

JR/RW/BRS.6512

10 February 2017

Planning Policy Team
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Dear Sir/ Madam

Community Infrastructure Levy (CIL) Draft Charging Schedule

Examination Hearing Statement - Anchor

The examiner must assess the Charging Schedule in terms of compliance with the requirements in Part 11 of the Planning Act 2008 as amended ('the Act') and the Community Infrastructure Regulations 2010 as amended ('the Regulations'). Section 212(4) of the Act terms these collectively as the "drafting requirements". Regard must also be had to the National Planning Policy Framework (NPPF), notably paragraphs 173-177, and the CIL section of the Planning Practice Guidance (PPG), which replaced the stand alone CIL Statutory Guidance last published in February 2014.

To comply with the relevant legislation, the submitted Charging Schedule must strike what appears to the charging authority to be an appropriate balance between helping to fund necessary new infrastructure and the potential effects on the economic viability of development across the district. The PPG states that the examiner should establish that:

1. the charging authority has complied with the legislative requirements set out in the Act and the Regulations;
2. the draft charging schedule is supported by background documents containing appropriate available evidence;
3. the proposed rate or rates are informed by and consistent with the evidence on economic viability across the charging authority's area; and
4. evidence has been provided that shows the proposed rate or rates would not threaten delivery of the relevant Plan as a whole.

Anchor is England's largest not-for-profit provider of housing and care for older people and has set out its detailed position on the charging schedule in its representations of September 2016. For the sake of brevity Anchor does not repeat the detail of its representations here, but uses this statement to reinforce its headline position. As a not-for-profit provider it should be recognised that any CIL obligations will result in monies being deferred from reinvestment in this increasingly important sector.

The Council's evidence base is unrefined in its analysis and can be characterised as lax in the way that it does not fully nor properly distinguish the development economics of Anchor's product from general needs housing.

Further, beyond this initial filter, a number of different types of older persons housing are evident. These range from C2 nursing homes, to assisted living / extra care to over 55's houses and other forms of retirement housing.

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.

Anchor considers that the Council's viability evidence does not adequately cover the breadth of development models that exist in the market and therefore the charging schedule as it relates to Anchor's model is not currently justified. Anchor set out in its representations a number of distinguishing features of its model that have not been adequately appraised.

It is incumbent upon the Local Planning authority 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.

Beyond issues in respect of the viability evidence used to justify the schedule, in line with the representations of the South West Housing Association Registered Providers Planning Consortium we encourage the Council not to disincentivize a sector that it will be increasingly reliant upon.

Finally, we must observe that the Council's approach to the Anchor product in respect to CIL is out of step with other West of England partners.

In South Gloucestershire Residential Care Homes (class C2) & Extra Care facilities (Class C2/C3) and sheltered retirement (class C3) have a nil CIL charge.

Elsewhere in the South West the recent Inspectors Report on the Torbay Charging Schedule (December 2016) that Extra Care houses is to be distinguished from general retirement housing thus justifying a nil CIL charge. This resolution of analysis is not contained within the North Somerset viability evidence. The 'definition' referred to in paragraph 34 of that report relates to the effect of communal space and non-saleable areas as a distinguishing feature between housing types and the viability profile of those types.

34. In relation to retirement housing PBA concluded that it was not viable with CIL in place. However, the up-dated assessment by B-H shows that there is a margin available for a CIL charge of just under £190 for retirement housing. No convincing counter evidence was produced. Retirement housing can therefore be included with the general housing category. **This category does not however include "Extra Care Homes" which are not viable with a CIL charge in place.** (EM4). An area

of concern related to defining what is meant by extra care housing but this has now been clarified by the Council following discussions with one of the respondents. It is assumed that the Council will include this clarification in the SPD that it is currently producing, and inclusion of this definition within the Charging Schedule will add clarity.

Consequently, and in association with its full presentations, Anchor submits that charging CIL on its not-for-profit specialist retirement housing product is not supported by adequate evidence and will not support the objectives of the Development Plan. Those objectives are better served by establishing a nil CIL rate.

We confirm attendance at the hearing session.

Yours sincerely



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