



Rother District Council

Statement on the Preliminary Draft Charging Schedule Consultation

Response to Representations



Introduction

1. The Council is in the process of introducing a Community Infrastructure Levy (CIL) for the district. The justification for the introduction of CIL must be supported by the evidence of a funding gap for the provision of infrastructure and a robust viability assessment across the district to demonstrate CIL can be accommodated.
2. Under Regulation 15 of the 2010 CIL Regulations, the Council went out to consultation on its Preliminary Draft Charging Schedule (PDCS). The consultation commenced on the 8th August 2014 and ended at 4.30pm on 26th September 2014. Aside from supporting material for the consultation process, the Council ran a Stakeholder Workshop on 8th November 2013 inviting local and national developers, agents, RSL and other commercial stakeholders to the Town Hall to explain about the CIL system and the Council's work programme to implement CIL. They were invited to contribute during the workshop and to engage with the process. There was also an opportunity to speak to officers after the session in confidence and provide further information to inform the process.
3. In making representations consultees were asked to set out their comments in response to the nine questions:
 1. *Do you agree that Rother District Council should introduce a CIL?*
 2. *Do you agree that there is a clear infrastructure funding gap?*
 3. *Do you agree with the proposed residential CIL charging zones?*
 4. *Do you agree with the proposed CIL charge rates for residential uses?*
 5. *Do you agree with the proposed CIL rates for non-residential development?*
 6. *Do you support the introduction of an instalment policy in Rother for CIL payments?*
 7. *Do you have any views on whether the District Council should introduce a discretionary and exceptional relief policy?*
 8. *Do you agree with the proposed Regulation 123 List?*
 9. *Do you have any further comments on the PDCS?*

Representations on the Preliminary Draft Charging Schedule

4. In total, there were 23 consultees who responded to the PDCS consultation and not all of them considered all nine questions in their submission. In compliance with Regulation 15(7), the Council has considered all representations made in response to the Preliminary Draft Charging Schedule, and this has gone on to inform the Draft Charging Schedule.

List of Respondents

Land Securities (CGMS)	Permission Homes (JB Planning)
Marchfield Strategic Land (JB Planning)	Morrisons (Peacock and Smith)
Salehurst and Robertsbridge PC	Sedlescombe Parish Council
Rye Town Council	Ewhurst Parish Council
Asda	Gladman Development
Sussex Police	Bovis (Bidwells)
Highways Agency	Environment Agency
Natural England	East Sussex County Council
Michael D Hall Building Services	Sport England
Nigel Jennings	Marine Management Organisation
D Powell	McCarthy and Stone
SECAMB	

A schedule of the representations with the Council's responses can be viewed below in Table 1:

Table 1 Schedule of Responses

Q1. Do you agree that Rother District Council should introduce a CIL?			
Summary			
	Organisation	Comment	Council's Response
	Salehurst and Robertsbridge PC	Support. The Parish Council agrees with the benefits of CIL outlined in paragraphs 3 and 4 of the document.	Noted.
	Rye Town Council	Support. There should be acknowledgement that a proportion of CIL receipts will be redirected to town and parish councils. The rate should not have an adverse impact on development.	Noted.
	Sussex Police	Support	Noted.
	Michael D Hall Building Services	Comment. Accept the principle of a CIL but cannot agree to the claimed shortfall of £133million.	The funding analysis has been refined and updated after further consultation with key infrastructure providers.
	Nigel Jennings	Support	Noted
	Sedlescombe Parish Council	Support but would prefer a flat CIL rate across the district,	Noted. The Regulations allow a Local Authority to introduce a differential CIL rate if viability evidence supports this; advice is that there are notable value variations; this also helps minimize the funding gap.
	Ewhurst Parish Council	Support	Noted
	East Sussex County Council	Support	Noted.
	Sport England	Support	Noted.

Q2. Do you agree that there is a clear infrastructure funding gap?			
Summary			
	Organisation	Comment	Council's Response
	Salehurst and Robertsbridge PC	Support.	Noted
	Rye Town Council	Support. Emerging infrastructure considerations for the Neighbourhood Plan should be included in the funding gap analysis.	Noted. The IDP is a 'live' document and as the NP develops it would be appropriate to acknowledge emerging infrastructure requirements through the IDP.
	Sussex Police	Support	Noted.
	Michael D Hall Building Services	Objection. No. The funding gap of £133 million seems based on a wish list without thought to what might be realisable or realistic. Think: Christmas list by a child. No local authority, no organisation ever has enough funds for what in an ideal world they may wish to spend and provide. You cannot, none of us can have all that we want or desire. An estimated shortfall of £133 million without doubt serves to suggest that aspirations are out of reach and unrealistic.	Further clarification of the funding gap has been undertaken. The funding gap has been revised after further consultation with key infrastructure providers over costs with critical and important infrastructure as identified in the IDP only considered as part of the analysis. The removal of HS1 rail extension from the analysis at this stage is accepted given uncertainties and as the project will be funded primarily through central government. Other infrastructure is vital and shows a clear funding gap, even before work on specific site allocations which may yield further local infrastructure needs.
	Nigel Jennings	Yes there is a funding gap. However the inclusion of HS1 distorts the figure as the project will be funded through central government.	The Council will continue to review the funding gap. The removal of HS1 rail expansion extension from the analysis at this stage is accepted is appropriate given uncertainties and as the project will be funded primarily through central government.

	Sedlescombe Parish Council	Comment. SPC asks if the incremental increase in the Council Tax has been taken into account and offset against the infrastructure funding gap.	No. Council tax receipts generally fund revenue costs for the emergency services and local government services to meet existing needs, rather than to accommodate new development.
	Ewhurst Parish Council	Support. Useful source of income to address infrastructure deficiencies.	Noted
	Gladman Development	The funding gap analysis should be based on up to date evidence. Infrastructure planning should be up to date. Initial funding of infrastructure should take into account other funding sources including capital programmes, new homes bonus and Council tax sources. CIL charging rates should not be set at levels which threat viability across the district.	The Council has an up to date plan as the Core Strategy was adopted in September 2014. The infrastructure requirement underpinning the plan has been scrutised by the Planning Inspector during Examination. Recent review of the IDP to reflect the latest costings and funding sources ensures infrastructure planning for the district is up to date and robust reflecting the requirements of growth planned for the district. The concern about impact on viability is noted, but proposed CIL rates are not set at the margins of viability.

Q3. Do you agree with the proposed residential CIL charging zones?			
Summary			
	Organisation	Comment	Council's Response
	Salehurst and Robertsbridge PC	Support. Different rates are appropriate	Noted.
	Rye Town Council	Support. RTC agree in principle the different charging zones proposed in Rother.	CIL charging zones are determined by viability considerations. Please refer to para 4.3.13 in the PBA report for clarification.
	Asda	Objection. Flat rate for all development within its boundaries.	Development is assessed in terms of viability considerations; PBA recommend differential rates.
	Michael D Hall Building Services	Objection. One size does not fit all. To simply draw a line between say, east and west or north and south does not reflect a fair assessment of value. There are many areas to the east of Rother with high value properties, there are many not so. The same may be said in the western part of Rother. Any charging might be based perhaps on local rateable values, these may well vary in one street. Simply will not work and there is no good in pretending or suggesting it will.	The residential charging zones are based in recommendations by Peter Brett Associates based on viability considerations and conform to 2010 CIL Regulations (as amended) and best practice. It would not be possible or appropriate to have charging zones from street to street as the evidence would not have been available. Viability has been assessed against a broad selection of site sizes and locations, aligned to the sites identified in the SHLAA 2013; hence, the overall impact on the viability of development needed to meet strategic requirement has been properly considered.
	Nigel Jennings	Objection. NE Bexhill is the strategic allocation where the majority of development will be allocated in the plan period. Subsequent a high CIL rate in this zone should be applicable.	A CIL rate is determined by economic viability. It is recognised that major urban extensions such as north east Bexhill have additional costs in terms of opening up the land for development.
	Marchfield Strategic Land (JB Planning)	Objection. West Bexhill should be delineated as a strategic site along with North Bexhill.	It is noted that development north of Barnhorn Road already has an outline permission.. Unlike land at north Bexhill, there are no significant abnormal infrastructure costs associated with opening up the site, such as the provision of a new

			road or other utility infrastructure coming forward to facilitate development. Also, unlike north Bexhill, the delivery of the Strategy for Bexhill is not dependent on the site coming forward.
	Sedlescombe Parish Council	Object. Sedlescombe will be penalised on future development coming forward.	Viability advice does not support the assertion. CIL charging zones are determined by viability considerations and are not policy driven. Please refer to para 4.3.13 in the PBA viability report for clarification.
	Gladman Development	Comment. Residential charging zones should be based on up to date economic viability considerations alone rather than any planning or any public policy related choices.	Noted.
	Bovis (Bidwells)	Support. Bovis are content that strategic allocations have their own charging schedule.	Noted

Q4. Do you agree with the proposed CIL charge rates for residential uses?			
Summary			
	Organisation	Comment	Council's Response
	Salehurst and Robertsbridge PC	Support. The PC supports the findings of the viability report.	Noted
	Rye Town Council	Comment. The proposed rate for the Rye zone is high relative to the neighbouring authorities and should be lower.	The proposed CIL rate is comfortably within the margins of viability, but further consideration will be given to the impact on delivery and charges in other areas in setting CIL rates.
	Asda	Objection. Flat rate for all development within its boundaries.	Development is assessed in terms of viability considerations; PBA recommend differential rates.
	Michael D Hall Building Services	Objection. I do not agree with the charging schedule based as it presumably is on a claimed shortfall of £133 million in turn reflecting an unrealistic aspiration for the district. The rates are unaffordable for house builders save perhaps for a few high volume national developers. The small developer, often building the better quality small or larger dwellings, will be more or less kicked into touch.	The proposed charging rates are recommendations made to the Council based on robust viability evidence. The rate of CIL will be set at a level which will not put development across the district at risk. The CIL rate for residential development is set comfortably away from recommended viability ceilings. The Council will nonetheless give further consideration to potential impacts on delivery.
	Nigel Jennings	Comment. The charging rate for assisted living housing seems high. As the population ages there will be more demand for these facilities.	Noted. Further viability work has been undertaken to refine this area and this has been updated in the addendum produced by PBA to the main report.
	Marchfield Strategic Land (JB Planning)	Objection. The significance of the funding gap and the difference in projected CIL revenue could lead to pressure in the future to increase the CIL and adversely affect viability and overall delivery of housing in the district. The Economic Viability Assessment appears to be inconsistent and reflects lower housing targets	Further work has been undertaken to refine and update the funding gap. The rate of CIL is determined by viability and cannot be set as a policy intervention in a particular geography.

		<p>expressed in earlier versions of the Strategy</p> <p>Level of residential CIL rate proposed in Rother in comparison with neighbouring authorities is too high and would impact on the delivery of housing in Rother.</p> <p>Our client is concerned that a high CIL rate is likely to result in decreased development.</p>	<p>Note point regarding housing targets. While the figures used by PBA were correct at the time they were commissioned, the assumptions used in the viability model have now been revised to reflect the figures in the adopted Core Strategy.</p> <p>While the recommended CIL rates recommended in the PBA report are well within their viability margins, the Council will further consider residential CIL rates to ensure that they will not deter housebuilding rates in Rother and have regard to relevant rates in neighbouring areas. The CIL will be kept under review, but there is no presumption about any future increases.</p>
	<p>Permission Homes (JB Planning)</p>	<p>Objection.</p> <p>The significance of the funding gap could lead to pressure in the future to increase the CIL and adversely affect viability.</p> <p>Compare to nearby Wealden District the proposed residential CIL rates appear to be high in comparison.</p> <p>The Economic Viability Assessment appears to be inconsistent and reflects lower housing targets expressed in earlier versions of the Strategy;</p> <p>Our client is concerned that a high CIL rate is likely to result in decreased development.</p>	<p>Further work has been undertaken to refine and update the funding gap.</p> <p>Note point regarding housing targets. While the figures used by PBA were correct at the time as they were commissioned the assumptions used in the viability model have now been revised to reflect the figures in the adopted Core Strategy.</p> <p>While the recommended CIL rates recommended in the PBA report are well within their viability margins, the Council will further consider residential CIL rates to ensure that they will not deter housebuilding rates in Rother and will have regard to relevant rates in neighbouring areas, including in Wealden District.</p>

			The CIL will be kept under review, but there is no presumption about any future increases.
	Sedlescombe Parish Council	Objection. SPC would like to see a flat rate be implemented in the district.	The introduction of differential rate is fully justified by the viability report. A differential rate is fairer and is more reflective of the variations in house prices and land values attributed across Rother district. The introduction of differential rates is entirely appropriate within the Regulations and follows best practice and guidance.
	Ewhurst Parish Council	Object. The proposed rates are higher than those set by other authorities in East Sussex. The cost of housing is out of reach for many particularly for young people. CIL charges risk further exacerbating this trend.	The proposed CIL rates are within comfortable margins of viability and as such the rate proposed is appropriate and within the best practice guidelines. The tariff will come off the land price. Local house prices operate with normal market forces and it is not within the developers' interest to pass on the cost of CIL to buyers. Notwithstanding this, the Council will further consider potential viability implications and the rates being set by other Councils.
	Gladman Development	Comment. The justification for differential charging rates must be quantified by up to date viability evidence rather than a policy based decision.	Noted.
	Bovis (Bidwells)	Further viability work on the proposal is ongoing. Bovis reserve the right to submit representations through consultation process, written reps and at the hearing if required.	Noted.

Q5. Do you agree with the proposed CIL rates for non-residential development?

Summary

	Organisation	Comment	Council's Response
	Land Securities (CGMS)	Objection. The proposed CIL rate for non-residential is not consistent with those levels already adopted and/or being charged for elsewhere in the region. A high rate will suppress investment and put at risk the overall development in Rother.	It is not appropriate to compare one area directly with another as different areas have different markets aspirations, different requirements in serving the local population. The CIL rate set for retail development is supported by the viability evidence with assumptions that have been robustly justified. The CIL rate for retail is not set up to the margins of viability and a significant buffer has been accommodated to allow for flexibility in build costs.
	McCarthy and Stone	Objection to the CIL rate for Extra Care / Retirement Home. Question over the assumptions used in the modelling.	PBA have been asked to refine the viability testing for Extra Care/Retirement development. Please refer to their Addendum for further detail. This will be reflected in revised rates.
	Salehurst and Robertsbridge PC	Support. The Parish Council supports the non-residential rates.	Noted
	Rye Town Council	Comment. The rate of CIL Charge for non-residential is high relative to other districts. A high rate could discourage development and subsequently the non-residential rate for convenience/comparison foodstores and assisted care living schemes should be lower than the proposed rate at the moment.	The CIL rate for retail developments is not up to the ceiling of viability and a significant buffer has been accommodated to allow for flexibility and variations in local circumstances. Note point regarding assisted care living, which has been further assessed.
	Asda	Object. If the retail charges set out in the PDCS are adopted the consequences would be that the council would not achieve its strategic objectives. CIL would also market disincentive the sector would threaten inward investment. Other forms	All CIL rates are set by viability and by market economics and not by policy and the evidence to support this can be found in the report.

		of development would receive a subsidy at the expense of retail schemes. Flat rate for all development within its boundaries.	
	Michael D Hall Building Services	Objection. Forget private retail shops, the traditional perhaps long gone. There will be no chance of a return after this, room only for chain shops, no individual shops, may be anticipated unless they be of less than 100 sqm. If there is potential for profit it would seem that the local authority want a greater part of it (on top of LA fees, tax on profits, VAT, etc). The trouble is they want it before it has occurred. CIL is in danger of giving birth to cheaper construction as cuts are made to make development viable.	Noted. Construction costs are based on industry standards.
	Marchfield Strategic Land (JB Planning)	Objection. Proposed CIL rate for assisted living and extra care home is too high and would deter development of this type from the district.	PBA have undertaken further testing on extra care provision, which will be relected in revised CIL rates for these uses.
	Morrisons (Peacock and Smith)	Objection to the proposed CIL rate of £100 / £120 for convenience retail. Insufficient market evidence to support the CIL rate with assumptions including build costs underestimated. Assumption regarding finance rate is also underesimated (7% as opposed to 7.5%). Is finance applied it to land acquisition costs as well? Assumption to increase developer profit.	Further clarity on retail assumptions will be provided – see PBA Addendum report.
	Sedlescombe Parish Council	Object. The same rate should apply across the district.	The introduction of differential rate for non-residential is fully justified by the viability report. A differential rate is fairer and is more reflective of the variations in house prices and land values attributed across Rother district. Some sectors have £0 charge which reflects the development viability of that particular use. To charge those sectors with

			a flat rate would be unfair and uneconomic.
	Ewhurst Parish Council	Comment. This depends on whether a discretionary policy is introduced to give relief to private businesses wishing to provide a service which would fill a proven social, health or medical need.	Noted.

Q6. Do you support the introduction of an instalment policy in Rother for CIL payments?

Summary

	Organisation	Comment	Council's Response
	Land Securities (CGMS)	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Salehurst and Robertsbridge PC	Support. Especially with developers/builders trying to say they are "cash strapped" at the beginning of their project.	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Rye Town Council	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Asda	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides

			on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Sussex Police	Support. The provision of policing infrastructure is critical to the delivery of safe sustainable communities.	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Nigel Jennings	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Marchfield Strategic Land (JB Planning)	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Permission Homes (JB Planning)	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to managed CIL receipts effectively towards

			infrastructure projects. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Sedlescombe Parish Council	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Ewhurst Parish Council	Support. It might mean the difference between a development starting or not (by helping with cash flow).	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Gladman Development	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
	Bovis (Bidwells)	Support	Agreed. The development of an instalment policy will be in line with Regulation 69B of the 2010 Regulations (as amended) and will be introduced alongside governance protocols as the Council decides on how to spend CIL receipts effectively. Phased

			development will also contribute to making many sites viable and will assist growth coming forward in a sustainable manner.
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Q7. Do you have any views on whether the District Council should introduce a discretionary and exceptional relief policy?

Summary

	Organisation	Comment	Council's Response
	Land Securities (CGMS)	Support. The Council should safeguard the option for discretionary relief.	Noted. RDC will develop discretion and exception guidance in accordance with the CIL Regulations to be implemented as part of the governance protocols.
	Salehurst and Robertsbridge PC	Support. The PC would pose the question "What would be the council's criteria for offering such relief?" It might offer a degree of flexibility in exceptional circumstances.	Noted. A discretionary and exceptional relief policy will developed in accordance with the 2010 CIL Regulations.
	Rye Town Council	Support in principle but would like to know more about how discretions and exceptions will be formulated.	Noted. RDC will develop discretion and exception guidance in accordance with the CIL Regulations to be implemented as part of the governance protocols.
	Asda	Support. A discretionary and exceptional relief policy will allow for flexibility for desirable scheme which would be unprofitable. Consider allowing developers to pay their CIL liability through the provision of infrastructure.	Noted. Payment in kind will be examined as an option for payment through the development of governance protocols. A framework will be developed within the Regulation guidelines.
	Nigel Jennings	Comment. The regulations provide for appropriate exceptions. I cannot think of other categories that should be added. Any exception policy will need to provide evidence that there is an economic or social need for such.	Noted.
	Marchfield Strategic Land (JB Planning)	Support the introduction of discretionary and exceptional relief policy	Noted.
	Permission Homes (JB Planning)	Yes; however, as the Council has not made a decision on whether to adopt a discretionary and exceptional relief policy, our client has no suggestions on the form of instalment policy that	Noted.

		should be adopted by the Council, but would welcome the opportunity to discuss this matter further and make further submissions should these be considered of assistance, following this consultation or through later consultations.	
	Sedlescombe Parish Council	Support. This should be extended to first time buyers, extensions to properties for the purpose of accommodating the disabled and dependent relatives.	Any policy will be developed in accordance with the guidelines and within the framework of the CIL Regulations.
	Ewhurst Parish Council	Comment. Someone who wanted to open a shop where one would not be provided should be encouraged by way of lower CIL charge. This should apply to other businesses considering meeting a social or health/medical need.	Noted. A discretionary policy will be developed in line with CIL regulations and will be part of governance arrangements. However the LPA must take care not to grant state aid to one sector over another.
	Gladman Development	Support. Discretionary relief should be applied should exceptional circumstances arise.	Noted.
	Bovis (Bidwells)	Support. Bovis Ltd consider it essential for local discretion on CIL charging particularly on strategic allocations to accommodate consideration of viability should the Council prioritise affordable housing provision over CIL receipts.	Noted.
	Sport England	Support. Sports Development should be excused from paying CIL	No CIL rate is applied to sport development.

Q8. Do you agree with the proposed R123 List?

Summary

	Organisation	Comment	Council's Response
	Land Securities (CGMS)	Comment. R123 list should be clearly defined as to avoid 'double dipping'	Noted.
	Salehurst and Robertsbridge PC	Support the list in principle. Infrastructure items on the R123 list are dominated by Bexhill requirements.	Bexhill is anticipated to take the majority of the district's development requirement and it follows that infrastructure provision must be in place to accommodate this growth. The IDP will be kept under review.
	Rye Town Council	Comment. Rye Town Council notes the draft R123 list and would like to be informed of its development in the future and the findings of the NP are considered.	Noted. Infrastructure requirements attributed to the Neighbourhood Plan will inform the evolving IDP. Future reviews of the R123 list will take into consideration infrastructure priorities of an up-to-date IDP schedule.
	Sussex Police	Support. Sussex Police would welcome the inclusion of policing infrastructure in the IDP.	Noted. We would welcome further co-operation to ensure the continuation of effective policing in our communities. However this must be directly related to growth.
	Nigel Jennings	Objection. The inclusion of HS1. New development should be funding this project, nor is new development dependent upon its delivery. Comment. There is no prioritisation of CIL funds. Public conveniences should not be on the R123 Lists	Further clarification of the funding gap has been undertaken. The removal of HS1 rail extension from the analysis at this stage is accepted given uncertainties and as the project will be funded primarily through central government. A mechanism to determine where the CIL money will be spent will be developed alongside governance protocols once the levy has been adopted by Rother.
	Marchfield Strategic Land (JB Planning)	Objection. There is a lack of correlation between the Draft Reg.123 List and the infrastructure projects listed in the IDP (June 2014), and many	The Reg. 123 list has been revised to provide further clarity on what is funded through CIL and

	<p>projects identified in the IDP are only listed as being at 'concept' stage yet they appear in the Reg.123 List.</p> <p>The Reg.123 List as contained within the PDCS contains a number of generic entries such as "bus shelters", "public realm improvements" etc, and notes that exclusions will be facilities required in direct relation to a specific development.</p> <p>It is unclear what is proposed to be funded by direct contribution and what is to be funded through CIL.</p>	<p>what is funded via S106.</p> <p>Many of the transport schemes identified as being at 'concept' stage have not secured funding but identified as being critical to the strategy and with further technical work required to consolidate the cost of the transport improvements.</p>
Permission Homes (JB Planning)	<p>Objection. There is a lack of correlation between the Draft Reg.123 List and the infrastructure projects listed in the IDP (June 2014), and many projects identified in the IDP are only listed as being at 'concept' stage yet they appear in the Reg.123 List.</p> <p>The Reg.123 List as contained within the PDCS contains a number of generic entries such as "bus shelters", "public realm improvements" etc, and notes that exclusions will be facilities required in direct relation to a specific development.</p> <p>It is unclear what is proposed to be funded by direct contribution and what is to be funded through CIL.</p>	<p>The Reg. 123 list has been revised to provide further clarity on what is funded through CIL and what is funded via S106.</p> <p>Many of the transport schemes identified as being at 'concept' stage have not secured funding but identified as being critical to the strategy and with further technical work required to consolidate the cost of the transport improvements.</p>
Sedlescombe Parish Council	<p>Object. SPC does not agree with having to pay a premium levy rate for funding surrounding infrastructure. The same levy should applied across all areas of Rother</p>	<p>Noted. See other responses. No comment regarding the validity of the R123 list.</p>

	Bovis (Bidwells)	<p>Objection. All education facilities should be funded through CIL. Bexhill Homes Ltd will effectively be charged twice as CIL monies will go on to fund education elsewhere in Bexhill. The provision of a school at NE Bexhill will be a key component of determining viability.</p>	<p>The Reg. 123 list has been revised to provide further clarity on what is funded through CIL and what is funded via S106. A new primary school at north east Bexhill will be funded through s106 payments from relevant new developments in the locality.</p>
	Environment Agency	<p>Comment. Note Flood Mitigation on the R123 list but recommends further addition to include 'maintaining and improve flood and coastal defences' and new flood defence construction.</p> <p>Note exclusion of SuDs and onsite mitigation. The IDP and Reg. 123 list heading do not correlate in terms. Leisure, sport, open space and green infrastructure are amended to include environment with reference to improving water quality and the Water Framework Directive.</p>	<p>Noted. Will amend accordingly. New flood defence construction is highlighted in parts of the district as critical in coming forward to enable development. An example of this would be in Rye with development dependent on the Eastern Tidal Wall in place.</p> <p>The application of SuDS and onsite mitigation will be site specific issues and addressed through the planning application process.</p>
	East Sussex County Council	<p>There needs to be more distinction between infrastructure to be funded wholly or partially by CIL and that which will be funded by s106 or another mechanism</p> <p>For education, the description in the exclusion column is too general and may count as 'double dipping' with the schemes to be funded through CIL.</p> <p>The detail on education schemes is too specific and does not reflect that given for other types of infrastructure.</p> <p>The Reg.123 list should include a section on 'Training and Workforce Development' and cover the provision of facilities to improve local labour</p>	<p>Noted. Further revisions has been undertaken to clarify what will be funded by S106 or through CIL.</p>

		employment opportunities on development sites.	
	Sport England	<p>Comment. Sport England suggest paragraph 20 of the Schedule be amended to clarify that Sports development will be CIL exempt.</p> <p>Sport England agree with the approach within 'Leisure, sport, open space and green infrastructure' of the Reg 123 but should be further developed.</p> <p>The Reg 123 should be informed by Table.47 of the Hastings and Rother Leisure Facilities Strategy.</p> <p>It is essential to identify which projects will be funded by CIL or by housing allocations/other sites.</p> <p>The Council needs to be clear which developments will:</p> <ul style="list-style-type: none"> • Provide onsite sports provision; • Make financial contributions towards offsite provision (\$106) • Provide a CIL contributions 	<p>There is no CIL rate attributed to development of sport facilities.</p> <p>There is a further clarification on the Reg. 123 list and specific reference made to the evidence base which stipulates shortfalls and deficiencies in the provision of sports facilities and provision.</p> <p>Specific onsite infrastructure requirements will be identified through the DaSA. The IDP will be updated when new requirements are identified. There will be an opportunity to update the Reg. 123 list when it is appropriate and it will be consulted on.</p>

Q9. Do you have any further comments on the PDCS?		
Summary		
Organisation	Comment	Council's Response
Land Securities (CGMS)	<p>The figures are based on the assumption that building costs for retail warehouses are relatively low and does not reflect future values and rising costs.</p> <p>Closer regard to the balance between funding infrastructure through its CIL and the potential impact that the imposition of the levy might have on economic viability of large scale retail development.</p>	<p>The consultants have employed the latest build cost figures in their assumptions. Future reviews of CIL rates will also review the assumptions we use as appropriate. It should be noted the viability modelling is a broad assessment of viability across the district for certain types of development.</p> <p>The CIL rate proposed for retail is comfortably within the margins of viability and should not deter large scale retail to come forward.</p>
McCarthy and Stone	<p>Objection. We consider that it is of vital importance that the emerging CIL does not prohibit the development of specialist accommodation for the elderly at a time when there is an existing and urgent need for this form of development and that by not properly assessing this form of development the proposed CIL rate would threaten the delivery of the relevant Development Plan contravening Government Guidance.</p> <p>We therefore commend the Council on their decision to provide a Viability Assessment of Sheltered / Retirement housing and Extra Care accommodation.</p> <p>A crucial element of a CIL viability appraisal is to</p>	<p>The Council has requested PBA undertake further viability testing on this sector.</p> <p>Representatives for McCarthy and Stone attended the developer workshop and they were invited to submit information to inform the PDCS.</p> <p>Please refer to the addendum completed by PBA which provides robust evidence to justify the CIL rate for extra care homes/retirement homes.</p>

		<p>ensure baseline land values reflect the spatial pattern of land-use in the locality Retirement housing developers will not consider sites of more than half a mile from a town/local centre with a good range of shops/services to meet a resident's daily needs. The result is that retirement housing can only be built on a limited range of sites.</p> <p>A Viability Assessment for specialist elderly accommodation should therefore provide a development scenario on a pdl site within 0.4 miles of a town centre.</p> <p>The land costs used have been significantly underplayed.</p> <p>Site Abnormals Previously developed sites regularly require extensive remediation / demolition works that are provided at an extra cost to developers. These do not appear to have been factored into the viability appraisals</p> <p>External costs are usually in the range of 10-15% so it would be appropriate to allow for an additional 5% on previously developed land to factor in abnormals.</p> <p>We note the viability appraisal utilises residential build costs derived from the Build Cost Information Service (BCIS). We have no objection</p>	
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		<p>to the use of this.</p> <p>We do dispute that the BCIS cost are fully inclusive of Code for Sustainable Homes requirement. This is because BCIS figures are based on data collected over a 15-year period. We dispute the market has been widely building to CfSH Levels 3 and 4 since 2009. It cannot therefore be that such costs fall within the BCIS figure.</p> <p>We consider an 4% uplift on the BCIS costs is required to meet current building regulations.</p> <p>McCarthy and Stone are deeply sceptical about the results asserted by PBA in their Viability Assessment. Internal viability appraisals put forward by McCarthy and Stone demonstrate that the level of CIL proposed would render both Extra Care and Sheltered / Retirement housing unviable.</p> <p>The Viability Appraisal provides scant details on the viability assumptions used for Sheltered / Retirement housing and in particular Extra Care accommodation we would appreciate the opportunity to examine the viability appraisals in greater detail and request that these are made publicly available.</p>	
	Rye Town Council	Clarification is sought comparing CIL and S106 mechanisms and the interrelation between the two and the issue of 'double dipping'. RTC seeks advice on the yet to be agreed CIL appeal	<p>Noted. A CIL appeal process will be developed alongside governance protocols.</p> <p>The Reg. 123 list has been developed to clarify the</p>

		process.	position between what is funded by CIL and what is funded by S106.
Asda	<p>Objection. Lack of sufficient evidence. Revisit CIL viability assessments to support CIL rate at examination. Retail assumptions are not robust with little allowance for cost with the consequence of artificially inflated residual land values. S106 contributions associated with retail development are usually extensive and significant and there has been no account of these costs in the viability modelling. The underlying viability evidence should be revisited.</p> <p>The Council proposal to distinguish comparison and convenience stores will be impractical and bring undue complexity to the CIL calculations.</p> <p>The proposed CIL rate is a breach of state aid rules and favours smaller retailers over larger competitors.</p> <p>Adopt a flat rate for CIL across all sectors and all boundaries.</p>	<p>Assumptions used for the retail modelling have been clarified in the PBA viability addendum</p> <p>The proposed retail CIL rate is supported by robust viability evidence and is entirely in accordance with PPG and CIL Regulations.</p> <p>The Regulations allow for a differential rate to be introduced if there is justification for it if it is supported through the viability assessment.</p>	
Michael D Hall Building Services	<p>Objection. CIL is poorly thought out and will constrain housebuilding in the area. CIL will hit profits and will be a disincentive to developers who are burden with another cost to the process.</p>	<p>Extensive viability testing takes a number of assumptions including allowance for developer profits and other key policy considerations and concluded there is scope to introduce a differential CIL charging schedule in Rother comfortably with viability margins. The restrictions as from April 2015 regarding the use of S106 will limit LPAs ability to pool contributions to provide key infrastructure such transport and education. CIL is a fairer and more transparent process.</p>	

Nigel Jennings	Comment. There is no indication at present on prioritisation of the CIL funds.	Priority spending will be outlined through the development of governance protocols.
Sedlescombe Parish Council	Object. The cost of CIL will be passed onto buyers which will young people getting onto the market and will not afford those properties prices.	The evidence outlined in economic viability assessment indicates CIL will come off the land price. Property prices are driven by market forces and the developer will set the price accordingly.
Gladman Development	Regulation 73 and 73a of the CIL regulations allow for payments in kind, for land or infrastructure to be provided instead of money to satisfy a charge. Consultation with local developers is encouraged and consultation protocols should adhere to the regulations. The CIL rate should be in conformity with the NPPF and not put at risk development coming forward. There should be a review of CIL which should take into consideration market signals.	Noted.
Environment Agency	Comment. Note exclusion of SuDs and onsite flood mitigation. The IDP and Reg. 123 list heading do not correlate.	Onsite mitigation of flood risk will be dealt through the development of the DaSA. Noted about headings.
East Sussex County Council	Comment. County Council officers have provided frequent updates to Rother District Council on County Council infrastructure requirements these are reflected in the Infrastructure Delivery Plan. It however should be noted that the Funding Gap Analysis document contains some inaccuracies particularly in para 1.8 and Table 2 on transport infrastructure. County Council officers are happy to continue to work with Rother District Council to correct these and to provide further infrastructure updates as necessary.	Noted. The IDP has been updated to reflect new costings