



**NORTH SOMERSET COUNCIL  
COMMUNITY INFRASTRUCTURE LEVY (CIL)  
Charging Schedule Examination**

**Response to Participant Hearing Statements**

21 February 2017

# North Somerset Council Community Infrastructure Levy (CIL) Charging Schedule examination

## RESPONSE TO PARTICIPANT HEARING STATEMENTS, 21<sup>ST</sup> FEBRUARY 2017

North Somerset Council has reviewed the hearing statements submitted by the following parties:

- Tetlow King on behalf of the South West HARP Planning Consortium.
- Pegasus Group on behalf of Anchor.
- Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey.
- E-mail from GVA on behalf of St. Modwen, 3<sup>rd</sup> February 2017.

The Council has addressed many of the issues raised in earlier submissions and its own hearing statement. The structure of this response is as follows:

- Introductory section summarising NSC's overall approach and response to some of the recurring concerns (pages 2 – 10).
- A point-by-point consideration of each participant's Hearing Statement (pages 11 – 33).
- Summary updated scenario tests for of a C3 sheltered housing scheme (Appendix A, page 34 - 35) and sites of 100 dwellings at various densities (Appendix B – separate document).
- A table of CIL rates charged by local authorities across the South West (Appendix C, page 36 - 42).

## INTRODUCTION: SUMMARY OF APPROACH AND RESPONSE TO RECURRING CONCERNS

### A proportionate approach, compliant with national regulations and guidance

In setting its proposed CIL rates, North Somerset Council (NSC) has at all times kept national regulations and guidance in mind.

We view the following sections of National Planning Policy Guidance (NPPG) as particularly critical:

*“Charging authorities should set a rate which does not threaten the ability to develop viably the sites and scale of development identified in the relevant Plan... Charging authorities should ... strike an appropriate balance between the desirability of funding infrastructure from the levy and the potential impact upon the economic viability of development across a local plan area... this balance is at the centre of the charge-setting process.”*

*“The sites and scale of development identified in the [Local] plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened.”*

*“Differences in rates need to be justified by reference to the economic viability of development. Differences in rates should not be used as a means to deliver policy objectives... A charging authority that plans to set differential rates should seek to avoid undue complexity. Charging schedules with differential rates should not have a disproportionate effect on particular sectors or specialist forms of development.”*

[Extracts from NPPG paragraphs 25-008-20140612 / 25-009-20140612 / 25-021-20140612]

Our testing and rates have been informed by with the residual development expected to come forward through our adopted Core Strategy and publication draft Site Allocations DPD. Differential rates have been proposed where there is experience and evidence of substantial variation in viability (for example, retail development as opposed to B-class employment), but we have not allowed for every potential variation in development type or location, particularly where such developments are less critical to Core Strategy delivery or where excessive diversification of rates could lead to ‘*undue complexity*’ and inadvertent inequity. Our Draft Charging Schedule therefore proposes a relatively simple list of rates.

We have also had in mind the importance of delivering infrastructure – not least because that infrastructure in itself is critical if development across the area is to continue to be delivered. On this point, we note the recent publication of a report by the national CIL Review Team, ‘*A New Approach to Developer Contributions*’. Its comments in relation to mandatory exemptions and reliefs and exemptions from the CIL would seem relevant also to the extent of exemptions (or nil-rates) that could or should be set at the local level:

*“It is however an effect of so many exemptions and reliefs that fewer and fewer developments then carry the remaining burden of CIL, which raises an issue of fairness... a further and bigger problem [...is that...] they reduce substantially the amount of money that can be collected for infrastructure”.*

The review proposes a new system focused on a ‘Local Infrastructure Tariff’ (LIT) “*that would apply to all development (with virtually no exceptions)*”, which ‘*if set at a sufficiently low level we do not consider... will lead to difficulties or indeed a widespread call for exemptions or reliefs*”. The authors suggest a possible methodology of taking a sum between 1.75 – 2.5% of the sale price for a standardised 100sqm three-bedroom family home, divided by 100. Whilst we acknowledge that government has yet to respond to this review, we draw attention to the assessments in NSC’s Hearing Statement, issue 5(v) (document E4), which demonstrate that our rates are broadly in line with this range.

Local experience supports the differential rates as proposed. Whilst many developments in central Weston continue to submit viability assessments, very few such submissions have been made on sites outside of the town - other than occasionally on brownfield sites with abnormal demolition or decontamination costs or similar – and generally all are providing policy-compliant 30% affordable housing as well as their S106 requirements.

The Draft Charging Schedule rates proposed by NSC have been accepted and/or endorsed by a wide range of consultees to the CIL process. We note that a relatively small number of parties are now represented at the Examination, with many, including the majority of housebuilders within North Somerset, having chosen not to appear (and in many cases not to respond). In our view, this is an indication that our rates have been set at an affordable and appropriate level.

### **Local Plan delivery**

As context to our rates, potential impact on delivery and income assumptions, the following provides a summary of our Core Strategy housing supply as at October 2016, taking account of the 7,995 completions achieved 2006 - 2016:

	Allocations & large sites with consent	Other large sites with consent	Small sites with consent	Windfall	Total commitments
Weston urban area	2,707	89	140	422	3,358
Weston villages	5,933	-	-	-	5,933
Clevedon	221	-	64	90	375
Nailsea	815	15	28	45	903
Portishead	453	16	47	63	579
Service villages	1,275	10	53	119	1,457
Other	221	31	141	158	551
Total	11,625	161	473	897	13,156

Of these residual units, 4,851 have planning consents and 3,809 have planning approval subject to S106 or are otherwise deemed likely to be consented prior to CIL implementation. This leaves an estimated 4,496 dwellings potentially subject to CIL, approximately divided across the charging zones as follows:

	Large sites	Windfall	Total
Weston - zone A	1,758	211	1,969
Weston - Zone B	579	211	790
Weston Zone C	70	0	70
Rest of District - Zone C	1,192	475	1,667
Total	3,599	897	4,496

Based on the rates proposed, a projection of potential income is as follows:

	Large sites	Windfall	Total
Weston - zone A	-	-	-
Weston - Zone B	1,621,200	590,800	2,212,000
Weston Zone C	392,000	-	392,000
Rest of District - Zone C	6,675,200	2,660,000	9,335,200
Total	8,688,400	3,250,800	11,939,200

This income modelling assumes an average dwelling size of 100sqm and that 30% of housing would be exempt from CIL as affordable or due to other exemptions. Over the 2018 – 2026 period this would equate to an estimated income of around £1.3m/year, in addition to any S106 funds.

At this point, we draw the Examiner’s attention to the split of residual development across locations. Whilst some respondents have suggested that viability assumptions should take account of an alleged “rural” nature of development (for example, by assuming lower densities), the residual development is in fact largely centred on the four main towns within the area.

### **Specialist housing and older people**

Our approach to specialist housing is guided by the approach outlined above, i.e. a relatively simple CIL regime without excessive differentiation of rates, but within the context of ensuring that the viability of Core Strategy development is not compromised.

Two of the respondents participating in the examination (Tetlow King and Pegasus) have raised the issue that NSC has an ageing population and should plan accordingly. NSC agrees with this statement and has taken account of such issues in its recently adopted Core Strategy and Development Management Policies DPD. These are clear that a *range* of different types of housing for older people should be supported, but that the emphasis should be on supporting independent living rather than residential care.

Policy DM40, '*Retirement accommodation and supported independent living for older and vulnerable people*' of the Development Management Policies DPD states its policy aim as:

*"To support the provision of accommodation aimed at achieving various degrees of independent living for older or vulnerable people on all new major residential developments and support developments aimed at independent living elsewhere within certain criteria."*

The policy text elaborates that:

*"The council will ... support a range of different types of developments aimed at providing independent accommodation for older and vulnerable people. This is also seen as a more cost effective alternative for the local authority than residential care. These are likely to include a range of property types and tenures and levels of services which help support residents. This will range from owner occupied retirement living accommodation aimed at the active 65+ age group to extra care schemes and similar developments which offer high levels of support and nursing care for older people that combine independent living with support."*

Policy DM41, '*Nursing and care homes for older people and drug and alcohol rehabilitation units*' states its aim as:

*"To limit the provision and extension of care homes unless they replace an existing one and there is a continuing need, or there is insufficient provision locally to meet an identified need for that type of specialist care."*

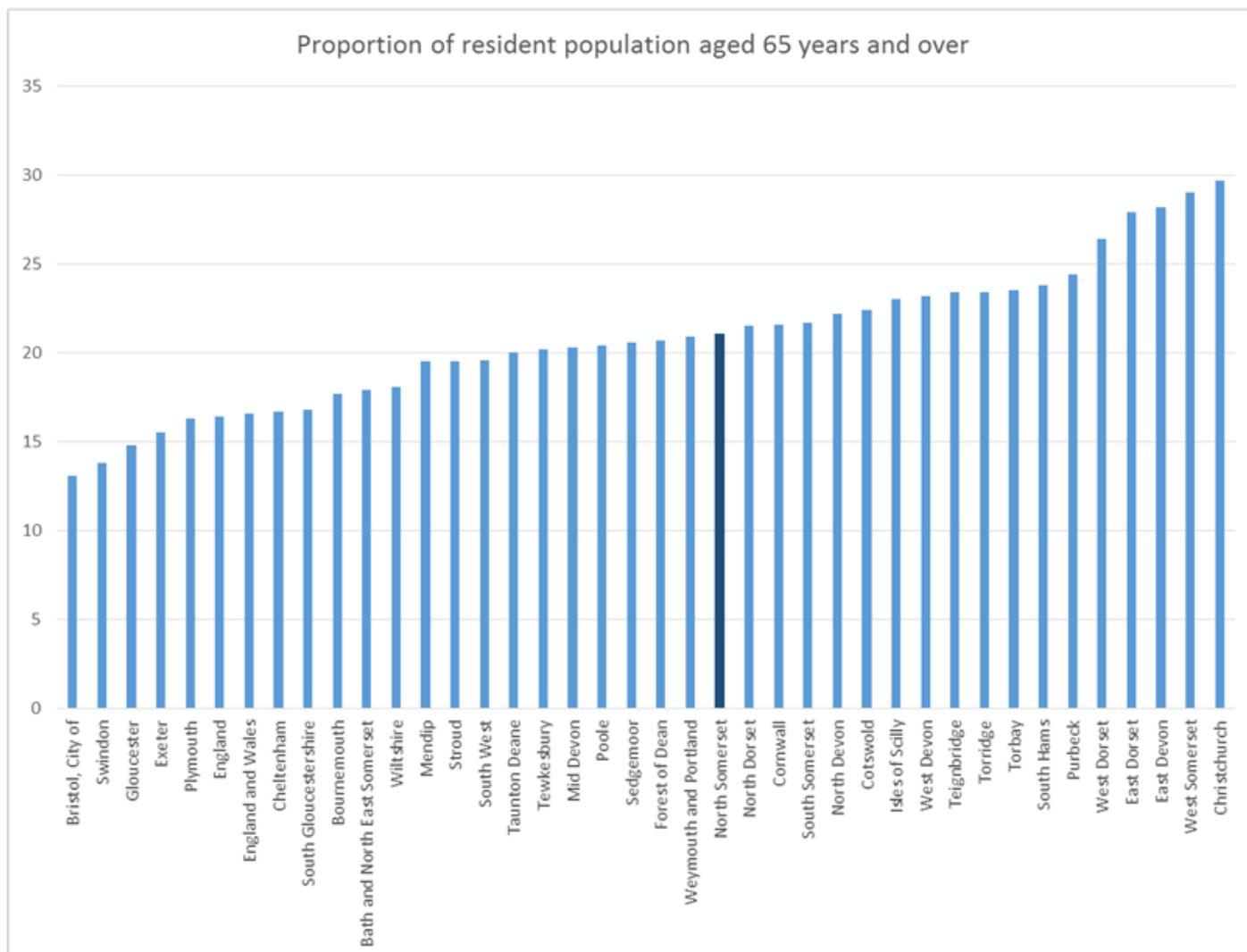
Its policy justification adds:

*"Whilst we have an ageing local population, provision for older people is changing as more people want to remain in their own homes or live as independently as possible. This shift in priority and aspirations from residential care to supporting independent living can only be managed to a limited extent through the planning system. However, in order to ensure that more mixed and balanced communities are achieved the council will not support additional care homes for older people unless it meets a demonstrated local need."*

The DPD from which these policies is current and up-to-date, having been adopted in July 2016 following public examination.

The NPPG is clear that to avoid State Aid issues, "*differences in rates should not be used as a means to deliver policy objectives*". To this extent, NSC cannot set rates in a way intended to either incentivise or disincentivise any particular form of older people's housing, even if it were to wish to do so. The paragraphs above are included only for the purpose of contextualising the proposed rates, in that they illustrate the potential range of ways of meeting the needs of older people, rather than a reliance on one particular form of delivery. Where there is a preference, it is to enable older people to continue living in their own existing homes.

NSC is not abnormal in its population of older people. The chart below shows that our proportion of older population is around the mid-range for South West local authority areas:



As shown in Appendix C, of the 18 South West local authorities with a CIL Charging Schedule now adopted, only four of the authorities have in place any kind of reduction or exemption for C3 specialist housing, and at least five charge to some extent for the C2 use class. This is of course not part of formal CIL considerations, as each area must consider its development, infrastructure and viability issues on an individual, local basis. However it demonstrates that charges have been deemed affordable across a range of locations and that these have been accepted even in areas with a higher older population than North Somerset.

Responses on detailed viability issues for specialist housing have been provided in NSC’s earlier submissions and are re-visited again in the point-by-point responses below. Our central argument as above is that specialist housing in itself is very varied, in the same way that any other residential development is varied. For example, high density apartments, developments in a conservation area, bespoke or executive style housing and so on will all present variables from volume housing on a greenfield site – similarly high-end, premium value sheltered housing apartments will be different from a more traditional care home and different again from ‘retirement villages’ or ‘care villages’, a relatively new typology to North Somerset that has emerged in recent years. Whilst there may be common features to many of these, such as the presence of individual rooms/flats/houses within a wider shared development, or the inclusion of communal space, this

may be offset through other considerations such as higher sales values, less outdoor provision and lower S106 contributions (including that C2 housing is not subject to affordable housing requirements). As an example, a recent C3 retirement scheme of 57 units in Portishead achieved sales values of £196,000 for one-bedroom apartments and £271,000 for two-bedroom apartments for the period from November 2013 – mid-October 2015, equating to just under £3,600/m<sup>2</sup>. This compares to the average range for Portishead of £136,850 - £154,700 for one-bedroom apartments and £191,590 - £216,580 for two-bedrooms, or £2,737 - £3,095/m<sup>2</sup> across all development types in that area, a differential of £500 – 900/m<sup>2</sup>. Many schemes for older people may also fall into the category of affordable housing and be exempt from CIL, or will be built as a re-development of an existing property, leading to a reduction in charges on the grounds of existing floorspace.

In light of submissions from respondents to the examination, DSP have prepared an up-to-date summary viability test for a 'typical' 30 apartment sheltered housing scheme, based on their knowledge of specialist schemes around the country and taking account of the various comments that have been made. The summary is attached as Appendix A. This shows no viability basis for exempting older people's housing from CIL.

As per our earlier submissions, evidence on C2 use classes, particularly nursing homes, is harder to source and therefore a £40/m<sup>2</sup> charge has been proposed as a 'mid-range' figure, taking into account that many of the features of C3 specialist housing will apply equally to C2. Where there are differences, these arguably relate more to the operational running of C2 (i.e. the extent of care package, normally funded through service charges paid by the residents) than to the build itself, which in any case can also be varied in nature. NSC accepts that the Examiner may take a view as to whether this is an appropriate way forward, taking into account that C2 residential care homes are not anticipated to be a major part of the Core Strategy's housing supply.

### **Large and strategic sites**

NSC notes the responses from Savills and St. Modwen, re-emphasising points from earlier submissions.

### **Strategic sites**

A key proposal put forward is that strategic sites should be subject to nil rates of CIL, on the basis that S106 is a better mechanism for the delivery of infrastructure on such sites, and on the grounds of differential viability.

NSC has demonstrated that delivery as per the Core Strategy adopted very recently in January 2017 is not reliant on strategic sites, other than those expected to be consented prior to CIL implementation. This is in line with NPPG guidance that rates should be based on an up-to-date Local Plan. In the short- to medium-term it is immaterial whether or not rates are applied to sites of 500 dwellings, as none are expected to come forward. This may change following adoption of the West of England Joint Spatial Plan expected in late 2018, and the Council has committed to review whether changes to rates are required at that point.

NSC's primary concern in relation to an exemption of strategic sites from CIL charges is the restriction placed by pooling regulations, coupled with 'double-dipping' restrictions, and the impact these may have on the delivery of infrastructure to support development. The Council has direct, recent and relevant experience of strategic sites at the Weston Villages coming forward in a fragmented manner that has prevented necessary planning obligations from being made – not necessarily as a result of bad faith from developers, but simply as a reflection of the way in which circumstances change over time. A continued reliance on S106 obligations under the current

national regulations risks perpetuating this problem, particularly whilst there is uncertainty as to the manner in which future strategic sites will come forward.

Particular issues for NSC should additional strategic sites come forward are off-site highways schemes and secondary schools, both of which tend to serve wide areas beyond a single location. In relation to the latter, for example, North Somerset has 11 secondary schools, five of which are in Weston-super-Mare, with a sixth in Churchill also providing for a high proportion of pupils from Weston. Outside of Weston, secondary schools serve a very wide area, located in Portishead, Nailsea, Clevedon, Backwell and Pill. Even on the basis of the developments proposed in the current Core Strategy allocations it is likely that the pooling restrictions for this relatively small number of schools will be met at some of the locations within only a few years.

We note the comments made in paragraph 3.5.5 of the national CIL Review Team's report, 'A New Approach to Developer Contributions':

*"We did also find some very specific problems related to Section 106. The first concerned the restriction on pooling planning obligations set out in Regulation 123, which is a particular issue on large strategic sites which are often brought forward under separate planning applications and/or by different landowners. This means that the five-obligation threshold is often reached without it being possible to ensure all parts of the site contribute to the infrastructure required to mitigate the impacts of the development. This can perversely lead to the refusal of otherwise acceptable planning applications unless a way is found to address the pooling restriction. We found some highly creative examples of how this has been done, which hardly represent a good use of either developers' or a local authorities' time and resources. The pooling restriction can also prevent the apportionment of large sites into smaller development packages suitable for smaller scale house builders who are often able to deliver schemes more quickly but who generally find it difficult to access development sites which are contracted to the volume house builders. **The pooling limitation was overwhelmingly viewed as unhelpful to the delivery of infrastructure to support development and a large number of the submissions we received sought its removal from the regulations.**" [NSC emphasis].*

The purpose of this examination is not to debate such restrictions, but in the context of their ongoing relevance, NSC's view is that CIL charges are the most practical way to secure ongoing contributions towards infrastructure delivery, particularly where that infrastructure is off-site and supports an area beyond a single planning applications. Were the pooling restrictions to be lifted, this might well lead to S106-based approach becoming more workable; however this would not necessarily improve site viability, rather it would just switch the balance between different forms of contribution.

In the light of striking a balance between infrastructure delivery and site viability, we also question whether it is appropriate that the very sites with the largest individual impact on local infrastructure should be exempt from contributing towards the mitigation of that impact, relying instead on smaller sites to fund required projects? Should the Inspector therefore be minded to recommend a differential rate for strategic sites, we would ask that this should take the form of a reduced rate rather than nil charge.

#### Sites of 25 – 500 dwellings

The most recent submission from Savills has raised questions about sites of 25 – 500 dwellings, with a suggestion that such sites are important to housing delivery and that they should potentially be subject to differential CIL rates. This is surprising to NSC, as such sites – particularly in village

locations – have been strongly promoted by the development industry in recent years as having good viability and ready deliverability.

It is not absolutely clear from the representations what treatment is sought for this band of sites, whether reduced or nil rates, but NSC would strongly resist either suggestion. Savills have not provided any substantive evidence as to why sites of such a size would be consistently different from other developments and/or non-viable, and we are not aware of any local authorities elsewhere that have treated sites of these sites as meriting a differential approach.

The concerns raised above about the impact of pooling restrictions would apply even more so should rates for 25 – 500 dwellings be reduced or removed, and we wonder in such an eventuality how Savills would envisage NSC being able to deliver any infrastructure to support development beyond the absolute site specific requirements of the very local vicinity.

In terms of the viability of sites of 25 – 500 dwellings, the 2012 DSP viability appraisal included a test scenario of 100 dwellings (as well as tests of 500 dwelling sites). This supported the proposed range of CIL rates and found no grounds for a reduced charge. The 2016 viability report considered the updated relationship of costs and values using a selection of the typologies that allowed trends to be seen and extrapolated. This relative picture between the 2012 assessment and updated 2016 results enabled a verification of previous findings but did not point to any need to retest all scenarios in detail or to justify a wholesale change of rates. This is an approach that DSP and other local authorities have used productively elsewhere. However to avoid any doubt on the issue an updated set of scenario test results are attached for a sample site of 100 dwellings at various densities (Appendix B).

At the local level, recent consents for sites of 25 – 500 dwellings provide no reason for NSC to have concerns about the proposed rates, with most sites outside of Weston providing policy-compliant levels of affordable housing as well as full S106 requirements. We note that very few of the developers of such sites are represented in the submission from Savills, with others active in North Somerset such as Persimmon, Crest Nicholson, Mactaggart and Mickel, Freemantle Developments, Rollo Homes, Bloor Homes and Hallam Homes all silent on this issue.

### Evidence base

The examination participants at a number of points in their submissions allege that NSC's evidence base to support CIL charging is inadequate or flawed.

As above, NSC and DSP have throughout the CIL-setting process maintained a strong awareness of and compliance with CIL regulations and NPPG guidance.

The NPPG states that:

*“A charging authority should be able to explain how their proposed levy rate or rates will contribute towards the implementation of the relevant Plan ... and support development across their area. Charging authorities will need to summarise their economic viability evidence. This evidence should be presented in a document (separate from the charging schedule) that shows the potential effects of the proposed levy rate or rates on the economic viability of development across the authority's area.*

*As background evidence, the charging authority should also provide information about the amount of funding collected in recent years through section 106 agreements. This should include information on the extent to which their affordable housing and other targets have been met.’*

The Council considers that these requirements have been met. The evidence base provided, through review of and building on available information, is carefully considered, suitable and robust. It has been compiled through two stages of specific viability work – base and updating – together with review of information and experience relating to local delivery. The approach that has been taken is consistent with the NPPG guidance.

There is no prescribed format for the viability information. Local authorities need to make a judgement about how to develop and set up their CIL through an appropriate and economic approach, with Government recognising through the NPPG that the data is unlikely to be fully comprehensive. It is considered arguable, in fact, whether evidence such as that typically compiled within a viability assessment is strictly necessary in the form and to the extent that DSP are accustomed to preparing.

The Council is concerned that the remaining representations appear to be unbalanced in their approach, paying insufficient attention to the positive role of a CIL in supporting development; as well as taking account of viability.

Furthermore, the Council is aware of no alternatively proposed CIL charging rates nor, accordingly, any evidence to support other rates.

### Viability

Savills raise a range of more detailed points on viability that are addressed in earlier submissions and in the point-by-point consideration of responses from p11 below. Whilst there will of course be some sites that struggle to meet viability in North Somerset (with or without CIL rates being applied), NSC and DSP do not see any of these issues as significant or as undermining the substance of the evidence for our rates.

Viability appraisals by their nature rely on the quality of the inputs to the testing, and whilst the merits of some of Savills detailed arguments about viability assumptions could be debated back and forth almost indefinitely without conclusion, arguments could equally be made to the effect that NSC and DSP have underplayed some of the inputs that might in turn improve site viability. As a few examples, minor and not atypical adjustments to assumed profit levels, build costs, finance and residual S106 allowances could all have a positive impact on viability. Overall however the Council and DSP are of the view that the assessments show a realistic and achievable relationship between values and costs that reflect local experience through the planning application process and development delivery. This is essentially what any viability assessment at this level does, and in this context it is important to understand that additional or alternatively placed assumptions do not necessarily translate to added accuracy.

Whilst NSC and DSP do not accept the assertions made by Savills, an updated 100 dwelling scenario test has been carried out and the results appended to this document to assist understanding of the hypothetical impacts. The results from this have been considered in relation to a potential “land take” based on 30dph, and 40dph and 50dph. As expected from the review of the value/cost relationships through other tests and as conducted previously, this adds little by way of new information. However it further demonstrates the likely viability of a range of scenarios in North Somerset, with the proposed CIL in place as part of the collective costs that would impact, but not unduly, on development here.

## DETAILED CONSIDERATION OF RESPONSES

- 1) **HEARING STATEMENT E6: Tetlow King on behalf of the South West HARP Planning Consortium: Issue 2: Is the residential charging rate informed by and consistent with the evidence?**
- (ii) ***In light of the representations from the specialist housing sector, should specialist housing for older people be subject to the same charging levy as the rest of class C3 residential?***

**NSC position:** NSC maintains its proposal that C3 specialist housing should be subject to the same charging levy as the rest of class C3 residential. There has been nothing in terms of local available evidence to suggest particular viability difficulties associated with such developments, which have been progressed and are shown typically to create high sales values for the area. Development viability has been considered appropriately, and further review of this in the local context has been carried out in response to the current stage queries (see Appendix A to this paper). Charges for C3 specialist housing are applied in a standard way – i.e. as per other forms of C3 - across most areas of the South West with an adopted CIL, and the rates proposed by NSC are unlikely to unduly impact viability so as to place development at risk or to act as a disincentive for this type of development.

<b>Key points from TK/SWHARP</b>	<b>NSC response</b>
The NPPG requires that differential rates must be supported by robust evidence on the grounds of economic viability rather than policy preference.	Agreed. NSC is not seeking to set a differential rate for specialist housing, rather it has proposed rates consistent with other C3 uses. This is considered appropriate and equitable, avoiding any potential state aid issues that might be considered to arise when in fact there is a great variety of development within C3 in any event.
NS has an ageing population and the need for specialist housing will increase.	Agreed, although the older population is not unusually large in comparison with other similar authorities. NSC's Core Strategy plans positively for an ageing population, but differential rates cannot be set on policy grounds and in any case the Core Strategy envisages a wide range of housing types to serve this need. It is considered that the proposed CIL charging rates will not have a significant negative overall impact on delivery.  Appendix A gives a feel for the likely costs of CIL in relation to an example 30 apartment development scenario based on value and cost assumptions appropriate to North Somerset. It can be seen that in fact CIL is likely to have a relatively small influence on overall scheme viability, with the test appraisals indicating viable outcomes that are borne out by the local experience that developments have come forward and appear to be continuing to do so. In the circumstances, the Council has struck an appropriate balance by ensuring as with other forms of the wide spectrum

Key points from TK/SWHARP	NSC response
	<p>of C3 developments that contributions to local infrastructure are secured at a reasonable but workable level.</p>
<p>Only one sheltered housing scheme within NS was assessed as part of the viability research. This is not in line with the requirement to assess an appropriate range of sample sites.</p> <p>Sheltered housing shares some characteristics with market housing, but is significantly different in terms of structure and funding:</p> <p>(i) Unlike market housing, it is not normally sold 'off plan' and is funded entirely upfront. The return on investment takes place over a longer period.</p> <p>(ii) By nature they are longer-term commercial operations than standard C3 housing.</p> <p>(iii) C3 apartments have much more extensive communal areas and staffing requirements – these are required from first occupation.</p> <p>NSC's appraisal evidence does not take account of these points.</p>	<p>Although there are characteristics within C3 (and C2) housing that provide some variation from other 'mainstream' housing, this could also be said of many other types of residential development. For example, apartments, high density apartments, developments in a conservation area, bespoke or executive style housing and so on will all present variables from volume housing on a greenfield site. However it is not practical, desirable or required by regulations that the testing or indeed the Charging Schedule should seek to cover every eventuality – a strategic approach is needed. A CIL has to be set up economically and be capable of clear operation using appropriate available evidence, informed but not solely or rigidly directed by the viability assessment. An overly fragmented system could potentially increase rather than decrease the likelihood of inequity between different types of housing development and providers.</p> <p>DSP's experience runs across a series of CIL examinations and includes as part of their usual workload the review of specific developments of this type at planning application or appeal stage. They have found that most are viable and typically can support contributions in much the same way that other forms of market housing can. This is a view that appears to have been upheld in most CIL examinations, including in the example from Torbay quoted by Pegasus on behalf of Anchor (examination document <a href="#">E8</a>), where the Inspector found that C3 sheltered housing could support rates of up to £190/sqm.</p> <p>For the avoidance of doubt, the main assumptions from a suitable summary appraisal for a typical age restricted (retirement / sheltered) apartment-based scheme are attached as Appendix A. This includes a range of variables added or adjusted for the development type compared with non-age restricted (general sale market) apartments, including:</p> <ul style="list-style-type: none"> <li>• Specifically selected BCIS build costs for sheltered housing;</li> </ul>

Key points from TK/SWHARP	NSC response
	<ul style="list-style-type: none"> <li>• Significantly increased non-saleable floor area constructed (net to gross floor area adjustment) – to 25%;</li> <li>• Increased sales/marketing costs and reduced rate of sales;</li> <li>• Added “empty property costs” assumption as typically seen in planning application stage viability appraisals in DSP’s experience – this is not always clearly justified but is included to represent the costs of running the building and communal areas pending full sales take-up and recouping through service charges etc.</li> </ul> <p>The summary appraisal shows viable development with both £40 and £80/sq m CIL and highlights the relatively small impact of CIL (at estimated CIL costs of approximately £73,000 or £146,000 total, depending on zoning and with higher values available to additionally support the higher charging rate). Based on the market sales values (GDV) assumptions informed by local research, the proposed CIL charging rates are equivalent to about 1.1% and 1.8% GDV respectively, so equivalent only to small variances in sales values through operation of the market and having less influence on viability than a range of other factors.</p> <p>As in the case of other forms of development, the wider business model associated with sheltered/retirement or other specific forms of development is not relevant to the viability assessment or the CIL. A CIL is not a form of business related tax but is based on the activity of development and the land value uplift that creates.</p>
<p>SWHARP/TK have direct experience of developers of retirement properties avoiding areas with a high CIL charge due to the significant impact on CIL costs. NSC should be pragmatic in setting a charge that encourages development and that does not unduly impact on other infrastructure and affordable housing.</p>	<p>We do not view the charges as high.</p> <p><b>Appendix A</b> tabulates CIL charges for residential development across local authorities in the South West that have an adopted CIL in place. As can be seen, almost all of the authorities listed charge standard C3 rates for C3 specialist housing, with limited exemptions in Bath &amp; North East Somerset and South Gloucestershire and reduced rates in Christchurch and Purbeck.</p> <p>The rates across the areas that charge standard CIL rates for C3 specialist housing range up to £200. A significant majority propose upper rates that are higher than those proposed by NSC.</p>

Key points from TK/SWHARP	NSC response
	<p>Additionally, given the size and nature of most C3 specialist housing, it is unlikely that such developments would be required to contribute significantly to other infrastructure in the form of residual S106 contributions. For example, most would not be providing play areas or substantial transport contributions. The £3,000 per dwelling residual S106 allowance is therefore generous in such cases and creates another element of contingency.</p> <p>The Council has also previously noted that no allowance has been made in respect of any existing floorspace that may reduce the cost of CIL in particular cases. These effects are in addition to the tendency to see a reduced scope of external works, optimised density and usually premium sales values.</p>

**(iv) What is the justification for reducing the percentage of affordable housing on sites from 30% to 20%? In view of the broadening of the definition of AH, is there a case for updating the VS to consider its impact?**

NSC position: NSC does not propose that the percentage of affordable housing should be reduced or that tenures should be adjusted for the purposes of setting CIL rates.

Key points from TK/SWHARP	NSC response
<p>Any proposal to reduce affordable housing is in breach of the NPPG and NPPF. Protecting the delivery of affordable housing should be a fundamental consideration for LPAs in proposing CIL rates.</p>	<p>As set out in our hearing statement, NSC does not propose to reduce the % of affordable housing. The proposed rates are based on full policy compliance of 30% on-site provision.</p>
<p>National proposals around Starter Homes along with other factors such as welfare reforms demonstrate a continuously changing context. The impact of such changes should be taken into account in the viability study.</p>	<p>NSC has set its rates at a level that assumes full policy compliance. This is in line with NPPF and NPPG requirements.</p> <p>As per the respondents' comments, the context is continuously changing, and recent government announcements have suggested a shift in focus back towards rental tenures.</p> <p>Limited sensitivity testing of Starter Homes was included in the DSP Viability Update 2016 (examination document <a href="#">C5</a>, p23, paragraphs 2.2.12 – 13 and Appendices Part A, document <a href="#">C6</a>). This was caveated that the ability to carry out any meaningful viability modelling was limited by the lack of detail available on Starter Homes proposals, but concluded that: “we could see positive impact (and potentially a significant one) on overall scheme viability.”</p>

The potential introduction of Starter Homes may therefore create a further element of ‘viability contingency’ against which our proposed rates are set. At the current time, however, no reliance at all has been placed on the influence of potential future changes, with many unknowns still involved in such respects and unlikely to be settled quickly in the coming months.

**3) HEARING STATEMENT E7: Tetlow King on behalf of the South West HARP Planning Consortium: Issue 3: Levy rates for other uses**

**(v) *In relation to care homes (C2) (residential accommodation and care to people in need of care), is there sufficient evidence to justify a rate of £40/sqm, based on reasonable assumptions about development values and likely costs?***

NSC position: there is a lack of clear evidence publicly available as to the viability or otherwise of C2 schemes. In the absence of definitive information either to support or disprove viability, a ‘mid-range’ CIL rate of £40/sqm provides a balanced and appropriate charge at which level an otherwise viable scheme is considered unlikely to tipped into non-viability by the CIL.

<b>Key points from TK/SWHARP</b>	<b>NSC response</b>
NSC’s published evidence is not sufficiently robust to justify a charge on C2 schemes.	<p>The viability of C2 residential accommodation is considered in paragraph 3.8 of the PDCS viability study and in paragraphs 3.2.11 – 3.2.14 of the DCS viability update. These point to a lack of clear evidence on the viability or otherwise of C2 schemes.</p> <p>In the absence of definitive information, but considering there will be some similarities to other residential development (particularly C3 specialist housing, as tested in Appendix A), NSC has proposed a ‘mid-range’ charge of £40/sqm as a balanced approach.</p>
Arguments from statement on C3 schemes apply, e.g. structure and funding of C2 care and extra care scheme different from other development: (i) cashflow; (ii) gross to net/communal areas.	<p>Please see our responses above on the viability of C3 specialist housing. Whilst it is accepted that such schemes may face some additional costs, this can be offset by other factors, including higher sales values/rental income, high densities and a reduced scope of outside works.</p> <p>S106 requirements will be significantly less for C2 accommodation than for C3 development, improving scheme viability.</p> <p>Notably, C2 housing across North Somerset is exempt from affordable housing contributions (this is due to the wording of Core Strategy policies rather than as the result of viability testing).</p>

Key points from TK/SWHARP	NSC response
	Infrastructure contributions made through S106 obligations are likely to be much less than the £3,000 per dwelling allowance made by DSP in their appraisals, if required at all. As an example, one of the larger C2 developments in North Somerset in recent years relates to planning consent 11/P/0267/F for 51 apartments in Portishead. This was subject to contributions for libraries, community halls and a footpath improvement, totalling £11,917. Under a CIL regime, only the footpath contribution of £1,917 would be likely to still apply, a residual requirement of £38/dwelling.
Examples from Corby and South Somerset cited where evidence has been found not to support charges.	Appendix C tabulates CIL charges for residential development across all South West local authorities with an adopted CIL in place.  It is acknowledged that many of the authorities detailed have not chosen to or been able to levy a rate for C2 uses, although in some cases it is not clear whether this is by design or omission. However others have done so, notably Wiltshire (£30 – 85/sqm, dependent on location) and Purbeck (£0 - £100, dependent on location).

### 3) **HEARING STATEMENT E8: Pegasus Group on behalf of Anchor**

Anchor’s submission emphasises that they are not repeating previous submissions, but reinforcing their headline position.

*NSC notes that previous submissions related to C3 specialist housing, rather than the issue of charges proposed for C2 uses, however the current submission appears to address both issues.*

Key points from Anchor/Pegasus	NSC response
Examiner must ensure compliance with CIL regulations.	Agreed.
As a not-for-profit provider, any CIL obligations will result in reduced funding for reinvestment in sector.	Acknowledged, but not relevant in setting CIL rates. In the case of schemes for affordable housing provision for the elderly or those in other specialist groups, CIL will not be paid.
NSC’s evidence base is “ <i>unrefined in its analysis</i> ” and “ <i>lax in the way that it does not fully nor properly distinguish the development economics of Anchor’s product from general needs housing</i> ”.	An appropriate level of consideration has been given to viability, related to the development expected to come forward through the North Somerset Core Strategy. It unclear what is meant specifically by the reference to Anchor’s product, but in any event it is important to note that CIL is not a response specific to any particular party’s product or model – it is a much higher level response related to various types of development and to the development plan

Key points from Anchor/Pegasus	NSC response
<p>Even within this sector, a number of types of older people’s housing exist. These range from C2 nursing homes, to assisted living/extra care to over 55’s housing and other forms retirement housing.</p> <p>In order to justify its charging schedule, the Councils evidence base needs to recognise the various models of provision and present a suitable range of examples against which to assess viability.</p>	<p>overall, to support the infrastructure required by the identified growth that is not yet progressing or permitted, including within that the infrastructure requirements associated with new development of all types – including C2 and C3.</p> <p>Agreed that there is a wide spectrum of C2 and C3 Use-Class residential development.</p> <p>NSC considers that differentiating between multiple different types of development (particularly within use classes) will create an overly complex and inequitable system rather than a clear, readily workable and proportionate approach.</p> <p>In line with regulations, we have sought to set charges that do not “<i>threaten the ability to develop viably the sites and scale of development identified in the relevant Plan</i>”, including housing for older people. However we do not understand this to mean that each and every potential form of development must be tested or will continue to be viable, or that rates should be varied potentially in many different ways to allow for the variety that will inevitably be encountered.</p> <p>In DSP’s wide experience of considering these matters, it has not been necessary to review the viability of an extensive range of different examples / models. In practice these will vary by provider / developer, from site to site and over time. The setting of appropriate CIL charging rates is about a much broader consideration of the varying strength of relationship between development values and costs, at a high-level, between key relevant scenarios and localities (i.e. bearing in mind the local characteristics), looking at the remaining Plan delivery overall.</p>
<p>Anchor set out in its representations a number of distinguishing features of its model that have not been adequately appraised.</p> <p><u>NSC note:</u> Key differences in viability cited in Anchor’s earlier submissions are: - The extent of communal, non-saleable floorspace, offsetting any higher sales values for such units.</p>	<p>These points have been addressed by NSC and DSP in earlier submissions, including in the Executive Report submitted as examination document <a href="#">D3</a> and in the answers above.</p> <p>At the levels proposed, it is considered that all forms of housing development can support the CIL charges.</p>

Key points from Anchor/Pegasus	NSC response
<ul style="list-style-type: none"> <li>- A higher build cost: RHG guidance suggests 9% higher for Sheltered Housing and 13% for Extra Care.</li> <li>- Phasing and cashflow: in many cases sales cannot be made until blocks are fully complete.</li> <li>- Marketing costs at 6% as opposed to 3%.</li> <li>- The location of most schemes in high value centre or edge-of-centre locations to allow access to public transport and local facilities. These mean they are often high density on brownfield sites with associated greater than average abnormal and remediation costs.</li> </ul>	
<p>It is incumbent upon the LPA to base its charging schedule on adequate evidence and in the absence of such the levy should be set at nil for extra care/assisted living schemes with non-saleable communal space.</p>	<p>NSC's level of evidence is appropriate to the range and variety of charges proposed. The Council aims to set up a clear and simple charging schedule, with limited differentiation as the viability factors permit; some differentiation has been considered necessary on balance.</p> <p>As set out above, non-saleable communal space is acknowledged as a negative influence on viability, but is one of a wide range of factors that need to be considered. This has been considered already, so will not be repeated here.</p>
<p>NSC should not disincentivise a sector that it will be increasingly reliant upon.</p> <p>The approach is out-of-step with West of England partners.</p> <p>A recent Inspector's report in Torbay ruled that Extra Care should be distinguished from general retirement housing and a nil charge applied. This was based in part on evidence about non-saleable areas ignored by NSC.</p>	<p>NSC's CIL rates are based on economic viability evidence, not policy preference. This is as required by the NPPG guidance on CIL and by State Aid regulations.</p> <p>The proposed charges are affordable and proportionate and should not unduly undermine viability. A side-effect of these should be that at the levels proposed CIL should not act as a disincentive (or conversely, an incentive) to this or any other sector either.</p> <p>Appendix C demonstrates that the majority of South West authorities are applying standard C3 rates to C3 specialist housing (including in Bristol), with some also charging for C2 uses. The rates proposed by NSC are lower than in many other areas.</p> <p>The Inspector's decision on Extra Care in Torbay was to endorse a proposal made by the local authority based on the appraisal evidence appropriate to that local area. This included the consideration that Torbay seeks 20% affordable housing from Extra Care schemes and intends</p>

Key points from Anchor/Pegasus	NSC response
	<p>to continue charging £1,300 per unit S106 for healthcare and social services costs. NSC does not apply either of these requirements, and the lack of affordable housing provision in particular could be expected to significantly enhance viability.</p> <p>We note also that the Torbay report found that general retirement housing in Torbay could support charges of up to £190/sqm.</p>
<p>CIL charges for not-for-profit specialist retirement housing are not supported by adequate evidence and will not support the objectives of the Development Plan, which would be better served by setting a nil rate.</p>	<p>Please see responses above. At the levels proposed, it is considered that the CIL charges are appropriate and will not undermine delivery of NSC’s Core Strategy or associated objectives.</p> <p>Appropriately the Council has not sought to distinguish its approach according to organisation type. Affordable housing will not pay CIL.</p> <p>As for all other development forms, developer’s profit has been included at full levels in considering viability; if the cost of profit were removed from the assumptions set then in all cases the viability outcome, as viewed for the assessment purpose, would be significantly improved.</p>

**4) HEARING STATEMENT E5: SAVILLS on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey**

Savills have structured their response around a selection of the Examiner’s questions and state that they wish to avoid repeating previous submissions but will draw upon them as necessary at examination.

Qu.	Key points from Savills	NSC response
<b><i>Introductory statement</i></b>		
	<p>“Substantial concern” that the evidence base doesn’t provide sufficient evidence for NSC or other parties to make a judgement on the balance between the desirability of securing funding and the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across the area.</p>	<p>NSC disagrees with this statement. The evidence base provided is robust and compliant with regulations. Further comment is provided in the introduction to this document.</p>
<b><i>Issue 1: is the charging schedule supported by background documents containing appropriate available evidence?</i></b>		
<b><i>(i) Infrastructure planning evidence</i></b>		

Qu.	Key points from Savills	NSC response
(a)	No comments on the infrastructure evidence base.	Noted.
(b)	<p>- Noted that NSC has amended the Regulation 123 List. Modifications are supported, including the removal of references to ‘Strategic Development Areas’.</p> <p>- Maintain that a site size threshold should be included in the CIL charging schedule, above which infrastructure should be secured through a bespoke S106/278 agreement rather than CIL. This is important in the context of the forthcoming JSP and requirement for additional large site allocations to come forward in the immediate future, and of the ability of the LPA to respond positively to delivery rather than relying on CIL review.</p> <p>- Subject to an appropriate residual allowance for S106/278 contributions within the viability modelling, the draft Regulation 123 List is reasonable.</p>	<p>- Support for changes to Regulation 123 List noted.</p> <p>- NSC’s view on differential rates for large sites is set out in detail in our Hearing Statement (document <a href="#">E4</a>), Issue 2, question (iii) and in the introduction to this submission.</p> <p>- An allowance of £3,000 per dwelling (including affordable housing) is incorporated into DSP’s viability appraisals. The appropriateness of this allowance is further analysed and set out in NSC’s Hearing Statement in answer to Issue 1, question (i)(d), indicating that if anything it is over-generous. A switch to a zero CIL-rate with a subsequent increased reliance on S106 would not necessarily improve viability.</p>
(d)	<p>Unable to ascertain where in the evidence base NSC has provided an indication of current infrastructure costs in relation to recent S106/278 agreements, in order to then assess whether the proposed CIL rates in combination with the CIL will result in a change to overall charges for residential dwellings.</p> <p>The NPPG requires the charging authority to provide information about the amount of funding collected in recent years through S106/278 agreements, in combination with information on compliance with wider targets and policies including affordable housing requirements.</p>	<p>This evidence is provided on pages 12 – 13 of our Draft Charging Schedule consultation document (examination document <a href="#">C1</a>).</p> <p>A number of significant caveats are placed around the usefulness of this information in testing the feasibility of CIL. It demonstrates high levels of variability in the amount of S106 contributed per dwelling over the past five years, ranging from an average of £2,708/dwelling in 2012/13 up to £17,568 in 2015/16 on sites of more than 10 dwellings. This compares to the average £4,953 per dwelling forecast as a result of combined CIL and S106 projections in Appendix C of the same document. NSC recognises that some developments will see an increase in contributions (notably those of 10 or fewer dwellings, which were not previously charged), but others will see a decrease, very likely including strategic sites.</p> <p>Further analysis of the balance of CIL and S106 and the appropriateness of the £3,000 per dwelling residual S106 allowance incorporated into viability testing for non-strategic scenarios is included in NSC’s</p>

Qu.	Key points from Savills	NSC response
		Hearing Statement in answer to Issue 1, question (i)(d) (document <a href="#">E4</a> ).
<b>(ii) Economic viability evidence</b>		
(a)	No comment on the use of the standard residual valuation approach used in the viability studies.	Noted. The Council confirms that a well-established approach has been used.
(b)	<p>In commenting on the assumptions used in the valuation studies, Savills draw particular attention to the following concerns highlighted in their earlier responses:</p> <ul style="list-style-type: none"> <li>- The use of a 50dph density for rural areas and the limited testing of the proposed £80/m<sup>2</sup> CIL rate based on 25 units at 50dph.</li> <li>- A lack of clarity on gross: net assumptions, particularly in relation to larger sites.</li> <li>- An allowance of £4,000 per unit for infrastructure costs, below the range recommended by the Harman report for large sites.</li> <li>- A lack of evidence as to the assumed £3,000 per dwelling residual S106/278 costs.</li> </ul>	<p>Building on the Council’s experience of local development through the planning application process and development delivery, DSP’s high-level viability assessment work considers the likely strength between development (sales) values and costs. This is essentially what any viability assessment at this level does, and in this context it is important to understand that additional or alternatively placed assumptions do not necessarily translate to added accuracy.</p> <p>Although the points on individual assumptions are understood, these need to be considered in the wider context of the approach taken. It is always necessary and of greater importance to consider the collective costs that are being allowed for in looking overall at the strength of the value/cost relationships.</p> <p>NSC and DSP do not accept the assertions made by Savills; however for completeness an updated 100 dwelling scenario test has been carried out and the results appended to this document to assist understanding of the potential impacts. The results from this have been considered in relation to a potential “land take” based on 30 dph and 40 dph and 50dph as potential alternatives. As expected from the review of the value/cost relationships through other tests and as conducted previously, this adds little by way of new information. However it further demonstrates the likely viability of a range of scenarios in North Somerset, with the proposed CIL in place as part of the collective costs that would impact, but not unduly, on development here.</p> <p><u>Densities and gross: net assumptions:</u></p> <p>In DSP’s experience 50-55dph is not an unusual assumption for mixed housing development including a range of house types, incorporating townhouses and flats. Appendix A of the Harman Report provides</p>

Qu.	Key points from Savills	NSC response
		<p>some indications at 40 dph for greenfield and at 80-160 dph for brownfield development.</p> <p>The introduction to this report sets out the split of residual development expected across North Somerset to deliver its Core Strategy, demonstrating a focus on urban areas typically expected to see higher densities. An assessment of all sites within NSC's emerging Site Allocations DPD suggests an expected average density of 57dph. This is consistent with a range of sites coming forward – within towns and other settlements, or at their fringes - and genuinely rural development being of small scale of limited relevance to the delivery overall.</p> <p>As noted through previous responses, where the density comes in at this level is considering the potential/estimated “land take”. Given that, as Savills note, with a larger scheme an area beyond that needed for the dwellings and their associated parking, access and amenity etc. will often be needed, a notional 10% land take adjustment (increase) was applied. This approach is consistent with the 2016 update tests, in arriving at the indicative land take areas for viewing the residual land values against the range of benchmark land value indications ('viability tests'/comparisons).</p> <p><u>£4,000/unit site works/infrastructure costs</u></p> <p>This assumption has been used by DSP and accepted through numerous assessments examined in support of CIL charging schedules – for typical, non-strategic scale developments; necessarily a starting point when considering the ingredients of preparing suitable, robust viability information.</p> <p>The Harman Report indications on infrastructure / utility cost relate to strategic-scale development, (not revisited for the update, given the North Somerset position, as noted in other responses). The Harman report does not give a steer for this assumption area for smaller sites. The planning application stage viability experience of DSP also bears out the difference between such developments and the larger ones, with the</p>

Qu.	Key points from Savills	NSC response
		<p>representation points acknowledged in terms of those having different characteristics that need to be considered.</p> <p><u>S106 residual costs</u></p> <p>NSC's position on the residual £3,000 per dwelling S106/278 costs is set out above. It should be noted that this is effectively a further contingency that in many instances is unlikely to its full extent.</p> <p><u>Other appraisal inputs</u></p> <p>There are a number of appraisal input areas where increased assumptions might have been used, but equally there are others where reduced assumptions might have been used. To provide some examples of these:</p> <p>i) Profit. Set at 20% GDV, this is in excess of the allowance that DSP sees in many planning application stage viability assessment review cases. As an example, DSP notes that in Savills' site-specific cases that it has seen recently, a significantly lower 20% cost-based profit has been put forward.</p> <p>ii) Build costs. The collective costs include BCIS, 15% external works (covering usual servicing, access, landscaping and so on associated with typical, non-strategic scale development); with the £4,000/dwelling site preparation allowance additional to those assumptions. From experience, a lower external works assumption at 10% may not be inappropriate, as has been used where specifically allowed for in some other viability assessments. A further contingency element of 2% is added reflecting enhanced construction measures on energy efficiency, although DSP's experience shows such an allowance to be only irregularly in use in practice.</p> <p>iii) Finance costs, fees and build cost contingency. The DSP strategic assessment makes allowance for these at full levels, whereas again in practice these are found to be placed at varying levels. Another indicator may be from other strategic assessments. We note, as an example, that the Torbay</p>

Qu.	Key points from Savills	NSC response
		assessment used 8% for professional fees, where this one used 10%. That study used a 4% build cost contingency, where this uses 5%.
(c)	<p>In respect to local land values, there appears to be no relevant local data used to justify existing land values.</p> <p>Request confirmation of those villages considered 'Lower Value Villages' for purposes of viability. No testing is shown for the £80 rate for lower value villages falling within value area 2.</p>	<p>It is expected that land value will need to move to accommodate local market, site and proposed characteristics and, importantly, planning obligations – including the cost of the CIL.</p> <p>A range of land values have been considered, within an approach that is consistent with the Harman Report principles. The available information principles come into play however – judgements are needed and the land value comparisons (benchmarks or 'viability tests' as referred to by DSP) are used on this basis, subject to information availability. This has been the case across the wide range of assessments successfully concludes by DSP, who acknowledge also that genuine comparables are scarce, involve a range of sensitivities and tend in any event to be difficult to analyse reliably. Views were sought through the earlier research and stakeholder consultation exercise, which process confirmed the issues around information availability on this.</p> <p>The range of land value indications used to inform the interpretation of the appraisal results have not been adjusted. This was considered unnecessary in DSP's judgement given, as noted through earlier responses, that with similar or unimproved viability findings across most test scenarios between the original assessment and the recent refreshing, it would go against the evidence to move land value expectations upwards; and particularly at the point of considering CIL. Likewise, land values should reflect abnormal costs at least to some degree – the scope to support land value from a project will be highly dependent on the constraints as well as the opportunities presented by a site.</p> <p><u>Lower value villages</u></p> <p>The notes provided beneath the value level ('VL') with the Appendix II tables are simply indications of the potential relevance of the</p>

Qu.	Key points from Savills	NSC response
		<p>range of VLs to locations with North Somerset. These are not fixed, but a guide in order to illustrate the likely applicability of the VLs. The point made is correct in that the moving away from Weston any village based development is considered likely to attract values at beyond the guide VL2; hence the tests aligned to VL3+ in relation to the proposed £80/sqm “rest of district” CIL charging rate.</p>
(d)	<p>The failure to sample a sufficient range of development typologies renders the viability studies inappropriate in assessing the potential effects of the CIL on the development plan and fails to provide a robust evidence base from which to consider the proposed rates.</p> <p>Document C6 (viability update 2016, Appendix II) sets out testing of 5, 10 and 25 unit typologies. Evidence should be provided of the effects on larger sites including those of the 25 – 500 unit size, as many of these are included in the council’s five year housing supply [<i>list of allocated sites included</i>]. Additional unallocated sites are also likely to come forward over the plan period.</p>	<p>A 100 dwelling scenario (as well as a 500 dwelling scenario) was included in the 2012 main viability work. This was not specifically updated in the 2016 review, as the evidence of trends and sales/costs relationships taken in the round provided no specific reason to do so.</p> <p>However, and as above further consolidating DSP’s judgements as well as the Council’s approach, additional retests have now been added – taking the 100 dwellings scenario and updating it using an assumptions set consistent with the 2016 updating. The results of these, interpreted across a range of guide densities 30 to 50 dph are appended to this response (Appendix B).</p> <p>These indicate viability at sufficient or more than sufficient levels to support development on greenfield and PDL; noting the already acknowledged viability challenges likely to continue to be associated with the proposed £0/sq. m CIL charging zone.</p> <p>Please see also our consideration of the issue of strategic/larger sites in our Hearing Statement (document <a href="#">E4</a>), Issue 2, question (iii) and the introduction to this document. The concerns raised in that response about the limits placed by pooling restrictions are even more relevant in relation to sites of 25 – 500 dwellings, which would be highly unlikely to be able to provide strategic infrastructure in their own right.</p> <p>Savills have not provided any substantive evidence as to why sites of such a size would be consistently different from other developments and/or non-viable. NSC is not aware of any other areas with an adopted CIL</p>

Qu.	Key points from Savills	NSC response
		<p>that have classified developments of 25 – 500 dwellings in a particular way, for example as strategic sites or sites requiring a particular response. It is not absolutely clear what treatment the representations seek for this band of sites, since no proposals or alternatives have been advanced.</p> <p>In DSP’s experience, a ‘strategic site’ in local plan or “whole plan” terms is, and has consistently been:</p> <ul style="list-style-type: none"> <li>• A site that is of a sufficient scale for it to be critical to whole plan delivery in its own right – i.e. without which it could be said the delivery of the Plan as a whole is likely to be prejudiced, and:</li> <li>• A site which involves significant specific infrastructure provision (works/cost) as development mitigation – for example on-site school provision, major road network extension, etc.</li> </ul> <p>Such sites therefore have particular characteristics that do not kick-in in relation to any particular threshold number of dwellings, although 500 or so new dwellings, not usually less, might be considered an indication beyond which a site is more likely to be considered strategic and have those relevant characteristics. This tallies with the definition of Strategic Development Areas in NSC’s Development Contributions SPDs, which identifies a 500 dwellings threshold.</p> <p>Smaller sites at 25+ dwellings do not share such characteristics. These are sites which form the normal range of development and which in many cases will continue to be relatively straightforward to develop, without large s.106 packages, as has been noted above and seen through the wider supporting evidence.</p> <p>NSC notes that Savills in their submission represent four major volume housebuilders (Linden, Barratt, Taylor Wimpey, Redrow). There are a number of other housebuilders very active in North Somerset of various sizes - including other major operators e.g. Persimmon, Bloor, and Hallam as well as a range of smaller operators who it appears</p>

Qu.	Key points from Savills	NSC response
		have chosen not to join the representation and presumably who do not share the same concerns (e.g. in the case of Persimmon we note they were party to Savills' representation to the PDCS but have not participated beyond that stage).
(e)	Savills would not support any reliance on Starter Homes as an alternative affordable housing tenure when setting CIL rates, as there is considerable uncertainty over the proposals.	Noted and agreed.
(f)	No comment on whether changing circumstances justify an extension of categories of development subject to CIL.	Noted.
(g)	<p>Reiterate previous request for further details in respect to the zoning map. There are a number of identified sites which fall on the boundary and currently unidentified sites which may come forward at zones A and B.</p> <p>NSC note: for ease of reference, the respondent's previous comment is copied below:</p> <p><i>"We support the use of value areas as a basis upon which to consider potential differential CIL rates, however, the evidence to support the geographical extent of the value areas has not been provided. On the information provided, we are unable to compare the value areas against the proposed CIL area boundaries; this is particularly pertinent given that there are a number of sites (for example, Land at Bridgwater Road (70), Land West of Winterstoke Road (70)) which fall on the boundaries of the proposed value areas resulting in either a nil rate (Zone A) or a £40/m2 charge (Zone B). The full publication of the evidence supporting these differential charging zones A and B is required to illustrate that the values attributed to these boundary sites are realistic."</i></p>	<p>Please see NSC's Hearing Statement, Issue 1(ii)(g).</p> <p>The differential CIL zoning is informed and supported by the viability evidence, although under the guidance within the PPG that does not have to be followed precisely.</p> <p>The zoning was established through the 2012 Viability Study, and the boundaries, particularly in and around the most critical parts of Weston, were reviewed with reference to the latest values and research as part of the 2016 update. The relevant evidence has been published at each stage of the process and is considered robust, having regard to the acknowledged high level nature of the considerations involved.</p> <p>Alternative zoning would always be possible in theory, and it is acknowledged that the need to avoid an overly complex system means that there will always be some imperfections in mapping against the varying characteristics on the ground. This is a characteristic of CIL and not just a NSC issue. Overall, NSC considers that an appropriate and fair approach has been achieved.</p> <p>In relation to the respondents' specific queries, we believe the mapping is as clear as possible, following the lines of major roads, railway lines and settlement edges. The two sites cited fall within Zones B (Land West of Winterstoke Road) and C (Land at Bridgwater Road) respectively.</p>

Qu.	Key points from Savills	NSC response
(h)	Reiterate previous concerns about the failure to provide a viability buffer within the appraisals.	<p>Please see NSC's Hearing Statement, Issue 1(ii)(g).</p> <p>The established methodology used in the assessments has been to ensure viability through the use of appropriately set, prudent assumptions, each set within a sensible and realistic margin of viability.</p> <p>This essentially builds suitable 'buffering' into both the building up of the information and its review (judgements made in considering results and pitting forward appropriate parameters for considering CIL rates informed by considerable experience of these matters as well as the emerging recommendations being viewed in other ways – e.g. as proportions of value or cost).</p> <p>This approach has been supported through examination and is preferred to working backwards from a theoretical maximum charge level that may be based on a particular set of potentially unrealistic assumptions, especially when viewed in combination. The review of viability to inform CIL charging, and then the balance with the desirability of supporting local infrastructure needs, involves a wide range of considerations and lifting this from a mathematical exercise alone.</p>
(i)	Reiterate previous concerns on the decision not to include abnormal costs within assessments.	<p>Please see NSC's Hearing Statement, Issue 1(ii)(i).</p> <p>It is considered that there are no sufficiently regularly occurring site constraints in the area so as to warrant the inclusion of 'standard abnormals' that could be expected to impact across a wide range of sites.</p> <p>In addition, land value should also be influenced (negatively) by such constraints, should they occur, rather than expectations ignore such factors.</p>
(j)	No additional comments as to any other viability considerations.	Noted.
<b>(iii) Conclusions on issue 1</b>		
	- For the reasons set out above, the evidence base does not provide a robust, proportionate or appropriate basis on which to consider the proposed CIL rates.	NSC strongly disagrees with these points. The evidence provided at each stage of the process has been robust and appropriate to the development plan, in line with national regulations and guidance.

Qu.	Key points from Savills	NSC response
	<ul style="list-style-type: none"> <li>- Concerns cover both the exclusion of required evidence (such as appropriate typologies and substantiation of assumptions), alongside concerns about the assumptions used.</li> <li>- The evidence base does not provide a viability assessment which accords with the development plan, nor the likely development scenarios which will come forward within North Somerset.</li> </ul>	
<b>Issue 2: is the residential charging rate informed by and consistent with the evidence?</b>		
(i)	<ul style="list-style-type: none"> <li>- As above, significant concern that the evidence base does not provide an appropriate basis upon which to consider residential charging rates:</li> <li>- No consideration has been given to the development viability of sites of more than 25 units, in particular their differing density, net: gross land take, infrastructure costs etc.</li> <li>- Rural development: assumptions do not reflect the likely developments coming forward by nature of the density assumption at 50dph and implied net: gross land take assumptions.</li> <li>- Land value: no evidence provided in relation to the land value used in the appraisals. Evidence pertaining to 19% increase in sales values from 2012 – 2016 infers that 2012 land values are not consistent with current evidence.</li> </ul>	Please see NSC responses on these points above and in our Hearing Statement.
(ii)	Rates for C3 specialist housing: no comment.	Noted.
(iii)	<ul style="list-style-type: none"> <li>- NSC has recognised the different viability of strategic sites in its 2012 viability study.</li> <li>- Concerns as above that larger sites of up to 500 dwellings are also subject to different viability considerations.</li> <li>- Recognised that NSC will be bringing forward additional strategic (500+) sites through the JSP in the relative short term – a mechanism to address this is suggested under Issue 5.</li> <li>- However evidence base contains no evidence to support a CIL charge on larger development sites. Given the need for such sites to commence delivery, it is recommended that a threshold be implemented above which a nil CIL rate applies.</li> </ul>	<p>The 2012 viability appraisal tested sites of 1, 5, 10, 25, 100 and 500 dwelling sites. This provides an appropriate basis from which to assess potential rates. The conclusions of the assessment did not recommend a differential rate for larger sites, although DSP emphasised that consideration would need to be given to the balance of CIL and S106 requirements.</p> <p>The 2016 report is an update to the 2012 appraisal, primarily to re-test key assumptions as to whether or not they remained valid. It was not therefore deemed necessary to re-test every individual scenario, particularly given the context of the residual Core Strategy development expected in North Somerset. Extensive commentary on this is provided within the reports.</p>

Qu.	Key points from Savills	NSC response
		<p>We note the implied argument that a nil rate would assist larger sites to accelerate delivery. This is not necessarily the case. Given that NSC has reduced the S106 requirements on its Regulation 123 List, the reliance on CIL may enable a more rapid and efficient determination of applications. This is particularly the case with sites of 25 – 500 dwellings, which are unlikely to be reliant on single large items of infrastructure being delivered early on in development.</p> <p>Further comment on the issue of large/strategic sites is provided in the answer to this question in NSC’s Hearing Statement.</p>
(iv)	No comment on reduction of affordable housing to 20%.	Noted. NSC’s viability testing and CIL rates assume full policy compliance including 30% affordable housing.
<b>Issue 4: Does the evidence demonstrate proposed rates would not put the overall development of the area at serious risk?</b>		
	<p>The evidence does not provide a robust basis upon which to make an informed judgment.</p> <p>NSC’s development plan and Sites Allocations Plan require the delivery of a range of ‘larger’ development sites alongside windfall sites and additional sites to meet shortfalls in housing land supply.</p> <p>The evidence base does not test the range of sites anticipated over the plan period, nor the types of development in respect of likely density, open space and development in lower value villages.</p>	NSC strongly disagrees with these points. The evidence provided at each stage of the process has been robust and appropriate to the development plan, in line with national regulations and guidance. The proposed charges strike an appropriate balance between the need to deliver infrastructure and the need to ensure the overall development of the area is not placed at risk.
<b>Issue 5: other matters</b>		
(i)	Savills encourage explicit recognition of the review process for the Charging Schedule given the expected timescale for the JSP which is anticipated to include a significant number of large strategic sites.	<p>The nature of the development coming forward through the JSP is not currently known. Although it seems likely that development may come forward through large sites (1000+), equally much development could come forward through smaller development parcels.</p> <p>A review of CIL rates would be appropriate through the Local Plan review. This will make detailed provision for the delivery of the</p>

Qu.	Key points from Savills	NSC response
		additional growth identified through the JSP (adoption anticipated late 2018). The CIL review is likely to take place in 2019 following clarification of the new housing requirement, spatial strategy and likely form, location and phasing of development.
(ii)	No further comment on exceptional circumstances policy.	Noted.
(iii)	Substantial concern at decision not to implement an instalment policy. Cashflow is a concern for all sites; a reliance on reserved matters to enable phasing may lead to sites being divided arbitrarily into smaller phases.	<p>Please see NSC's Hearing Statement on this issue. We acknowledge the concerns from developers about cashflow, however this is equally an issue for NSC in ensuring the timely delivery of infrastructure, particularly as we are not permitted to borrow against CIL income.</p> <p>Given that CIL charges will represent a relatively low proportion of the costs of bringing forward a site, NSC does not feel that a lack of an instalment policy will unduly hinder Core Strategy delivery.</p> <p>However, as per previous responses, this proposed approach will be kept under review and amended if required.</p>
(iv)	No comment on Parish Council allocations.	Noted.
(v)	Will provide views on CIL as a % of development costs at examination once able to review NSC evidence.	Noted.
(vi)	<ul style="list-style-type: none"> <li>- Recognise NSC commitment to periodically monitor market conditions and build costs and to instigate a CIL review where required.</li> <li>- This should be extended to reviewing compliance with policy requirements, for example affordable housing targets.</li> <li>- Reviews should be annual, in line with necessary annual CIL reporting.</li> </ul>	<p>The requirement to report annually on CIL is viewed by NSC as a minimum and we intend that internal monitoring is carried out on at least a quarterly basis. This will include monitoring any impact on delivery rates and policy targets such as affordable housing.</p> <p>Regular monitoring is different to a formal review of CIL rates. Annual changes to rates is an unrealistic expectation, given the time and costs required to amend charges. As such, whilst we fully intend to keep rates under close informal review and will take action sooner if required, we are reluctant to commit to a formal review in advance of our Local Plan update expected in 2019.</p>

**5) HEARING STATEMENT E9: GVA on behalf of St. Modwen**

This participant is not attending the hearing, but has asked that attention be drawn to the points made on pages 1 – 2 of their submission to the Draft Charging Schedule consultation (examination document [D2v](#)).

<b>Key points from GVA/St. Modwen</b>	<b>NSC response</b>
<p>A specific concern is CIL on strategic sites that are either allocated and not yet benefitting from planning permission, or unidentified sites that may come forward during the course of the Plan.</p>	<p>Please see our earlier responses on strategic sites, in particular in our Hearing Statement (document <a href="#">E4</a>), Issue 2, question (iii).</p>
<p>The definition of strategic sites (500 dwellings or above) needs to reflect that there may be elements of urban extensions and strategic sites that fall under this threshold as they may be delivered in phases and subject to separate planning applications – for example, St. Modwen’s land west of Locking Parklands.</p>	<p>The specific site identified is part of the Weston Villages, which have been consistently identified as a strategic development area. A planning application was registered in 2016 and consent is expected to be issued prior to CIL implementation.</p> <p>NSC’s specification is that strategic sites may be more than 500 dwellings in isolation, or across several sites.</p> <p>This matter has in any case been dealt with through the changes to the Regulation 123 List to provide more clarity as to which sites are subject to differential treatment.</p>
<p>There is a gap in viability evidence in relation to strategic sites at the Weston Villages. A reduced rate for this area should be considered due to the significant site specific infrastructure requirements and enabling works required. Sites are already under-providing affordable housing and this could worsen existing pressures.</p>	<p>See previous answers on strategic sites.</p> <p>In terms of the Weston Villages development, these were allocated to deliver 6,900 dwellings, of which 3,500 have consent and/or are under construction, with a further 2,911 subject to current planning applications expected to be consented in the near future (prior to CIL implementation). This leaves only a small residual number to be consented, for which CIL is likely to be appropriate.</p> <p>Furthermore, the enabling works for the remaining developments are largely in place, having been forward-funded by NSC or developers, including both of the main access roads, a strategic flood solution and the first element of secondary education. As a result, future applications will not need to frontload infrastructure costs.</p>
<p>Zoning is very rigid – a ‘blended out’ approach from inner to outer Weston could be more appropriate. This could allow for a differentiation between small-scale</p>	<p>The approach proposed is proportionate. Excessive differentiation of zones/locations/site typologies could lead to a fragmented and inequitable approach.</p>

Key points from GVA/St. Modwen	NSC response
greenfield sites and strategic regeneration sites.	The Weston Villages, despite formal classifications, are largely greenfield in character – the two main brownfield areas (Weston Airfield and RAF Locking) had very little existing built development in place and minimal contamination – but at the same time benefitted from some of the utilities being in place to enable early development to commence without upgrades. In this sense, they presented a more attractive and viable option for development than many more ‘typical’ development sites.
Greater clarity is required on the balance of CIL and S106 and other funding sources and funding gap.	This has been provided in NSC’s Hearing Statement, Issue 1, question (i)(d) (document <a href="#">E4</a> ) and in our changes to the Regulation 123 List.

**30 retirement/sheltered apartments test scenario – including specific assumptions and adjustments bespoke to the development type**

<b>N Somerset CIL Viability – 30 no. sheltered apartments – 3+ storey block; typical format (May 2016 basis)</b>		
<b>Assumption / input</b>	<b>Outer Weston @ £40/sq. m CIL</b>	<b>Rest of district @ £80/sq. m CIL</b>
1-bed flat size (sq. m)*	55	55
2-bed flat size (sq. m)*	75	75
No. 1-beds	15	15
No. 2-beds	15	15
No. for market sale	21	21
No. of affordable assumed on-site (mix rent/shared ownership)	9	9
AH as %	30	30
Market sale area	1,375	1,375
<i>Market values – and / or as rates £ /sq. m – TBC by DSP</i>		
Market GDV 1-b flat*	£214,000	£256,800
Market GDV 2-b flat*	£252,000	£302,400
AH value – Aff. Rent (1-bed)*	£98,440	£98,440
AH value – Aff. Rent (2-bed)*	£115,920	£115,920
AH value – intermediate – 1-bed*	£139,100	£166,920
AH value – intermediate – 2-bed*	£163,800	£196,560
GDV – total – market, AH & ground rents	£6.13m	£7.17m
Density (dph)*	125	125
Base build cost £/sq. m*	£1,273	£1,273
Net to gross build cost addition - non-saleable area adjustment*	25%	25%
Sustainability enhancement added to base build cost	2% (£2,316/unit)	2% (£2,316/unit)
External works (% base build cost)*	10%	10%
Additional site prep. / infrastructure £/unit / contingency	£4,500	£4,500
Design & Professional fees	10%	10%
Build cost contingency	5%	5%
s.106 alongside CIL @ £3,000/unit	£90,000	£90,000
CIL cost @ DCS proposed rates	£73,333	£146,667
CIL as indicative % overall GDV	1.2%	2%
CIL as indicative % market GDV	1.1%	1.8%
Finance rate	6%	6%
Additional finance fees	£30,000	£30,000
Lead-in and main build	18 months	18 months
Sales*	24 months after build completion	24 months after build completion
Marketing costs*	4%	4%
Legal fees on sale/unit	£750	£750
Fees on acquisition - agency	1.5%	1.5%
Legal fees on acquisition	0.75%	0.75%
Empty property costs (voids) @ £2,000/unit*	£60,000	£60,000

Total scheme cost (incl. acquisition, before profit)	£5.09m	£5.93m
Profit sum at input rates – 20% GDV on market; 6% AH cost	£1.04m	£1.24m
<b>Outcomes – RLV indication £/Ha equivalent</b>	£1.23m/Ha	£3.83m/Ha
<b>Meets / exceeds indicative land value comparisons /benchmark(s) (Viability tests)</b>	<b>Yes, meets at highest test 6</b>	<b>Yes, exceeds highest test level 6</b>

## Charges levied by other South West local authorities for residential development

Authority	Residential charges	Date adopted	C2 rates	Rates for C3 specialist housing	Rates for strategic sites?	Max charge for resi
Bath & North East Somerset	Residential Class C3 incl. specialised, extra care and retirement accommodation, but excl. specialist, extra care and retirement accommodation that provides non-saleable floorspace in excess of 30% of GIA: - Bath Western Riverside: £0 - Strategic Sites/Urban Extensions: £50 - District-wide: £100 No charge specified for C2 use class	17/02/2015	Nil rate if non-saleable floorspace in excess of 30% of GIA	Nil rate if non-saleable floorspace in excess of 30% of GIA	Reduced rates	£100
Bournemouth	Residential development (including retirement and extra care housing) outside the Town Centre AAP area: £70 Residential development (including retirement and extra care housing ) inside the Town Centre AAP area: £0 Notes: Retirement housing: also known as sheltered housing. These are defined as groups of dwellings, often flats and bungalows that provide independent, self-contained homes. There is likely to be some element of	19/01/2016	Nil rate for nursing homes. Other retirement & extra care homes pay full rates.	Standard residential rates.	Standard residential rates.	£70

Authority	Residential charges	Date adopted	C2 rates	Rates for C3 specialist housing	Rates for strategic sites?	Max charge for resi
	<p>communal facilities, such as a lounge or warden.</p> <p>Extra-care housing: also known as assisted living. Housing with care where people live independently in their own flats but have access to 24 hour care and support. Varying amounts of care and support can be offered, normally as part of a care package with additional fees to pay for the services and facilities. These schemes will usually have their own staff and may provide one or more meals a day.</p> <p>These types of older persons housing would not provide the same level of care as residential care or nursing homes where residents do not live in self-contained accommodation and where 24 hour personal care and/or nursing care and/or nursing care is provided together with all meals.</p>					
Bristol	Residential (Class C3): - Inner Zone: £70 - Outer Zone: £50 - Residential and Non-residential Institutions (Classes C2, C2A, D1)	01/01/2013	Nil rate for C2 use class.	Standard residential rates.	Standard residential rates.	£70

Authority	Residential charges	Date adopted	C2 rates	Rates for C3 specialist housing	Rates for strategic sites?	Max charge for resi
	and development by the emergency services for operational purposes: £0					
Christchurch & East Dorset	<ul style="list-style-type: none"> <li>- Residential (more than 10 units): £70</li> <li>- Residential (10 units or less or less than 1000sqm floorspace): £150</li> <li>- Residential on the New Neighbourhood sites (allocated in the Core Strategy) which provide their own Suitable Natural Alternative Green Space (SANG) as mitigation for European sites: £0</li> <li>- Residential on sites of 40 or more dwellings where on-site SANG is required by the Local Planning Authority: £0</li> <li>- Extra Care Housing and housing for Vulnerable People: (developments that comprise self-contained homes with design features and support services available to enable self-care and independent living): £40</li> </ul>	06/09/16	Reduced rate for extra care (£40)	Standard residential rates.	Nil rates for sites providing SANG.	£150
East Devon	Residential: <ul style="list-style-type: none"> <li>- Range of specified locations: £80</li> <li>- Cranbrook expansion areas: £68</li> <li>- Rest of East Devon: £125</li> </ul>	01/09/2016	Unclear – standard residential rates?	Standard residential rates.	Reduced rates.	£125
Exeter	Residential (excluding Use Class C2): £80	15/10/2013	Nil rate for use class C2.	Standard residential rates.	Standard residential rates.	£80

<b>Authority</b>	<b>Residential charges</b>	<b>Date adopted</b>	<b>C2 rates</b>	<b>Rates for C3 specialist housing</b>	<b>Rates for strategic sites?</b>	<b>Max charge for resi</b>
Plymouth	Residential: £30 Residential located within zone identified on Map 1: £10 Residential institutions: £0	01/06/2013	Nil rate for residential institutions.	Standard residential rates.	Standard residential rates.	£30
Poole	Residential dwellings: Zone A: £150 Zone B: £100 Zone C: £75	02/01/2013	Unclear	Standard residential rates.	Standard residential rates.	£150
Purbeck	- C2 Residential Institutions: £0 - C2 Care Homes: £0 – 100 dependent on location - C3 Sheltered and Retirement Housing: £0 - £100 dependent on location - C3/C4 Other Residential Dwellings: £10 - £180 dependent on location	11/03/2014	Nil rate for care homes.	Reduced rates.	Standard residential rates.	£180
Sedgmoor	Residential (C3, excluding holiday lets): - Urban areas: £40 - All areas other than urban areas: £80	July 2014	Nil rate.	Standard residential rates.	Standard residential rates.	£80
South Gloucestershire	Residential: - Communities of North & East Fringe of Bristol, Yate/Sodbury and Severn Beach: £55 (Small sites that fall below affordable housing threshold): £100 - Rest of South Gloucestershire: £80	March 2015	Nil rate.	Nil rate.	Nil rate.	£130 (small sites only)

Authority	Residential charges	Date adopted	C2 rates	Rates for C3 specialist housing	Rates for strategic sites?	Max charge for resi
	(Small sites that fall below affordable housing threshold): £130 - Cribbs Patchway New Neighbourhood (CPNN) & East of Harry Stoke New Neighbourhood (EoHSNN) (all types of development within these areas): £0 - Residential Care Homes (class C2) & Extra Care facilities (Class C2/C3) and sheltered retirement (class C3): £0					
South Somerset	Residential: - Yeovil Sustainable Urban Extensions: £0 - Chard Eastern Development Area: £0 - All Other Residential Development: £40	Nov 2016	Unclear	Standard residential rates.	Nil rates.	£40
Swindon	- Residential Zone 1 (C3): Swindon's New Communities: £0 - Residential Zone 2: Rest of Borough (excluding Swindon's New Communities): £55	26/03/2015	Nil rate.	Standard residential rates.	Nil rate.	£55
Taunton Deane	Residential Development excluding C2 but including student housing and similar types of institutional accommodation: - Taunton, including urban extensions: £70	April 2014	Nil rate.	Standard residential rates.	Standard residential rates.	£125

Authority	Residential charges	Date adopted	C2 rates	Rates for C3 specialist housing	Rates for strategic sites?	Max charge for resi
	<ul style="list-style-type: none"> <li>- Taunton town centre: £0</li> <li>- Within the settlement limit of Wellington: £0</li> <li>- Outside the settlement limits of Taunton and Wellington: £125</li> </ul>					
Teignbridge	<ul style="list-style-type: none"> <li>- Residential: various zones ranging from £70 – £200</li> <li>- Any other use: £0</li> </ul>	July 2014	Unclear	Standard residential rates.	Standard residential rates.	£200
West Dorset	<ul style="list-style-type: none"> <li>- C3 dwellings: £100</li> <li>- C3 dwellings with restricted holiday use: £100</li> <li>- C3 essential rural workers' dwellings: £0</li> <li>- All other development: £0</li> <li>- Strategic site allocations: £0</li> </ul>	Oct 2015	Nil rate.	Standard residential rates.	Nil rate.	£100
Weymouth & Portland	<ul style="list-style-type: none"> <li>- C3 dwellings (all areas except Portland): £93</li> <li>- C3 dwellings (Portland): £80</li> <li>- Dwellings with restricted holiday use (all areas except Portland): £93</li> <li>- Dwellings with restricted holiday use (Portland): £80</li> <li>- Essential rural workers' dwellings (C3): £0</li> <li>- Strategic sites allocations: £0</li> </ul>	Oct 2015	Nil rate.	Standard residential rates.	Nil rate.	£93
Wiltshire	<ul style="list-style-type: none"> <li>- Residential development (excluding strategically important sites as set out in the Wiltshire Core Strategy)</li> </ul>	18/05/2015	Standard residential rates.	Standard residential rates.	Reduced rate.	£85

Authority	Residential charges	Date adopted	C2 rates	Rates for C3 specialist housing	Rates for strategic sites?	Max charge for resi
	Planning Use Classes: C2, C2A, C3 and C4: Zone 1: £85; Zone 2: £55 - Residential development (strategically important sites as set out in the Wiltshire Core Strategy) Planning Use Classes: C2, C2A, C3 and C4: Zone 1: £40; Zone 2: £30					

### Summary

	C2 use class	C3 use class	Strategic sites
Standard residential rates	1	15	9
Partial exemptions	3	1	0
Reduced rates	1	1	3
Nil rate	9	1	6
Unclear	4	1	0
<b>Total</b>	<b>18</b>	<b>18</b>	<b>18</b>

South West Local Authorities without an adopted CIL as of February 2017:

Cheltenham Borough Council  
Cornwall Council  
Cotswold District Council  
Council of the Isles of Scilly  
Devon County Council  
Dorset County Council  
Forest of Dean District Council

Gloucester City Council  
Gloucestershire County Council  
Mendip District Council  
Mid Devon District Council  
North Devon District Council  
North Dorset District Council  
Torbay Council

Somerset County Council  
South Hams District Council  
Stroud District Council  
Tewkesbury Borough Council  
Torrington District Council  
West Devon Borough Council  
West Somerset Council