



**NORTH SOMERSET COUNCIL
COMMUNITY INFRASTRUCTURE LEVY (CIL)
DRAFT CHARGING SCHEDULE**

Regulation 19 (1) (b) Statement

December 2016

1. Purpose

The purpose of this Statement is to provide the necessary information to meet the submission requirements in respect of Regulation 19 (1) (b) of the Community Infrastructure Levy Regulations 2010 (as amended).

Regulation 19 (1) (b) requires North Somerset Council, upon submission of its Charging Schedule to Examination, to submit a statement setting out either:

- a) If representations were made in accordance with Regulation 17, the number of representations made and a summary of the main issues raised by those representations;
- or
- b) That no such representations were made.

Regulation 17 relates to representations made to the Draft Charging Schedule ('DCS').

2. Representations made to the North Somerset Community Infrastructure Levy (CIL) Draft Charging Schedule consultation

North Somerset Council consulted on its Community Infrastructure Levy (CIL) Draft Charging Schedule for a period of five weeks between the 22nd August and 23rd September 2016.

The Council received a total of 29 representations to its Draft Charging Schedule. 27 of these were received within the consultation timeframe. Two responses, from Banwell Parish Council and Clevedon Town Council were accepted after the end of the consultation period expired. This was agreed to allow these bodies time to consider the issues at their scheduled meetings.

The respondents are set out in Appendix A.

Summary of the main issues raised in the representations

A summary table of all comments received and NSC's response to those comments is attached as Appendix B.

The main issues raised at this stage related to the following:

- a) Rates for specialist housing.
- b) Rates for strategic sites.
- c) Regulation 123 list and use of CIL.
- d) Viability concerns.

Further detail is provided on each of these points below:

(a) Rates for specialist housing

Several respondents including the South West Housing Association Registered Providers group (SW HARP) raised concerns about proposed rate of £40/m² for C2 use class Care Homes and the lack of a differential rate for sheltered/retirement/extra care housing, which is treated as a standard C3 residential use class. Reasons given include:

- The need to provide for an ageing population and national guidance requiring local authorities to plan for the housing needs of older people.

- The higher build costs of schemes that include shared space and extra fittings such as accessibility features.
- That most such schemes are built in the form of apartment blocks, with cashflow implications for the developers in that they are normally unable to sell any units until a late stage of the development.
- That providers of specialist housing as a form of affordable housing increasingly need to cross-subsidise the affordable elements through the inclusion of market units, due to changes in national funding regimes.

NSC recognises the need to provide for an older population and the housing needs of older people. This is addressed through a range of planning policies, including Core Strategy policy CS15 (Mixed and Balanced Communities) and policies DM40 – 43 of the Development Management Policies DPD.

The CIL rates suggested by North Somerset Council (NSC) are informed by viability evidence and set at a level that is viable for the majority of development and that enables Core Strategy delivery including delivery of housing for older people. Our understanding of the CIL regulations and guidance is that differential rates should not be set deliberately low to meet policy aspirations or to 'encourage' specific types of housing, as this could constitute State Aid.

Advice from our viability consultants, DSP, is that there is a very wide spectrum of C3 use-class residential development and that differentiating between different types would be complex and likely to create inequities. Their view, based on the CIL viability testing and wider experience of considering scheme-specific viability for specialist housing across a wide range of projects is that the rates proposed are affordable. Whilst such schemes may in some cases have higher build costs, they also generate higher sales income and often have lower costs for external works and S106 contributions.

The viability evidence for C2 care homes is more limited and in practice the viability may centre more on revenue costs than on the capital build. NSC has therefore sought to take a balanced view and to set the rates for such housing at the middle of the range proposed for residential development. This also helps to reduce issues whereby there is dispute over the classification of housing type.

We note also that care homes and specialist housing that meet national definitions of being 'affordable housing' are automatically exempted from CIL.

NSC has given consideration to phasing policies in relation to apartment blocks, however at the current time we do not propose to introduce such a policy. We remain of the view that our rates are viable regardless of phasing. This will be kept under review post-CIL implementation.

(b) Rates for strategic sites

A number of developers responding to the DCS consultation raised concerns about the impact of CIL on large strategic sites. Their main argument was that the infrastructure and residual S106 contributions are likely to be higher for this type of site and that consequently a nil rate should be set.

NSC has given serious consideration to this point, particularly in the light of the number of other authorities across the country who have set lower or nil rates for such sites. We recognise the potential advantage of a S106-focused approach, where a developer may deliver many of their obligations through works-in-kind, however this must also be weighed against the risks created through the limitations of S106 obligations, particularly the pooling regulations.

North Somerset's Development Contributions SPD defines Strategic Development Areas as:

“a development or series of developments in close proximity to each other where the total number of new dwellings will exceed 500 or where otherwise the Council feels that the development has an exceptional impact on the local area.”

Based on North Somerset's adopted Core Strategy and emerging Sites and Policies DPD, there are two SDAs within the area:

- The Weston Villages: these represent a total of 6,500 dwellings across multiple landowners. 3,500 of these dwellings have existing planning consents, with applications for the remaining areas registered and currently under consideration. It is our expectation that all of these developments will be determined prior to the implementation of the CIL.
- Weston Links: 700 dwellings. This is owned by NSC and leased to the HCA. It is located within the Weston town centre £0 CIL rate zone so would not be affected by the introduction of charging.

On the basis of the above, there is no reason to further complicate CIL rates by introducing a differential rate for SDAs. As around 1,400 of the dwellings that would benefit are on land owned by NSC, lower rates could also be seen as inappropriate favourable treatment.

Looking forward, it is possible and indeed probable that further strategic sites will come forward through the emerging West of England Joint Spatial Plan, but at present the locations of these sites and the nature of their development is not known. In particular, differences in whether development comes forward through a small number of large landholdings, or through a large number of dispersed smaller sites, could have a significant impact as to whether CIL or S106 is more appropriate.

As there is no separate rate for strategic sites, and in the light of comments on the Regulation 123 List (see below), the division between CIL and S106 has been reviewed and amended to increase clarity as to which infrastructure will be funded from which source.

(c) Regulation 123 List and use of CIL

NSC's draft Regulation 123 list was consulted on alongside the Draft Charging Schedule. The consultation version is attached as Appendix B. Whilst the majority of consultees found the list helpful, some concerns were expressed that it was insufficiently clear, in particular where references are made to “near-site” or “off-site” infrastructure. Additional concerns were raised by Heritage England about the omission of heritage schemes, and by developers of strategic sites who were concerned about the burden of S106 contributions remaining for large sites.

NSC concurs with a number of these points and has revised the list prior to submission to improve clarity about which contributions will be sought through the CIL and which through planning obligations. For ease of reference the revised list is attached as Appendix C.

(d) Viability

A variety of detailed points about viability were raised, including a lengthy analysis from Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey. Many of these related to strategic sites and have been addressed above. Further comments are listed and considered in Appendix D attached.

List of respondents to North Somerset Council Community Infrastructure Levy (CIL) Draft Charging Schedule consultation

Backwell Parish Council
Banwell Parish Council
Barrow Gurney Parish Council
Barton Wilmore
Barton Wilmore on behalf of Gallagher Estates
Blagdon Parish Council
Blue Cedar Homes
Clevedon Town Council
Environment Agency
Gladman
GVA on behalf of St. Modwen
Highways England
Historic England
Housing & Care 21
Kingston Seymour Parish Council
Long Ashton Parish Council
Natural England
Network Rail
North Somerset Levels Internal Drainage Board
Mac MacDonald
Neil Middleton
David Packham
Pegasus on behalf of Anchor
Portishead Town Council
Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey
Sport England
Tetlow King on behalf of the South West HARP Planning Consortium
The Woodland Trust
Wrington Parish Council

DRAFT REGULATION 123 LIST (consultation version)

Community Infrastructure Levy	S106 planning obligations
Community capacity funding and youth services	Affordable housing (<i>national regulations state that this cannot be funded through CIL</i>)
Strategic broadband schemes	
Pre-school and primary school provision, except in Strategic Development Areas	Pre-school and primary school provision in Strategic Development Areas
Secondary school and Special Educational Needs and Disabilities (SEND) provision	On-site community, leisure and sports provision, e.g. playparks, sports pitches and MUGAs
Off-site community, leisure and sports provision	Employment-led direct delivery
Economic development and employment-led financial contributions	On-site / near-site SuDS and scheme specific flood mitigation
Emergency services provision	Strategic flood schemes linked to Strategic Development Areas
Strategic flood and drainage schemes, where not associated with a Strategic Development Area	On-site green infrastructure
Off-site green infrastructure and public realm	On-site access and highway provision
Public Rights Of Way improvements	Near site highways mitigations identified through Transport Assessments
Health services	On-site and near-site sustainable transport access (bus stops, foot & cycleways)
Libraries and information services	Travel Plan measures
Bus and other public transport services	Fees associated with planning obligations
Sustainable Transport Fund / sustainable transport initiatives	Committed sums for maintenance
Strategic transport schemes – including rail and cycle/pedestrian routes.	
Waste management	

Strategic Development Areas (SDAs) are proposed to be defined as a development or series of developments in close proximity to each other where the total number of new dwellings will exceed 500 or where otherwise the Council feels that the development has an exceptional impact on the local area. At the present time two areas are proposed to be identified as SDAs: (i) the Weston Villages as defined in the Weston Villages SPD; (ii) Weston-super-Mare Town Centre as defined by the Weston Town Centre zero CIL rate charging zone.

**NORTH SOMERSET COUNCIL: COMMUNITY INFRASTRUCTURE LEVY (CIL) DRAFT
REGULATION 123 LIST [submission version]**

Note: inclusion in this list does not entail that a given project will receive funding, only that it may do so if sufficient resources are available, it is compliant with regulations and the project is prioritised to receive funds.

Regulation 123 List: Community Infrastructure Levy	Exceptions (to be delivered through planning obligations)
<p><u>Community and leisure</u></p> <ul style="list-style-type: none"> • Community capacity funding, community development and youth services. • Leisure Centres, swimming pools and fitness gyms. • Libraries and information services. • Off-site play areas, MUGAs and skate parks. 	<p><u>Community and leisure</u></p> <ul style="list-style-type: none"> • On-site play areas, MUGAs and skate parks.
<p><u>Education</u></p> <ul style="list-style-type: none"> • Early years' provision and children's centre services except at the Weston Villages. • Primary school provision, except at the Weston Villages. • Secondary school provision, except at the Weston Villages. • Special Educational Needs and Disabilities (SEND) provision. 	<p><u>Education</u></p> <ul style="list-style-type: none"> • Early years' provision at the Weston Villages. • Primary school provision at the Weston Villages. • Secondary school provision at the Weston Villages.
<p><u>Green Infrastructure & Public Realm</u></p> <ul style="list-style-type: none"> • Formal parks and public gardens. • Community parks, except at the Weston Villages. • Off-site woodlands and woodland areas. • Off-site conservation sites and biodiversity improvements. • Public realm improvements, including heritage-related schemes and parking schemes, except where part of a development site. • Off-site allotments. 	<p><u>Green Infrastructure & Public Realm</u></p> <ul style="list-style-type: none"> • On-site general green infrastructure and landscaping. • Community parks at the Weston Villages. • Neighbourhood Open Spaces. • Green corridors at the Weston Villages. • On-site conservation sites and biodiversity improvements. • On-site allotments. • Public realm works that are part of a development site, including heritage-related schemes and parking schemes.
<p><u>Flood & drainage</u></p> <ul style="list-style-type: none"> • Strategic flood and drainage schemes, except at the Weston Villages. • Coastal and seafront defences. • Moors and lowland flood defence schemes. 	<p><u>Flood & drainage</u></p> <ul style="list-style-type: none"> • Weston Villages Strategic Flood Solution. • On-site/near-site Sustainable Drainage Systems (SuDS) and scheme-specific flood mitigation.

Regulation 123 List: Community Infrastructure Levy	Exceptions (to be delivered through planning obligations)
<p><u>Transport & travel</u></p> <p>Strategic transport schemes, including:</p> <ul style="list-style-type: none"> • Improvements to junctions 19, 20 and 21 of the M5 and associated projects. • Rail improvements. • Showcase bus routes/Metrobus. • Improvements to routes to Bristol Airport. • Herluin Way/Locking Road Link. • Strategic Public Rights of Way and cycle, foot and bridleway routes, including the Strawberry Line, Festival Way, coastal routes and Pill to the Mendips route. 	<p><u>Transport</u></p> <ul style="list-style-type: none"> • On-site access and highways provision. • Near-site highways mitigations identified through Transport Assessments or Statements. • Measures identified in Travel Plans/Travel Statements, including: <ul style="list-style-type: none"> ○ Bus stops and services and other public transport provision (excluding rail). ○ Measures to promote the use of sustainable transport by residents of the site. • Road safety improvements required as a result of development. • Public Rights of Way, cycle, foot and bridleway routes that are provided on-site and/or to connect the site to local facilities.
<p><u>Other</u></p> <ul style="list-style-type: none"> • Strategic broadband schemes. • Economic development and employment-led financial contributions *. • Emergency services provision, other than fire hydrants. • Health services. • Strategic waste management schemes. 	<p><u>Other</u></p> <ul style="list-style-type: none"> • Affordable housing. • On-site employment-led provision *. • Site-based broadband provision. • Fire hydrants. • Fees associated with planning obligations. • Commuted sums for infrastructure maintenance.

Notes:

1) The “Weston Villages” are as defined in the Weston Villages SPD available at: <http://www.n-somerset.gov.uk/wp-content/uploads/2015/11/Weston-villages-supplementary-planning-document.pdf>.

2) Guidance of on-site and off-site employment-led requirements and when they would apply is available at: <http://www.n-somerset.gov.uk/wp-content/uploads/2015/11/employment-led-delivery-supplementary-planning-document.pdf>

CIL DRAFT CHARGING SCHEDULE CONSULTATION, 22ND AUG – 23RD SEPT 2016: SUMMARY OF COMMENTS RECEIVED AND NSC RESPONSE

- 1) In line with the legal tests, do you think the CIL rates proposed in the Draft Charging Schedule at Appendix A strike an appropriate balance between:
- The desirability of funding from CIL (in whole or in part) the actual and expected estimated total cost of infrastructure required to support the development of the North Somerset area, taking into account other actual and expected sources of funding; and
 - The potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across North Somerset?

Ref	Respondent	Summary of comments	NSC response	Suggested changes
1a	Blagdon Parish Council	Not able to comment on specific rates or viability, but concerned about residual funding gap.	Noted.	No change.
3a	Backwell Parish Council	Commercial development should have the same charge as small-scale retail. All other qualifying developments should have a minimum £40m/2 charge. Other charges seem fair and reasonable and on the whole strike an appropriate balance.	Viability evidence does not support increased charges for commercial development. NSC has not proposed a charge for all other qualifying development, as our view is that such development would primarily be infrastructure in itself (e.g. schools, community halls, leisure facilities) and a charge on such uses would be undesirable. Support for other charges noted.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
29a	Clevedon Town Council	Agree that the proposed CIL rates do strike an appropriate balance.	Support noted.	No change.
15	Long Ashton Parish Council	Supports the evidence base.	Support noted.	No change.
21a	Portishead Town Council	Difficult to comment on the balance, as the required spend is much greater than the income from CIL and S106. This may mean development cannot be afforded without harm to communities, or that rates should be greatly increased.	NSC believes the correct balance between infrastructure need and development viability has been struck.	No change.
21b	Portishead Town Council	The proposed differential rates for residential areas will have a distorting effect. Areas in the north of the district have a need for entry level and smaller homes. Fixing rates to encourage this would be welcome, for example a variable rate dependent on the number of bedrooms.	Rates are paid per m ² of Gross Internal Area so do not disadvantage smaller homes.	No change.
28a	Wroughton Parish Council	No justification provided for nil rate on commercial development, which will have an impact on infrastructure.	Viability evidence is provided.	No change.
7a	David Packham	It is difficult to comment on the appropriateness of the rates given that infrastructure delivery strategies are unclear. What does the funding gap cover and will NSC develop plans to ensure infrastructure can be delivered?	An Infrastructure Delivery Plan has been agreed through the Core Strategy process and is supported by a range of other more detailed strategy and planning. An updated IDP was provided as part of the consultation.	No change.
7b	David Packham	The continuation of S106 alongside CIL will lead to additional costs to development. CIL is simply a measure to make up for cuts in	The draft Regulation 123 List sets out the intended split of CIL and S106 to avoid double-charging.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		government funding. Are there limits on how it can be spent?	The viability work underpinning the proposed charges takes account of both S106 and CIL costs to ensure affordability. Most government cuts have been to revenue funding. CIL must be spent on infrastructure to support development.	
7c	David Packham	Are the lower rates for Weston really justified?	Rates are set on the basis of viability information and not policy preference.	No change.
7h	David Packham	NSC does not have a clear understanding of infrastructure needs for the district.	The Infrastructure Development Plan has been accepted through the Core Strategy process.	No change.
18a	Neil Middleton	Rates are set too low given the need to fund infrastructure.	Rates are limited by the assessment of development viability.	No change.
11b	Highways England	Content with the evidence base for rates. Note IDP update. Ask to be kept informed on future revisions. Understand viability issues, but would not be able to support development if came forward with severe impact on the SRN. Applications will need to address this.	Noted.	No change.
20b	North Somerset Levels Internal Drainage Board (NSLIDB)	Query if there is an estimate of whether the income generated is expected to meet the demand for infrastructure.	This is addressed in the consultation documents. The income generated will only meet a small part of demand and funding from other sources will also be required.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
23a	Sport England	Need for sport and recreation should be identified through a robust and up-to-date evidence base.	The evidence base for sports and leisure facilities has been accepted and examined through the Core Strategy process. Additional work to refine the evidence base and prioritise investments is ongoing.	No change.
23b	Sport England	A CIL review should be held every 2 – 3 years to pick up any changes in the economic climate, evidence base and Local Plan delivery.	Agreed that reviews should be held at appropriate intervals, but we would not wish at this stage to fix what those intervals should be.	No change.
2	Pegasus on behalf of Anchor	<p>The NPPG requires provision for the needs of an ageing population, prioritising supported living as opposed to residential care. CIL rates should not undermine delivery of the Local Plan that provides for a mix of housing types and tenures.</p> <p>On this basis, the Draft Charging Schedule should differentiate housing for the elderly and specialist accommodation such as Extra Care or Assisted Living from other forms of C3 use-class residential development.</p> <p>DSP's finding that there is no consistent viability for differentiation contradicts guidance from the Retirement Housing Group in 2013.</p> <p>Key differences in viability are:</p>	There is a very wide spectrum of C3 Use-Class residential development. The Council considers that differentiating between different types of C3 will create inequities rather than a proportional approach sought through the representation. At the levels proposed, it is considered that all forms of housing development can support the CIL charges. This is borne out through DSP's experience of considering scheme-specific viability for specialist housing for the elderly across a wide range of scheme reviews undertaken with local authorities. The schemes create premium level of values as well as usually having a reduced scope of	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		<ul style="list-style-type: none"> - The extent of communal, non-saleable floorspace, particular in flatted developments. This offsets any higher sales values for such units. - A higher build cost: RHG guidance suggests 9% higher for Sheltered Housing and 13% for Extra Care. - Phasing and cashflow: in many cases sales cannot be made until blocks are fully complete. - Marketing costs are higher: 6% as opposed to 3%. - The location of most schemes are 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 <p>In conclusion, a nil rate for both C2 Care Homes and Assisted Living/Extra Care development should be set.</p>	<p>external works and a reduced s.106 burden compared with others. All in all, there are certainly various balancing factors on viability. So whilst in general the principles identified in the RHG work (as noted in the representation) are recognised, experience does not play out exactly as envisaged. In fact, experience shows that the developers of such schemes are highly competitive for appropriate sites, and increasingly these schemes are now paying CIL charges.</p> <p>It is also important to note that the provision of affordable accommodation for the elderly would not fall within the CIL charging scope.</p>	
6a	Blue Cedar Homes	<p>NPPG has been adjusted to put a greater emphasis on the need for councils to make provision for the changing needs of older residents. C3 sheltered/retirement housing should be subject to an authority-wide zero/nil CIL rate.</p>	<p>Please see response to representation from Pegasus on behalf of Anchor.</p>	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		<p>Appeal case APP/V3120/W/15/3141368 (attached with response) found that enhanced specifications for Blue Cedar Homes resulted in additional costs and consequently BCIS upper quartile costs should be used.</p> <p>Examples given of other authorities that have introduced nil rates for this type of housing.</p>		
6b	Blue Cedar Homes	Reintroduction of government restrictions on the provision of affordable housing and tariff-style planning obligations by developments of 10 units or less should be taken into account in viability assessments and CIL charging schedule.	<p>Para 1.2.20 of DSP's CIL Viability Review Update 2016 addresses this change.</p> <p>It is not clear how the comment relates to the respondent's wider argument, as this change increases rather than restricts viability and CIL is not a form of planning obligation.</p>	No change.
13	Housing and Care 21	<p>Respondent is an affordable housing provider of older persons' housing. Challenges to funding mean that there is an increasing need to include more shared ownership and market units in development to cross-subsidise the schemes. The introduction of CIL could render such proposals non-financially viable.</p> <p>Extra Care provisions avoids residential care costs to the council and typically provides community facilities on site. Its provision frees up family housing.</p>	<p>Where units meet the definition of affordable housing, these will be exempt from CIL. C2 provision is also set at a lower rate than C3.</p> <p>There is no practical means to lower the rates for provision simply on the basis of a mixed-tenure scheme – this is dealt with by applying a combination of the appropriate residential rate and the</p>	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			non-payment of CIL for affordable housing.	
25a	Tetlow King on behalf of the South West HARP Planning Consortium	<p>Cannot support a CIL rate for care homes and other types of development falling within use class C2.</p> <p>Viability assessments have not sufficiently assessed care homes against a full appraisal set.</p> <p>As only one sheltered housing scheme has been included in assessments, any assumptions about growth in line with market growth are flawed.</p> <p>North Somerset's population is aging and therefore the council should set rates that encourage specialist retirement schemes.</p> <p>CIL rates are likely to impact on the availability of funding for other planning obligations including affordable housing.</p>	<p>The approach to appraising sheltered / retirement housing is appropriate and robust, and recognises its characteristics as experienced through DSP's wide range of involvement in scheme specific reviews. That type of development forms part of the wide spectrum of market housing development and an equitable approach is to charge across these.</p> <p>A number of representations seek an equitable approach for particular uses, however it is considered that with added complexities and differentiation this could also favour certain forms of development, which would be inappropriate. The representation refers to encouraging development which, whilst that may be a wider aim of the Council the CIL must not be used as a policy tool.</p>	No change.
5	Barton Wilmore	Rates for strategic scale developments should be reconsidered and set at nil-rates.	(i) This is agreed. The draft Regulation 123 List and DSP's viability testing allow £3,000 per	No change to rates.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		<p>(i) S106 can be required at strategic sites to make development acceptable in planning terms and can be more appropriate than CIL.</p> <p>(ii) NSC's arguments that the area's strategic sites have consent or are in nil-rate zone are flawed as some only have resolution for approval (not formal consent). The schedule also needs to set out a clear approach to future strategic sites as this has the potential to cause significant delivery issues, particularly as NS has a housing shortfall and will be required to allocate additional sites through the Site Allocations Plan and JSP.</p> <p>(iii) National CIL regulations are due for review this year and it is expected that an exclusion of CIL for strategic sites will be introduced. The proposed Draft Charging Schedule would be in conflict with this.</p>	<p>dwelling for S106 style planning obligations.</p> <p>(ii) It is a reasonable expectation that those sites with approval will be moved to consent prior to CIL implementation, given that this is 6 – 12 months away, and provided that developers work with NSC to resolve issues.</p> <p>In terms of future sites, the proposals in the Site Allocations Plan have been taken into account, however proposals for the JSP continue to have a high degree of uncertainty at this stage.</p> <p>Notwithstanding the above, NSC will review the Regulation 123 List to consider any changes that may be helpful in this regard. A continued emphasis on CIL will be required however, due to the restrictions on pooling of planning obligations and the lack of powers that NSC has to enforce a collaborative approach across sites in multiple ownership.</p>	<p>NSC to review draft Regulation 123 List to consider any change required in relation to strategic sites.</p>

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			(iii) Changes to CIL regulations are an unknown factor and it would be unwise of NSC to approach the setting of rates on an assumed change that has not yet been announced.	
9	Barton Wilmore on behalf of Gallagher Estates	Comments & responses are as per Barton Wilmore response above.		
10a	Gladman	The proposed rates seem to strike a reasonable balance between the effects of the imposition of CIL and economic viability. However the evidence base suggests that in zone C was tested against a density of 50dph which is unrealistic for this location. A more realistic density would be 30/ha and viability testing should be re-run on this basis.	The Council acknowledges that a range of densities will be seen and will be appropriate depending on scheme type and location. As can be seen in DSP's 2016 Update Assessment Appendix II Table 1, scenarios at an assumed 30, 40 and 50 dph were considered across all value levels based on the previously proposed CIL charges of up to £60/sq. m. A further trial at £80/sq. m was then run on one scenario type only, given that the updated results from the £60/sq. m tests at the higher values typically applicable to zone C showed sufficient scope to support at least £80/sq. m without going to the margins of viability. The 50 dph scenarios envisage a mix of flats and houses, whereas a	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			lower density scheme of all houses would typically be expected to support the strongest sales values.	
22a	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	<p>Substantial concern about robustness of evidence base underpinning rates and potential impact on delivering necessary housing.</p> <p>Key issues in relation to viability are:</p> <ul style="list-style-type: none"> - Lack of robust testing of development typologies to meet NSC's housing requirement, in particular in relation to size and density of sites. - Concerns in respect to detailed development assumptions including benchmark land values, build costs, open market values, infrastructure costs and abnormals. 	See detailed points below.	See detailed points below.
22b	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	<p>A nil rate should be set for strategic sites. NSC is treating the Weston Villages as the only strategic site in North Somerset. There are a number of large sites coming forward through the Core Strategy and Site Allocations Plan that could be considered to be strategic. There is also potential for further large/strategic sites to come forward through the JSP; NSC should seek to future-proof its Charging Schedule for this.</p> <p>Reasons for a differential approach include:</p>	Our Development Contributions SPD defines Strategic Development Areas as: "a development or series of developments in close proximity to each other where the total number of new dwellings will exceed 500 or where otherwise the Council feels that the development has an exceptional impact on the local area."	<p>No change to rates.</p> <p>NSC to review draft Regulation 123 List to consider any change required in relation to strategic sites.</p>

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		<ul style="list-style-type: none"> - Significant infrastructure requirements and costs. - The impact of the above on cashflow. - The relationship between infrastructure delivery and sales revenue (return on capital employed). <p>CIL will add to this complexity, particularly in terms of cashflow.</p> <p>Additional viability testing should be carried out on such sites.</p>	<p>The consultation document has taken account of the emerging Site Allocations Plan and notes that there are other strategic sites in the Weston area in addition to the Weston Villages; however these are already located in the nil-CIL town centre zone. The sites quoted by Savills are mostly less than 100 dwellings so cannot be considered strategic in this context. At present there are no identified SDAs outside of Weston.</p> <p>Proposals for the JSP continue to have a high degree of uncertainty at this stage.</p> <p>The limited number of strategic sites is one reason not to set a differential rate for strategic sites; a further consideration is that many are likely to be in multiple ownerships and a reliance on S106 would create difficulties in ensuring compliance with S106 pooling regulations, which allow a maximum of five planning obligations towards the same infrastructure. This has proven</p>	

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			<p>problematic on recent developments including at the Weston Villages and NSC is concerned that an over-reliance on S106 would in practice lead to developers being unable to contribute to either site specific or strategic needs. In contrast, contributions to CIL could be used to help unlock such sites, as well as wider development.</p> <p>NSC must strike a balance between infrastructure requirements and development viability (and must not put Local Plan delivery at risk) and believes that the chosen approach is the most appropriate way to achieve this. As strategic sites will have a significant impact on strategic infrastructure, part of striking the balance is that that should also contribute towards its delivery.</p>	
22c	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes	Table 2 provides alternative development typologies for scenarios within Weston Town Centre. The typologies tested do not accord with adopted and emerging policies seeking to deliver 'aspirational housing' defined as	DM 34 of the NSC's Development Management Policies DPD sets out that "Aspirational housing will be <i>supported</i> throughout Weston-	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
	and Taylor Wimpey	low density housing or high-specification penthouse flatted developments.	super-Mare and as part of regeneration schemes.” It is not anticipated that this would be the dominant form of development.	
22d	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Evidence to support the geographical extent of the value areas has not been provided, in particular for sites on the boundaries of the £0/£40 zones. Full publication of evidence is required.	The viability assessment sets out the geographical areas over which the values patterns and typical levels were researched, in an entirely appropriate manner for considering CIL – looking at the broad characteristics of key areas and acknowledging the inherent imperfections in doing so. The established Town centre boundary was found to be appropriate for the nil-rating zone originally, and values within and outside this area were reconsidered so as to re-test this and look at potential alternatives in the 2016 review work. DSP discussed with NSC the possibility of adjusting / extending the nil-rate CIL (zone A) boundary compared with that previously proposed, but on analysis the previous consultation boundaries were considered the most suitable and	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			robust. Appendix III to the 2016 update outlines the supporting research, including at section 6 on Weston Town centre.	
22e	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Benchmark Land Values (BLVs) have not been updated in the 2016 Viability update. No evidence is given to justify the BLVs selected or to define the premium needed to apply in addition to Existing Use Value (EUV). Research on behalf of DCLG in 2011 suggested a Threshold Land Value of at least £494,000 per gross hectare.	The range of land values used as viability tests is considered appropriate and reflective of experience in practice. The Assessment update acknowledges that overall viability has not seen an upwards movement across the piece and this feeds into land price expectations more so than house prices growth alone; the movement in build costs is also an important factor. Savills appropriately acknowledge that CIL and other policy based costs reflect in land prices too.	No change.
22f	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	A viability buffer has not been applied in ascertaining suitable CIL rates. This should be a minimum of 30% across all typologies.	A viability buffer can be an arbitrary notion if this means applying a level of discount back from a theoretical maximum level of CIL charging rate. DSP's approach in this study is to ensure rates not set to the limits of viability through the nature of assumptions selected (including a using for this assessment a continued allowance for development profit at levels	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			<p>beyond those seen day to day in many site specific viability assessments at development management stage).</p> <p>The proposed rates are not set to the margins of viability, particularly held at previously consulted levels except for a conservative increase to the zone C charging rate proposal.</p>	
22g	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Appraisals fail to demonstrate the Gross to Net Land Take assumptions or how they have been reached. This is particularly important for larger sites.	<p>The relevance of this for strategic sites is acknowledged and would be an important assumption for inclusion within any future stage review of larger sites viability. For the relative review process carried out in the 2016 update, to refresh and build on the 2012 assessment work, within the smaller site typologies used the land-takes were increased by 10% for non-developable area as a notional adjustment. DSP acknowledges that this could have been made explicit – this is used in setting out the RLVs expressed in £/ha terms at Appendix II, but was not clear to see.</p>	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
22h	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Support broad density range used of 30 – 50 dwellings per hectare, but question if appropriate in rural locations.	For non-town centre development a range of assumed densities at 30-50 dph has been assumed, indicative of the range that could be seen, but acknowledging that this will vary from site to site in practice. The upper end assumption here represents a mix of flats and housing and is considered representative of that on a smaller site of the type considered for the relative update tests – comparisons with previous results allowing a view on the effect of the updated values and costs in combination and compared with the previous overview.	No change.
22i	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Unclear in 2016 appraisal which open market sales values have been used. Application of House Price Index (HPI) is inappropriate as this takes account of all sales and is not specific to newbuild. Evidence provided considers asking prices, not actual sales. Transaction evidence should be used. Larger sites may have multiple sales outlets, diluting sales values.	The approach used is entirely appropriate for the overview to inform CIL viability. Update market information has been considered in the round. New build values will often be higher than or towards the upper end of prevailing market levels.	No change.
22j	Savills on behalf of Barratt Homes,	Affordable housing:	(i) and (ii) Support noted.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
	Linden Homes, Redrow Homes and Taylor Wimpey	<p>(i) Support re-evaluation of AH transfer values in light of national changes.</p> <p>(ii) Support NSC proposed tenure mix.</p> <p>(iii) North Somerset includes areas that fall within the definition of rural for the purposes of seeking affordable housing on sites of 5+ dwellings. This has not been taken into account.</p> <p>(iv) Tables 1 and 2 of Appendix II use a 20% affordable housing allowance in respect of smaller sites. Unclear why there is a change from policy compliance.</p> <p>(v) Starter Home testing within the viability appraisals is irrelevant as insufficient information is available to be able to judge impact.</p>	<p>(iii) As set out in 1.2.20 of DSP's Viability Update, testing assumed affordable housing from 5 dwellings upwards across all areas. The removal of this requirement from some areas will boost viability for CIL purposes.</p> <p>(iv) and (v) These tables formed part of wider scenario testing exercises. They are not the basis for the proposed CIL rates, which assume policy compliance at 30%.</p>	
22k	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	<p>Baseline construction costs: concerned that appraisal uses Q1 2015 build costs which are out-of-date.</p> <p>Appendix 1 rebases build costs to 'Somerset' – the BCIS has a specific re-based rate for North Somerset under the title 'Woodspring'.</p>	<p>DSP acknowledges that the BCIS figures move around, and have been doing of late. As with many of the assumptions areas, a view has to be made at a point in time during the assessment process and it has been DSP's approach not to use that element of the data that includes a forecasted element. Overall, it would almost always be possible to point to or select variant figures to some degree, but a reasonable approach has been taken and the comparisons</p>	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			<p>included within Appendix I show the higher levels of costs being allowed for in the update. As part of the buffered / relatively cautious approach helping to inform and ensure judgements not setting CIL at the margins of viability, DSP continues to use a 2% sustainable construction costs allowance that it finds in many cases is not being used in scheme specific viability assessments.</p> <p>The BCIS FSB report costs uplifts for smaller sites were allowed for, and no economies of scale have been assumed within increasing scale of build and repeated unit types etc.</p> <p>Overall, the collective costs view is appropriate for the purpose.</p>	
221	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	<p>Abnormal costs: focus on existing urban areas and brownfield costs means that many developments will incur abnormal costs including:</p> <ul style="list-style-type: none"> - Demolition. - Abnormal foundation design. - Flood alleviation works. - Land stabilisation. - Decontamination. 	<p>The majority of sites that may experience such abnormal costs are within the Weston Town Centre zone, which is set at a £0/sqm rate.</p> <p>Without using CIL as a planning tool, the Council can do no more in respect of CIL and viability than set it at nil where most frequently</p>	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		<p>Greenfield sites may also experience abnormal costs including sewage connections, contamination, etc.</p> <p>Recommend allowance of 5% across all typologies.</p>	<p>lower sales values, PDL site value expectations and development issues such as these may be encountered frequently in combination.</p> <p>In general, such costs are highly site and scheme specific, and it is not appropriate to add universal allowances for the possibility that they might occur. Other mechanisms (e.g. on s.106 obligations negotiation) exist for considering any necessary viability-led adjustments to the collective costs of development and it should also be noted that land value expectations should be informed by the site characteristics, subject to planning – issues and constraints as well as opportunities.</p> <p>The normal costs of development are relevant for the purpose, and this methodology has been found consistently robust.</p>	
22m	Savills on behalf of Barratt Homes, Linden Homes,	Infrastructure costs: £4,000 is inadequate; range of higher values suggested.	This is considered an appropriate assumption for the smaller site scenarios used for relative update	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
	Redrow Homes and Taylor Wimpey		<p>tests – 2016 comparisons and informing judgements building on the earlier review work.</p> <p>It is acknowledged that for strategic scale development a different appraisal approach may be warranted, but that has not been considered relevant by the Council to the current stage CIL dynamics.</p>	
22n	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	<p>No account made for statutory fees; should include £385 per unit.</p> <p>Larger sites should include an allowance for site promotion of 10 – 20% of greenfield land value.</p>	<p>As above, for the purpose the collective costs assumptions made are considered appropriate, and are in line with other assessment work recently found robust for informing CIL charge setting. Same comments apply as above in respect of larger / strategic sites.</p>	No change.
22o	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	<p>S106 allowance of £3000/dwelling is inadequate.</p> <p>Site Allocations DPD identifies site specific requirements for various sites exceeding this allowance, including North West Nailsea, Engine Lane, Winterstoke Road and North Avenue.</p>	<p>There appears to be no evidence of this. Whilst the fullest possible interpretation of the Council's planning obligations SPD may involve sums exceeding the assumed level, the Council will expect to give practical consideration to the collective costs of development, prioritising particular matters to those most essential to supporting sustainable</p>	<p>No change to rates.</p> <p>NSC to review draft Regulation 123 List to consider any change required in relation to strategic sites.</p>

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			development in some instances. Bearing in mind that this allowance is made alongside the CIL rate testing, this is considered appropriate and represents a considerably increased assumption over that made in the earlier base viability assessment.	
22p	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Clarification needed on what constitutes 'site value' for the purposes of calculating marketing costs (BLV or GDV) – suggest should be GDV.	It is confirmed that the marketing costs are based on the GDV – total sales values.	No change.
22q	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Development finance: 6% allowance is reasonable, but viability study does not contain detail as to how applied.	Finance costs are calculated in accordance with industry standard typical approaches – allowed for on the land and development costs financed through from scheme lead-in to the dwelling sales. An arrangement fee is also assumed as part of the collective costs approach and a proxy for additional finance costs; all in all amounting to an allowance of at least a sufficient level of finance cost.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
24a	GVA on behalf of St. Modwen	<p>Note DSP comments that no scope to increase charges for the outer Weston area, but query whether consideration has been given to a potential reduction, at least for the residual Weston Villages allocations, on the basis of the significant site specific infrastructure requirements and enabling works.</p> <p>Weston Villages' sites have not been able to achieve policy compliance in terms of affordable housing. The introduction of CIL in addition to S106 requirements could further undermine delivery of shared infrastructure.</p>	<p>All Weston Villages sites are anticipated to be consented prior to the introduction of CIL.</p>	<p>No change.</p>
24b	GVA on behalf of St. Modwen	<p>Zoning is very rigid with no differentiation between a small-scale greenfield site and strategic regeneration sites, particularly in relation to the difference in on-site and near-site requirements for the two.</p>	<p>Zoning necessarily involves the defining of a line and a rigid approach, which is considered appropriate where informed by the viability evidence and considered to most suitable way of reflecting local variance in viability.</p> <p>Whilst differentiation is also possible by type and scale of development, it is considered that the Council's approach will best reflect the various characteristics that are relevant locally. At the proposed rates, the proposed CIL charge setting is consistent with the types of development remaining to be delivered.</p>	<p>No change.</p>

Ref	Respondent	Summary of comments	NSC response	Suggested changes
24d	GVA on behalf of St. Modwen	Welcome update to IDP.	Support noted.	No change.
24e	GVA on behalf of St. Modwen	Continue objection to blanket retail rate; should consider geographic charging zones to encourage retail proposals in Weston Town Centre and the Weston Villages. Particular concern about delivery in Locking Parklands high street.	The CIL cannot be used as a policy tool. It appears that this representation expresses potential concern about viability per se, rather than as would specifically be impacted by CIL charging at the level proposed – that is considered not to be “make or break” for viability.	No change.
<p><u>NSC comments:</u></p> <p>NSC notes the comments above, but does not believe any new evidence has been presented that gives sufficient cause for it to change its rates.</p> <p>However, further consideration will be given to the following:</p> <ul style="list-style-type: none"> - The introduction of an Instalments Policy for apartment blocks, to assist with the specific cashflow issues of that type of development. - Any revisions to the draft Regulation 123 list that may be helpful in improving clarity on the balance of CIL and S106 for strategic sites. 				

2) Do you agree with North Somerset's proposal not to introduce a policy for phasing of CIL payments?
What are your reasons?

Ref	Respondent	Summary of comments	NSC response	Suggested changes
3b	Backwell Parish Council	Support proposal not to introduce phasing policy.	Support noted.	See below.
1b	Blagdon Parish Council	Support proposal not to introduce phasing policy.	Support noted.	See below.
29b	Clevedon Town Council	In no doubt that the CIL payment should be agreed at the outset and paid within the 60 day deadline and that this should be enforced.	Support noted.	See below.
15a	Long Ashton Parish Council	Support proposal not to introduce instalments policy.	Support noted.	See below.
21c	Portishead Town Council	Support proposal not to introduce a phasing policy; infrastructure is needed from the earliest occupations of development.	Support noted.	See below.
28b	Wrington Parish Council	Support intention not to phase CIL payments.	Support noted.	See below.
7e	David Packham	Disagree with proposal not to include a phasing policy. This may exclude developers who cannot front fund CIL charges.	NSC recognises this as a valid concern, however as set out in the consultation document this must be balanced against other concerns such as the need for infrastructure to be provided at an early stage.	See below.
18b	Neil Middleton	Support proposal not to introduce a phasing policy.	Support noted.	See below.
11c	Highways England	Agree with proposal not to introduce a phasing policy.	Support noted.	See below.
25b	Tetlow King/South West HARP	Strongly urge phasing of CIL payments via an Instalments Policy, as this assists with development cashflow. Rationale that this	Charges are set at rates which we believe to be viable.	See below.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		would increase administrative costs is inappropriate and insufficient reason for risking that needed development is rendered unviable.	Administrative costs are only one of the reasons given for resisting an instalments policy. A more pressing factor is the need for early infrastructure delivery, which is also subject to cashflow.	
10b	Gladman	Object to the lack of an Instalments Policy as this could have a significant effect on the cashflow and subsequent viability of a development. Phasing of permissions should be accepted with each treated as a separate chargeable development.	NSC recognises this as a valid concern, however as set out in the consultation document this must be balanced against other concerns such as the need for infrastructure to be provided at an early stage. Comments on phasing of permissions noted; there is no in principle objection to this but it would be dealt with on a case-by-case basis.	See below.
22r	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Significant concern at lack of instalment policy, particularly given large number of sites of more than 100 dwellings. Developer cashflow should be an important consideration. NPPG sets out that this should be a consideration in terms of viability. No information is provided in the viability appraisal on cashflow or viability of larger sites. Phasing model proposed but respondent also suggest an over-riding mechanism allowing case-by-case assessments.	Rates are based on viability testing, which has assumed no phasing of CIL.	See below.
24f	GVA on behalf of St. Modwen	Note that majority of respondents to previous consultation supporting a phasing policy –	NSC recognises this as a valid concern, however as set out in the	See below.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		NSC should at the least consider a phasing approach based on occupation for strategic sites.	consultation document this must be balanced against other concerns such as the need for infrastructure to be provided at an early stage.	
<p><u>NSC comments:</u></p> <p>Noted that many respondents support NSC’s position not to introduce a phasing policy, in order to enable early delivery of infrastructure.</p> <p>A change of policy for large sites is not felt necessary, as these are in any case most often delivered in Reserved Matters phases, which in themselves create a phasing of payments. It is acknowledged that such sites in having larger numbers of dwellings require an upfront payment, but equally they will also experience economies of scale etc and it is likely that CIL will be a relatively small amount compared to the overall site investment.</p> <p>In light of concerns from specialist providers of retirement/care housing, further consideration will be given by NSC to a phasing policy for apartment blocks.</p> <p>NSC also notes that instalments policies need not be fixed at the point of examination and can be introduced thereafter if felt to be required.</p>				

3) Do you agree with North Somerset's proposal not to introduce a discretionary charitable relief policy?
What are your reasons?

Ref	Respondent	Summary of comments	NSC response	Suggested changes
1c	Blagdon Parish Council	Support proposal not to introduce discretionary charitable relief, provided mandatory relief remains in place and is well defined.	Support noted.	No change.
3c	Backwell Parish Council	Support proposal not to introduce discretionary charitable relief.	Support noted.	No change.
29c	Clevedon Town Council	Agree that a discretionary charitable relief policy should not be introduced as this would complicate the charging structure.	Support noted.	No change.
15b	Long Ashton Parish Council	Support proposal not to introduce discretionary charitable relief.	Support noted.	No change.
28c	Wrington Parish Council	Agree with proposal not to introduce discretionary charitable relief, although should be kept under review.	Noted.	No change.
7f	David Packham	Agree that discretionary charitable relief should not be included.	Support noted.	No change.
11d	Highways England	Agree that discretionary charitable relief should not be introduced.	Support noted.	No change.
22s	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Discretionary and Exceptional Circumstances Relief should be made available. There is no detriment to NSC doing so, as NSC would retain control over the application of policies. Strict tests mean that only those schemes that can justify need would be able to secure relief.	- We disagree that there is no detriment to NSC, as there would be a loss of income to meet infrastructure requirements, as well as the additional administrative work of operating such policies. - NSC has considered a range of factors and does not intend to introduce the policies.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		Discretionary Social Housing Relief should be implemented to ensure that CIL is not paid on Starter Homes if introduced.	<ul style="list-style-type: none"> - It is our understanding that government intends to introduce a mandatory CIL exemption for Starter Homes. - The decision not to allow relief will be kept under review and may change in the future should there be evidence of a need. 	
<p><u>NSC comments:</u></p> <p>Most respondents support NSC's position. The comments from Savills have been noted but on balance NSC is choosing to maintain its position of not allowing this type of relief. This policy can be kept under review after the implementation of CIL and amended if it proves problematic.</p>				

4) Do you agree with North Somerset's proposal not to introduce an exceptional circumstances relief policy?
What are your reasons?

Ref	Respondent	Summary of comments	NSC response	Suggested changes
1d	Blagdon Parish Council	Support proposal not to introduce exceptional circumstances relief.	Support noted.	No change.
3d	Backwell Parish Council	Support proposal not to introduce exceptional circumstances relief.	Support noted.	No change.
29d	Clevedon Town Council	Fully support that there should be no exceptional circumstances.	Support noted.	No change.
15c	Long Ashton Parish Council	Support proposal not to introduce an exceptional circumstances relief policy.	Support noted.	No change.
28d	Wrington Parish Council	Support proposal not to introduce exceptional relief policy.	Support noted.	No change.
7g	David Packham	Exceptional circumstances relief should be permitted.	Comment noted but NSC's views remain as set out in the consultation document that exceptional relief be problematic in operation and would not make a significant difference in enabling development.	No change, but could be reviewed post CIL-implementation if sufficient reason arises.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
18c	Neil Middleton	Support proposal not to introduce exceptional relief.	Support noted.	No change.
11e	Highways England	Support position not to permit exceptional circumstances relief.	Support noted.	No change.
12a	Historic England	Need to take account of impact of CIL on regeneration of historic areas. Encourage use of exceptional circumstances relief to enable safeguard and encourage appropriate and viable uses for the historic environment.	Many of North Somerset's historic buildings fall within the Weston Town Centre £0/sqm CIL zone. However it is acknowledged that there are significant heritage assets elsewhere, for example, Clevedon. Calculation of CIL charges takes into account a deduction for existing space. Most heritage projects will involve the demolition or restoration of an existing property and in this way CIL already takes account of the importance of regeneration.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			<p>In order to qualify for exceptional circumstances relief, a development must have in place a S106 agreement with a value higher than the anticipated CIL, and the maximum relief is limited by State Aid regulations. In this respect, we believe the relief on offer would not be especially helpful to regeneration projects. A simpler answer may be to consider S106 viability on a case-by-case basis, if proven to be required.</p>	
25c	Tetlow King/South West HARP	<p>Recommend introduction of exceptional circumstances relief. Cross-subsidy is needed on some schemes between market and affordable housing. The introduction of CIL charges</p>	<p>National guidance is explicit that CIL should be set at rates that are viable without reliance on exceptional circumstances relief.</p>	<p>No change.</p>

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		may have the perverse effect of increasing the financial requirement for market units, reducing the affordable provision that can be made.	We believe our proposed rates meet this requirement.	
10c	Gladman	Exceptional circumstances relief should be allowed to avoid rendering sites with exceptional cost burdens unviable and to allow for potential economic downturns.	Rates are set a level which we believe are viable throughout different economic cycles. The decision not to allow relief will be kept under review and may change in the future should there be evidence of a need.	No change.
22s	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Discretionary and Exceptional Circumstances Relief should be made available. There is no detriment to NSC doing so, as NSC would retain control over the application of policies. Strict tests mean that only those schemes that can justify need would be able to secure relief. Discretionary Social Housing Relief should be	We disagree that there is no detriment to NSC, as there would be a loss of income to meet infrastructure requirements, as well as the additional administrative work of operating such policies.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		<p>implemented to ensure that CIL is not paid on Starter Homes if introduced.</p>	<p>NSC has considered a range of factors and does not intend to introduce the policies.</p> <p>It is our understanding that government intends to introduce a mandatory CIL exemption for Starter Homes.</p> <p>The decision not to allow relief will be kept under review and may change in the future should there be evidence of a need.</p>	
24g	GVA on behalf of St. Modwen	<p>Question the decision not to introduce exceptional relief; potential implications for Weston Villages if an extension arises but is precluded by delivery of combined S106 and CIL requirements. Should include a review mechanism for such circumstances.</p>	<p>Rates are set a level which we believe are viable throughout different economic cycles. The decision not to allow relief will be kept under review and may change in the future should</p>	<p>No change at the current time, but policy to be kept under review post-implementation.</p>

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			there be evidence of a need.	
<p><u>NSC comments</u></p> <p>It is clear there are mixed views on this point. In general Parish Councils, statutory agencies and individuals agree that no exceptional relief should be allowed, but developers disagree.</p> <p>NSC has considered the comments made on balance is choosing to maintain its position of not allowing this type of relief. This policy will be kept under review after the implementation of CIL and can be amended if it proves problematic.</p>				

- 5) Do you think the draft Regulation 123 List provides a clear understanding of the infrastructure that might be funded through the CIL?
- 6) Do you think the draft Regulation 123 List strikes the right balance between CIL contributions and Section 106 planning obligations?

Ref	Respondent	Summary of comments	NSC response	Suggested changes
1e	Blagdon Parish Council	Reg 123 List appears comprehensive; no suggested additions or changes.	Noted.	No change.
1f	Blagdon Parish Council	Balance of S106 & CIL appears "about right".	Noted.	No change.
1g	Blagdon Parish Council	Support emphasis on CIL rather than S106.	Noted.	No change.
3e	Backwell Parish Council	Agree that draft Regulation 123 List provides a clear understanding of infrastructure that might be funded through the CIL.	Support noted.	No change.
3f	Backwell Parish Council	Agree that draft Reg 123 List strikes the right balance between CIL and S106.	Support noted.	No change.
29e	Clevedon Town Council	The draft Regulation 123 List provides a clear understanding of the infrastructure that might be funded through the CIL.	Support noted.	No change.
29f	Clevedon Town Council	The draft Regulation 123 List strikes the right balance between CIL contributions and Section 106 planning obligations.	Support noted.	No change.
15d	Long Ashton Parish Council	Regulation 123 list is clear and the right balance has been struck.	Support noted.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
28e	Wrington Parish Council	The following should be moved to the CIL list: <ul style="list-style-type: none"> - On-site access and highway provision. - On-site and near-site sustainable transport access. - On-site/near-site flood mitigation and drainage schemes. 	Many of these needs are provided for through works-in-kind, which are best provided through planning conditions, S106 or S278 agreements rather than CIL.	No change.
7i	David Packham	Insufficient information provided to assess the logic of the split between S106 and CIL in the Regulation 123 list.	Unclear what additional information is required.	No change.
18d	Neil Middleton	Support proposed Reg 123 List, subject to clearer identification of infrastructure needs in each category. Potential for overlap between schemes in categories such as “off-site strategic community, leisure and sports provision”.	Agreed that the definitions could be improved in some cases.	Regulation 123 List to be reviewed to improve clarity.
11a	Highways England	Pleased to note that comments on earlier stages of consultation have been addressed or clarified, incl. provision for ‘near site’ transport mitigation through S106.	Noted.	No change.
11f	Highways England	Acknowledge and support types of infrastructure included in Draft Regulation 123 List. Agree strategic transport schemes should be included in CIL list and that more site specific transport requirements	Support noted.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		should be funded or delivered by the developer through S106, S38 or S278 agreements.		
12b	Historic England	The Preliminary Draft Charging Schedule included a provision that CIL might be used for ' <i>existing or improved heritage schemes of strategic significance</i> '. This provision should be re-instated.	Noted. This was removed in error and can be reinstated in some form; however it should be noted that CIL can only be spent on infrastructure, and could not be used (for example) on the restoration of a private building.	Regulation 123 List to be reviewed and appropriate reference to heritage schemes reinstated.
19	Network Rail	Developer contributions should include provisions for rail, where appropriate. Transport Assessments to include consideration of impacts on rail to allow contributions to be calculated. Network Rail to be consulted on developments with a potential impact on rail.	Proposed Regulation 123 List allows for CIL to be used towards strategic rail schemes (although actual allocations would be subject to further approvals). Comments on transport assessments and consultation have been passed to relevant colleagues.	No change.
20c	North Somerset Levels Internal Drainage Board (NSLIDB)	Balance between S106 and CIL is critical. Draft list needs more clarity in terms of strategic flood schemes, which will be CIL/S106 and which developments would be included in each case.	Noted. Agreed that greater clarity is desirable, however this will require the IDB to forward plan schemes and notify NSC of proposals.	Regulation 123 List to be reviewed for clarity.
20d	North Somerset Levels Internal Drainage Board (NSLIDB)	Request for information on how often Reg 123 list will be reviewed and procedure for adding schemes.	Reviews will be as and when needed. NSLIDB is invited to identify appropriate schemes.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
23c	Sport England	All new developments should provide for new or enhanced sports and recreation facilities.	The Regulation 123 List allows for expenditure on sports and recreation, but such expenditure cannot be guaranteed in advance of future decisions on priorities.	No change.
23c	Sport England	Greater clarity needed on what is included in the CIL and S106 categories for community, leisure and sports provision. Concern that inclusion of some aspects in CIL may prevent developments being to mitigate their impacts adequately, in particular in relation to sports pitches/playing fields. Wording from other areas proposed.	Agreed that greater clarity is desirable.	Regulation 123 List to be reviewed and greater clarity provided where possible – to include consideration of specific wording proposals from respondent.
26a	Woodland Trust	Reference to catchment-based flood and drainage schemes to be amended to add the words ' <i>such as tree planting</i> '.	NSC's policies on drainage already include consideration of tree planting, as well as of other forms of drainage and SUDS. It is not felt necessary or of benefit to include a specific reference within the Regulation 123 List.	No change.
23b	Woodland Trust	Reference to off-site green infrastructure to be amended to add the words ' <i>including tree planting</i> '.	NSC's policies on green infrastructure already include provisions for tree planting, as well as many other forms of green infrastructure. It is not felt necessary or of benefit to include a specific reference within the Regulation 123 List and could be harmful in	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
			suggesting that other forms of green infrastructure are not included.	
22t	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	List of exclusions from CIL is imprecise and could lead to confusion. The number of strategic development areas under NSC definition could be large, increasing the number of exclusions that will be required.	Agreed that greater clarity is required on some aspects.	Regulation 123 List to be reviewed and greater clarity to be provided.
24h	GVA on behalf of St. Modwen	Greater clarity needed in Reg 123 List in terms of: - “Near-site” infrastructure. - Strategic development area.	Agreed that greater clarity is needed.	Regulation 123 List to be reviewed.
24i	GVA on behalf of St. Modwen	A significant balance of S106 remains for strategic sites; further analysis should be pursued in light of those Weston Villages developments that don’t yet have consent.	It is anticipated that all Weston Villages sites will be consented prior to CIL implementation, however agreed that the Regulation 123 List can be reviewed to ensure clarity in relation to strategic sites.	Regulation 123 List to be reviewed.

NSC comments:

The balance of CIL and S106 receives reasonable support, but it is clear some improvements could be made to enhance clarity and understanding. Key issues to be addressed are:

- **Consideration to be given to issues in relation to playing pitches, strategic flood requirements and heritage schemes.**
- **Lack of clarity in some definitions, particularly in relation to “on-site”, “near-site” and “off-site” requirements and ensuring no ‘double-dipping’.**
- **The definition of strategic sites / strategic development areas.**
- **The balance of CIL and S106 for strategic sites, taking account of viability concerns.**

7) Other comments and issues

Ref	Respondent	Summary of comments	NSC response	Suggested changes
a) General comments on introduction of CIL/DCS proposals				
27a	Banwell Parish Council	Welcome introduction of CIL.	Support noted.	No change.
4	Barrow Gurney Parish Council	Supports the Draft Charging Schedule proposals.	Support noted.	No change.
14	Kingston Seymour Parish Council	Supports the proposals.	Support noted.	No change.
8	Environment Agency	No comment.	Noted.	No change.
17	Natural England	No comments.	Noted.	No change.
20a	North Somerset Levels Internal Drainage Board (NSLIDB)	Support the introduction of and timescale for CIL.	Support noted	No change.
<u>NSC comments:</u>				
These comments expressed general support for the proposals. No changes required.				
b) Comments about use of CIL and share of CIL for local needs				
3g	Backwell Parish Council	Concern that continuation of scaled down S106 alongside CIL will mean that Town and Parish Councils will lose out. Wish for clarification that Town and Parish Councils will receive full CIL income.	Town and Parish Councils will receive 15% of CIL income from development within their area, or 25% if they have an adopted Neighbourhood Plan. This is in line with national requirements.	No change.
27b	Banwell Parish Council	Note expenditure linked to Infrastructure Delivery Plan. Concern that money will	The neighbourhood allocations follow national requirements.	No change.

Ref	Respondent	Summary of comments	NSC response	Suggested changes
		not be used for infrastructure needs arising from the development in question. Pleas that Town & Parish Councils will receive a share but this should be irrespective of Neighbourhood Plan, esp. where developments are not in Core Strategy and might create new infrastructure need. As much as possible should be passed to local communities.		
1h	Blagdon Parish Council	As a rural area, would not want to be excluded from consideration in funding allocations.	Noted.	No change.
7j	David Packham	Do we trust NSC to apply the CIL equitably and fairly?	NSC is required to publish an annual report on CIL income and expenditure which will allow judgements to be made.	No change.
27c	Banwell Parish Council	A regular report on income and expenditure would be useful.	NSC is legally required to publish an annual report.	No change.
<p><u>NSC comments:</u></p> <ul style="list-style-type: none"> • The comments requiring transparency of expenditure are noted, as is the wish for local areas to receive a fair share. • Procedures for governing the use of CIL are yet to be finally determined, but are likely to follow established procedures for prioritising expenditure on infrastructure to support development, based on the North Somerset Infrastructure Delivery Plan. An annual report on income and expenditure will be published on our website. • Neighbourhoods will receive a share of CIL in line with government guidance. Town and Parish Councils are free to determine their expenditure of this income, subject to compliance with national regulations. 				

Ref	Respondent	Summary of comments	NSC response	Suggested changes
c) Need for regular review and adjustment of rates				
7d	David Packham	Means to adjust rates should be provided if the rates are having an impact on developments.	Rates can be adjusted through a review of CIL in the future if required. However this would require re-consultation and examination so would be onerous. NSC is confident that the proposed rates strike the correct balance between infrastructure need and development viability.	No change.
25d	Tetlow King/South West HARP	Endorse regular monitoring and review of CIL. Recommend as good practice that NSC should specify when a review should take place: either every three years; if there has been a 10% change in house prices; or in light of any significant change to national planning policy or guidance, whichever is sooner.	Agreed that reviews should be held at appropriate intervals, but we would not wish at this stage to fix what those intervals should be as this could generate reviews when not needed/appropriate and/or hinder responsiveness to change. The process of setting CIL rates takes around 18 months and therefore too frequent review may create the market uncertainty that CIL is intended to help avoid.	No change.
22v	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Regular monitoring of CIL required to ensure no detriment to housing delivery.	Comment noted.	No change.
<u>NSC comments:</u>				
NSC agrees that it is important to keep the appropriateness of CIL rates under review. Reviews will be held at appropriate intervals, but we would not wish at this stage to fix what those intervals should be as this could generate reviews when not needed/appropriate and/or hinder responsiveness to change.				

Ref	Respondent	Summary of comments	NSC response	Suggested changes
d) Other policies relating to CIL				
16	Mac McDonald	Self-build developments should be exempted from the CIL.	A national exemption for self-build properties is already in place.	No change.
10d	Gladman	The council should make allowance for payment through land or infrastructure in kind. This may create time, cost and efficiency benefits.	The council understands that such in-kind payments are only acceptable where the land or infrastructure is <u>not</u> necessary to mitigate the requirements of the individual site. It is believed that such circumstances will be rare and as such this policy is not intended to be introduced at the current time. It will be kept under review and may be introduced in future if deemed likely to be useful.	No change.
22u	Savills on behalf of Barratt Homes, Linden Homes, Redrow Homes and Taylor Wimpey	Support the use of an in-kind payment mechanism.	The council understands that such in-kind payments are only acceptable where the land or infrastructure is <u>not</u> necessary to mitigate the requirements of the individual site. It is believed that such circumstances will be rare and as such this policy is not intended to be introduced at the current time. It will be kept under review and may be introduced in future if deemed likely to be useful.	No change.
<u>NSC comments:</u>				
Please see above.				

