstrated in these representations that:

- Residential development on ST15 should be zero rated, as there is insufficient headroom for a CIL charge.
- The draft CIL charging schedule proposes to apply a levy on other land uses in ST15, which are integral to the development of a sustainable community.
- There is a headroom viability deficit for the residential element of ST15, which is beyond the land value that could be achieved for the non-residential uses.
- It is appropriate to consider viability of ST15 on an "*all uses*" and "*whole site*" basis.
- There is insufficient viability headroom within ST15 when it is considered as a whole, for any land use to be charged CIL.
- In light of the above, ST15 should be zero rated for all CIL purposes, in its entirety, regardless of the land uses that come forward and will make up this sustainable community.

LDP is keen to work with OPDC to address these issues before the DCS is submitted for Examination. LDP reserve the right to be represented at any Examination Hearing, and in the meantime, we look forward to working with you and PPE on the above matters.

If you have any questions at this stage, please let me know.

Yours faithfully



Encs

CITY OF YORK CONSULTATION COMMUNITY INFRASTRUCTURE LEVY

Table of Contents

1.0	Introduction	1
2.0	General Approach to Viability Testing	1
3.0	Sensitivity Analysis	2
4.0	Analysis of the Ability of Residential Development on ST15 to Sustain the Community Infrastructure Levy	3
5.0	Local Centres at ST15	4
6.0	The Ability of Local Centres to Contribute to Reducing the Residential Headroom Deficit at ST15	6
7.0	Other Uses that could Contribute to the Headroom Gap	6
8.0	Conclusions	7

1.0 Introduction

- 1.1 Bidwells is instructed by Langwith Development Partnership (“LDP”) to review the viability evidence base that has recently been published by City of York Council (“CYC” or “the Council”) to support the current consultation that is being carried out regarding the potential implementation of a Community Infrastructure Levy (“CIL”).
- 1.2 Bidwells has advised LDP over a number of years regarding the viability of site ST15 Land West of Elvington Lane (“ST15”) which is being promoted by LDP. Bidwells has specifically advised on viability and in 2022 engaged fully in the Examination in Public of the new York Local Plan, including extensive collaborative work with the Council’s consultant Porter Planning Economics (“PPE”). It is noted that PPE has also produced the viability evidence base in support of the current CIL consultation.
- 1.3 Bidwells is therefore well able to comment on the evidence base prepared for the CIL consultation and particularly its relevance to site ST15.
- 1.4 These representations comment on the general approach to viability testing taken by PPE, the analysis of the ability of residential development on ST15 to sustain a CIL charge, the analysis of various development typologies and the use of sensitivity analysis and headroom in PPEs analysis.
- 1.5 Finally, we consider whether ST15 is capable of sustaining CIL on any use within it and set out our conclusions.

2.0 General Approach to Viability Testing

- 2.1 The report prepared by PPE as the evidence base for the CIL consultation follows a relatively conventional approach. It carries out a series of development appraisals of scheme typologies which test whether these typologies would be capable of sustaining a CIL payment, and if so, at what level. The document concludes by advising levels of CIL which could viably be levied on different use types on different schemes within the CYC area.
- 2.2 The bulk of PPE’s analysis focuses on a series of residential development typologies which although not specific to any particular scheme, reflect the type and character of schemes that might be delivered within the CYC area.

- 2.3 These typologies include greenfield and brownfield schemes in rural, city centre, urban and suburban locations, as well as large, medium and small size schemes. The use of typologies is supported and we agree that the typologies analysed reflect the form of development that is likely to come forward in York over the plan period.
- 2.4 In addition to the generic residential typologies described above, PPE has carried out an analysis of the major strategic sites in York which are set out in the emerging Local Plan.
- 2.5 Of particular relevance to these representations, is the analysis of site ST15 which is being promoted by LDP. It is noted however that the analysis of ST15 only includes the residential element of the scheme and does not consider the circa 7.4 acres of non-residential land which could be used for commercial development. We comment on this in more detail below.
- 2.6 In addition to the conventional residential typologies and site-specific analysis above, PPE also considers the impact of CIL on specialist residential development, such as retirement housing and extra care accommodation.
- 2.7 Finally, PPE looks at non-residential development including town centre offices, business parks, industrial/warehousing, convenience and comparison retail, supermarkets, hotels, student accommodation and care homes.
- 2.8 PPE's report considers whether and to what extent CIL could viably be levied on each use and development typology.

3.0 Sensitivity Analysis

- 3.1 We agree that it is appropriate to carry out sensitivity analysis to identify the impact of market change to the ability of each use or typology to sustain a CIL payment whilst remaining viable. It is however impossible to understand the detail of the sensitivities as the actual appraisals have not been provided within PPE's report.
- 3.2 We also note that whilst sensitivities can of course be run on many sets of assumptions, CIL should always be set on the basis of a worst-case scenario. From the sensitivities that have been produced by PPE we cannot see what this worst-case scenario is.

4.0 Analysis of the Ability of Residential Development on ST15 to Sustain the Community Infrastructure Levy

- 4.1 PPE's analysis of residential development on ST15 follows the same format as for all other residential types. PPE has provided Bidwells with the specific appraisal of ST15 which was not included in the published consultation document.
- 4.2 We agree that the assumptions behind it are sound and allow an accurate assessment to be produced.
- 4.3 On the basis of PPE's assumptions, ST15 provides a marginal negative headroom of £2 per sqm of private residential development, indicating that no CIL could be viably charged.
- 4.4 PPE's recommendation is therefore that residential development on ST15 should be zero rated for the purposes of CIL. We agree with this assumption.
- 4.5 PPE acknowledges that ST15 (in common with other large strategic sites) is burdened by significant infrastructure in order to open up the site and allow development, and that this contributes to the erosion of any headroom that might otherwise be seen and therefore removes the ability of the scheme to sustain a CIL payment.
- 4.6 When carrying out analysis of viability for the purposes of determining CIL, it is usual practice to indicate whether there is a viability "headroom," meaning that the scheme has a potential surplus viability which could be captured through CIL.
- 4.7 We note that in PPE's analysis, the residential development element of site ST15 is marginally unviable showing a negative headroom of £2 per sqm of private residential saleable area. As the total private residential saleable area states in PPE's appraisal of ST15 is 195,809 sqm this implies a total headroom deficit of £391,618.
- 4.8 The marginal nature of the headroom for ST15 is acknowledged by PPE. Furthermore, at paragraph 6.8 of their report, PPE states that even a headroom of £50 per sqm provides "*little room for any headroom buffers that should be allowed for setting CIL charges*".
- 4.9 Based on the total area of 195,809 sqm, a headroom of £50psm would equate to a total required surplus of £9,790,450 within the ST15 scheme.

- 4.10 The headroom deficit of £2 per sq m amounts to a headroom deficit of £391,618. A further £10,182,068 of land value would therefore be required in order for the residential development on ST15 to exceed the position whereby the surplus required to achieve the notional £50 per sq m headroom would be reached.

5.0 Local Centres at ST15

- 5.1 PPE's analysis of ST15 does not incorporate the non-residential uses that are required on the site, shown in the most recent land use budget as comprising circa 7.4 acres of land for one or more local centres. In our view, the viability of ST15 for CIL-setting purposes should be considered as a whole, including all uses.
- 5.2 The local centre(s) to be delivered on ST15 could potentially incorporate a larger scale food store, and other small convenience retail of the type to be found on similar new "garden village" developments.
- 5.3 PPE determines that it would be unviable for large food store developments to support a CIL charge. We agree with this and therefore make no further comment.
- 5.4 In addition to a larger food store onsite, it is likely that ST15 would have an element of small convenience retail within its local centre(s). We therefore make comments on PPE's analysis of this development typology as follows.
- 5.5 We agree that testing of a 266 sqm store is sensible, as it reflects the type of local convenience shop that is often delivered on new developments such as ST15.
- 5.6 PPE's analysis assumes that the land take by the convenience store will be 280 sqm (rounded to 0.03 hectares). Whilst we agree that it is appropriate for the store itself to be of this size, PPE's analysis makes no allowance for other elements which are necessary for the correct functioning of this type of retail including car parking, loading areas and public realm / landscaping.
- 5.7 In our experience the actual building size for small convenience retail on local centres is only around 30% of the total land take, with the remainder of the land take being given over to car parking, servicing and public realm. PPE's analysis fails to account for this space outside of the building and therefore its conclusion on viability of convenience retail is flawed.
- 5.8 PPE's analysis also appears to contain an error in respect of the residual land value of the site. PPE's appraisal adopts a residual land value of £105,234 for the 0.03 hectare retail site. Our

analysis of PPE's appraisal shows that this is in fact the gross residual land value prior to deductions for purchasers' costs and sales and marketing costs.

- 5.9 The approach presented within PPE's report for small convenience retail is inconsistent with the remainder of the analysis within their report, which adopts the net residual land value for comparison with the benchmark land value.
- 5.10 We consider that the true net residual land value generated by PPE's analysis of small convenience retail should be £75,550. This represents the amount that the landowner receives and it is therefore correct for this to be compared to the site benchmark value. This means a net residual land value per hectare of circa £2.5 million, and per net acre of circa £1 million.
- 5.11 The figures above however, are based on the area of the building itself only. On our assumption that the building would take only 30% of the overall land take for a convenience retail facility the site area increases from 0.03 hectares to 0.1 hectares. This means that the residual land value of the retail and convenience store is actually £755,500 per hectare rather than the £2.5 million set out above.
- 5.12 On this basis, the residual land value per gross hectare falls significantly below the adopted benchmark land value of £2 million per gross hectare, and therefore in our view no small retail convenience store of the type delivered on a new greenfield development could be expected to be able to sustain CIL.
- 5.13 More generally, we find the assumptions that PPE have adopted to arrive at the residual land value for small convenience retail to be reasonable, although we do consider that there is insufficient evidence for them to be able to draw a conclusion that a rent of £215 per sqm for a small local convenience store is a reasonable assumption.
- 5.14 No sensitivity analysis has been done on the impact of changes in the level of rent that is achievable, but in any case, in our view, this should be immaterial as if a rent is lower than £215 per sqm the ability of small local convenience retail to sustain CIL would be damaged even further.
- 5.15 Finally, we note that although PPE include a rent-free period of nine months in their analysis of small convenience retail, it is likely that on a strategic site such as ST15 further incentives would be required to secure an operator prior to the point where what they would consider a "critical mass" of development for trading purposes would be present.
- 5.16 These incentives could include a longer rent-free period or a reduced rent until a target number of housing completions is achieved, both of which would impact (negatively) on viability.

6.0 The Ability of Local Centres to Contribute to Reducing the Residential Headroom Deficit at ST15

- 6.1 As is acknowledged above, PPE has not included an allowance for the positive contribution to land value made by non-residential uses to be delivered as part of ST15.
- 6.2 As noted above, the illustrative masterplan and land budget for ST15 envisage circa 7.4 acres of land which would be capable of generating positive land value through the delivery of one or more local centres incorporating commercial floor space. Delivery of this amount of local centre space contributes to an overall developable to gross area ratio of circa 60%, in line with garden village principles/
- 6.3 Given that a further £10,182,068 of land value would be required for ST15 to exceed the £50 per sqm CIL headroom requirement, each of the circa 7.4 acres identified for local centre uses would need to achieve a serviced land value of £1,375,955 per acre.
- 6.4 LDP's current masterplan proposals identify circa 1.5 acres of land which could be used for a food store, and therefore a balance of 5.9 acres of land which could be used for mixed use commercial development most likely in the form of one or more local centres.
- 6.5 Our assessment is that land for food stores would generate a serviced land value of £1 million per acre, and that other mixed-use development would generate a serviced land value of £400,000 per acre.
- 6.6 When considered together, the total serviced land value from non-residential uses on ST15 would be circa £3.86million. This amount is far short of the £10.2m required in order for the CIL headroom of £50 per sqm of private residential development to be achieved.

7.0 Other Uses that could Contribute to the Headroom Gap

- 7.1 LDP has prepared illustrative masterplans on the assumption of delivery of 3,339 homes and circa 7.4 acres of land for local centres. The above development adopts a gross to developable area ratio of circa 60%, in line with established garden village development principles.
- 7.2 Working within these parameters of developable and non-developable areas, there is potential for other uses to be delivered on ST15 in lieu of the current envisaged uses within the local centres.

7.3 PPE’s report sets out a series of achievable land values as follows:

USE	RESIDUAL LAND VALUE (PER HECTARE)	RESIDUAL LAND VALUE (PER ACRE)
Residential – Medium Greenfield Typology	£2,031,486	£822,144
Retirement Living	£1,718,780	£695,567
Student (100-bed typology)-	£2,815,682	£1,139,468
Small convenience retail (assuming 30% net / gross coverage)	£755,500	£305,740

7.4 As noted above, in order to eradicate the headroom deficit generated by residential uses on ST15, a serviced land value from other uses would need to be £1,375,955 per acre.

7.5 As can be seen from the above table, none of the alternative uses that PPE proposed as being appropriate for a CIL levy of greater than zero would be capable of generating this per acre land value.

8.0 Conclusions

8.1 PPE recommends that residential development on ST15 should be zero rated as there is insufficient headroom to allow for a CIL to be charged. We agree with this conclusion.

8.2 PPE recommends a number of other uses for which CIL should be levied on new development across the City of York. Some of these uses have the potential to be included as part of the ST15 development. These uses are sheltered / retirement accommodation, student housing, and small convenience retail.

8.3 None of these uses would be capable of generating a land value sufficient to eradicate the headroom deficit for the residential element of ST15, given the circa 7.4 acres of land that would be available under the illustrative masterplan.

8.4 PPE acknowledges that delivery of ST15 is challenging due to the significant amount of infrastructure required to open up the site. LDP and PPE have worked together to agree the infrastructure costs and other abnormal costs based on the current indicative proposals, and

these costs need to be managed on an 'all uses' and 'whole site' basis as part of aligning work in progress with the available funding.

- 8.5 It is an established principle of viability analysis for planning that the entirety of the "red line" of a planning application should be considered. We consider that the same principle should be applied to the analysis of the ability of strategic developments such as ST15 to sustain CIL.
- 8.6 We consider that there is insufficient headroom within ST15 when it is considered as a whole for any type of CIL to be charged.
- 8.7 We therefore conclude that in our opinion site ST15 should be zero rated for CIL purposes in its entirety regardless of the land use contained within it.



BIDWELLS