

**Community Infrastructure Levy Regulations 2011 (amended)
Preliminary Draft Charging Schedule Consultation
3 October 2011 – 14 November 2011**

How to respond to this consultation

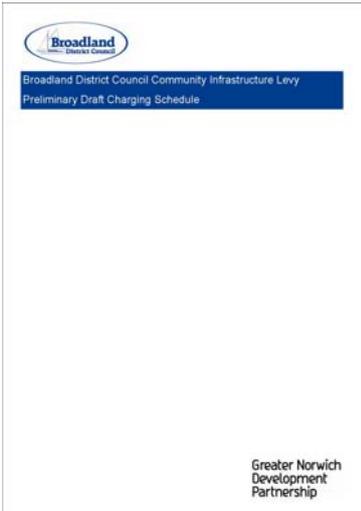
The Community Infrastructure Levy (CIL) is a new levy that local authorities in England and Wales can charge on new developments in their area. The money will be used to support development by funding infrastructure that the council, local community and neighbourhoods want – for example, new or safer road schemes, public transport and walking and cycling schemes, park improvements or a community hall.

The system is very simple. It applies to most new buildings and charges are fixed based on the size, type and location of the new development.

The three councils of Broadland, Norwich and South Norfolk have chosen to work together as the Greater Norwich Development Partnership (GNDP) and adopt a co-ordinated approach to the implementation of CIL. In order to comply with the regulations, three separate Preliminary Draft Charging Schedules have been published for comment. These are almost identical and they share the same evidence base. The only difference in the schedules relates to the geographical charging zones, Norwich is entirely in Zone A and Broadland and South Norfolk include areas in both Zone A and Zone B.

This is the first stage in consultation for setting a CIL for the three districts.

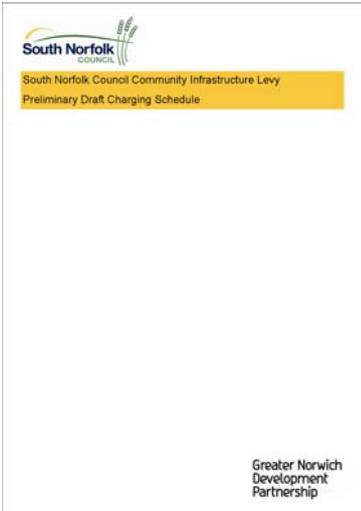
The Broadland District Council Preliminary Draft Charging Schedule looks like this:



The Norwich City Council Preliminary Draft Charging Schedule looks like this:



The South Norfolk Council Preliminary Draft Charging Schedule looks like this:



Getting involved

The consultation documents are:

- Preliminary Draft Charging Schedule for Broadland
- Preliminary Draft Charging Schedule for Norwich
- Preliminary Draft Charging Schedule for South Norfolk

As part of this consultation a number of documents providing supporting evidence have been published:

- The explanatory document 'Community Infrastructure Levy: Background and Context'
- Viability Advice on a CIL/ Tariff for Broadland, Norwich and South Norfolk (GVA, December 2010)
- Charging Zones Schedule Report (GVA, July 2011)
- Topic Paper: Green Infrastructure and Recreational Open Space (GNDP, June 2011)

There is also earlier background information supporting this consultation:

- Joint Core Strategy for Broadland Norwich and South Norfolk adopted March 2011
- Infrastructure Needs and Funding Study (EDAW/ AECOM 2009)
- Local Investment Plan and Programme for Broadland, Norwich and South Norfolk v4 June 2011

All these documents are available on the GNDP website, at www.gndp.org.uk.

The consultation documents and evidence can be viewed at each of the district council offices.

The consultation documents will also be available at libraries, at the Broads Authority offices and at the Norfolk County Council offices at County Hall. Where facilities are available evidence can be accessed via the GNDP website, www.gndp.org.uk.

The Department of Communities and Local Government has produced a helpful guide to the Community Infrastructure Levy that can be found on their website:

<http://www.communities.gov.uk/publications/planningandbuilding/cilsummary>

You can respond to this consultation by email or by post:

The Preliminary Draft Charging Schedules and the supporting evidence are open for six weeks of consultation from **3 October 2011** to **14 November 2011**. Consultation responses must be received by **5pm** on **Monday 14 November 2011** in order to be considered.

A response form is available on the GNDP website at www.gndp.org.uk. If possible, please use this form to assist us in analysing your response and in publishing them correctly.

For more information contact the GNDP:

tel: 01603 430144
email: cil@gndp.org.uk

When responding to the consultation you can comment on one, two or all three schedules. You can:

- Use one form to comment on the Preliminary Draft Charging Schedule for one district using one response form, or to give the same comment on the Preliminary Draft Charging Schedules for two or all districts or,
- Use more than one form to give different comments for each district's Preliminary Draft Charging Schedule that you are commenting on

Please note that comments cannot be treated as confidential. All responses to this consultation will be made available as public documents. Unfortunately we are only able to acknowledge emailed responses, but all comments will be carefully considered.

Forms and comments can be:

emailed to: cil@gndp.org.uk
posted to: GNDP, PO Box 3466, Norwich, NR7 7NX
hand delivered: to your local district council office:

- Broadland District Council, Thorpe Lodge, 1 Yarmouth Road, Norwich NR7 0DU
- Norwich City Council, City Hall, St Peter's Street, Norwich, NR2 1NH
- South Norfolk Council, South Norfolk House, Swan Lane, Long Stratton, NR15 2XE

- The build rates used by GVA come from the BCIS and are supposed to be all-inclusive rates which not only include the cost of the houses but also all the necessary on-site infrastructure. This is not true. Attached is an extract from the BCIS on their suggested build rates which clearly states that they exclude all External works (see first line under “Costs”). As such, an allowance for these costs needs to be made within the viability assessments.
- Development land values of £210,000 - £250,000 per acre have been used in the viability assessment for land within the A11 corridor. This is contrary however to the advice that GVA received from local agents whom suggest values are more in the region of £350,000 - £600,000 per acre (with the A11 corridor achieving similar values to the city-centre). The original GVA assessments do not adequately explain why the appraisals have used values for the A11 corridor which are over 50% less than the advice received from local agents, particularly as the document stresses that if land values are reduced by 25% a development becomes unviable. GVA have issued an addendum on the document to try and clarify this inconsistency. However all GVA have done is to suggest previous extracts of text were incorrect and have replaced them with new wording (which does not distinguish the higher development land values of the A11). Bearing in mind the emphasis the document had previously placed on the higher sales values achievable in the A11 corridor (which in turn could justify a higher CIL) it does not seem logical to say that land values would also not be higher. Indeed the suggested change in text could be interpreted as a way to manipulate the facts to fit their original conclusions. It should also be noted that GVA’s Addendum contradicts itself by saying on page 2 that the land values used in their report are for land with planning permission while on page 3 they say the land values represent existing use values with an element of “hope value” on anticipation of planning permission. The difference in potential values for each of these descriptions is huge which further brings into question the accuracy of the document.
- The viability assessment for Scheme 5 in the A11 corridor uses a benchmark land value of £13m. Assuming GVA’s land value of £0.21m - £0.25m per acre is correct this would equate to this scheme having approximately 57 Net Developable Acres. Bearing in mind Scheme 5 is supposed to represent a development of 1,000 houses this would mean the development density of such a scheme would be 17.5 dwellings per acre. This is a high development density and does not reflect the character of most schemes in Norfolk (outside of the city centre) which is less than 15 dwellings per acre (as is supported by Norfolk Homes during the CIL Developer Forum – see their e-mail addressed to Sandra Eastaugh dated 6th May 2011). If a density of 15 dpa was applied to Scheme 5 it would mean the development would have 67 Net Developable Acres. If applied to GVA’s suggested land values this would mean the benchmark land value should actually be £15.4m not £13m as suggested. If this land value had been used in the viability assessments then there would be many more scenarios which would show the CIL charges being unviable or marginal.

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

It is advised that the assessments are re-run to reflect the comments made above, and the CIL rate amended accordingly.

My answer applies to (please tick one or more of the boxes):

Broadland	Norwich	South Norfolk	All	<input checked="" type="checkbox"/>
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Geographical zones

Please use this section to give us any comments about the boundaries of the geographical charging zones shown in appendix 1 of the Preliminary Draft Charging Schedule

Non-residential development zone boundary

Question 2: It is intended that, for non-residential development, one charging area will apply to the administrative areas of Broadland District Council, Norwich City Council and South Norfolk Council. Do you agree with this approach?

Yes No

Please add any comments below

My answer applies to: (please mark one or more of the boxes):

Broadland	Norwich	South Norfolk	All	<input checked="" type="checkbox"/>
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Residential development zone boundaries

Question 3: The viability evidence supports two charging zones for residential development, Zone A and Zone B. The Norwich City Council area falls entirely in Zone A. Broadland District Council and South Norfolk Council areas are within Zone A and Zone B. Do you agree with the boundaries for the charging zones?

Yes No

Please add any comments below

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

My answer applies to: (please mark one or more of the boxes):

Broadland	South Norfolk	All	X
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NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Charging Schedule

Please use this section to comment on the rates of charge as shown in the table on page 2 of the Preliminary Draft Charging Schedule

Residential development – Zone A

Question 4a: It is intended that the rate of charge for residential development in Zone A will be within a range of £135 to £160 per m2.

What do you think the rate should be?

Approximately £100 per m2

Question 4b: What is your justification for this rate?

Recent developments in the GNDP area have typically been paying S106 contributions of £5,000 - £7,000 per house. If an average house is assumed to be 100m2 then this would equate to an average of £50/m2 - £70m2. At this level many development in Norfolk are marginal in their financial viability. To therefore suggest that CIL can be charged twice as much (even once you have factored in the exclusion of the affordable housing units) as the current S106 system is completely unrealistic.

It is accepted that there needs to be a balance between the need to fund infrastructure and the economic viability of developments but if the CIL is charged at too high a level developments will not come forward which in turn means infrastructure cannot be delivered. As per the comments in Question 1 the evidence base prepared by GVA needs to be redone to assess how much developments can really afford in terms of CIL?

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Residential development – Zone B:

Question 5a: It is intended that the rate of charge for residential development in the Zone B will be £75 per m2. Do you agree with this approach?

Yes

No

Please add any comments below

Question 5b: If you answered no to the above question:

What should the charge be?

It is accepted that the housing sales values in Zone A are higher than Zone B but not by such a margin which would justify the CIL charge being twice as much.

It's worth bearing in mind that development land values for Zone A will be considerably more than Zone B thereby reducing their over-all profitability. This is supported by the evidence GVA gathered as part of their "Viability Advice on CIL/Tariff (December 2010)" which quoted local agents saying that development land values (with planning consent) were typically £350,000 - £600,000 per acre.

The difference in CIL rates should therefore reflect the difference in sale values which is approximately 10-15%. An increase in Zone B charges may help compensate the suggested decrease in the Zone A charge.

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Residential development – zones A and B

Question 6a: It is intended that the rate of charge for domestic garages (excluding shared-user garages) in Zones A and B will be within a range of £25 to £35 per m2.

What do you think the rate should be?

There should not be a charge for garages in either Zone A or Zone B.

Question 6b: What is your justification for this rate?

Having an additional CIL charge for this will inevitably mean developments will be less likely to include garages in their design, as the additional house value derived from including a garage, is not equivalent to the value derived by additional living space and not sufficient to justify the additional CIL charge that would be payable.

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Large convenience goods based supermarkets and superstores

Question 7a: It is intended that the rate of charge for large convenience goods based supermarkets and superstores of 2,000m² gross or more will be £135 per m². Do you agree with this approach?

Yes

No

X

Please add any comments below

Question 7b: If you answered no to the above question:

What should the charge be?

£300/m² +

It is difficult to say how much exactly supermarkets should pay in CIL as a proper viability assessment for this has yet to be undertaken. It is worth bearing in mind however that development land values for supermarkets are in the region of £1.5m - £2m per acre compared to GVA's suggested residential values of £0.21m - £0.25m per acre for Zone A residential. This does raise the question of why residential development is expected to pay a higher CIL when supermarkets clearly have much more capacity to accommodate this cost?

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Other retail and assembly and leisure developments

Question 8a: It is intended that the rate of charge for all other retail and assembly and leisure developments will be £25 per m2 (including shared user garages). Do you agree with this approach?

Yes No

Please add any comments below

Question 8b: If you answered no to the above question:

What should the charge be?

What is your justification for this rate?

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Community uses

Question 9a: It is intended that the rates of charge for all other Community Uses will be £0 per m2. Do you agree with this approach?

Yes



No

Please add any comments below

Question 9b: If you answered no to the above question:

What should the charge be?

What is your justification for this rate?

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Other types of development

Question 10a: It is intended that the rates of charge for all other types of development (including shared-user garages) covered by the CIL regulations will be £5 per m2. Do you agree with this approach?

Yes No

Please add any comments below

Question 10b: If you answered no to the above question:

What should the charge be?

What is your justification for this rate?

My answer applies to (please tick one or more of the boxes):

Broadland

Norwich

South
Norfolk

All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

There are other issues we would like your views on, though these are not part of the Preliminary Draft Charging Schedules.

Discretionary relief

The approach to discretionary relief can be found on page 3 of the Preliminary Draft Charging Schedule and in section 12 of the 'Community Infrastructure Levy: Background and Context'.

Question 11 Do you agree with the approach to Discretionary Relief?

Yes No

Please add any comments below

My answer applies to (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

Staging of payments

The approach to the staging of payments can be found in page 3 of the Preliminary Draft Charging Schedule and in section 11 and appendix 4 of the document 'Community Infrastructure Levy: Background and Context'.

Question 12: Do you have any comments about the draft policy

Yes No

Please add any comments below

We would very much encourage the authorities to produce an Instalment Policy. We would caution against speeding up the staging of the CIL payments compared to the current S106 contribution system as this will ultimately put more pressure on the financial viability of developments.

My answer applies to: (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Payment in kind

Within the GNDP area, where land is required within a development to provide built infrastructure to support that development (such as a school) it will be expected that land transfer will be at no cost to the local authorities and will not be accepted as a CIL payment in kind. Where the facility is needed to serve more than one development, any land transfer over and above that needed for the specific development would be regarded as payment in kind of CIL. The approach to payment in kind can be found on page 3 of the Preliminary draft charging schedule and in section 12 of the document 'Community Infrastructure Levy: Background and Context'.

Question 13: Do you agree with the approach to payment in kind?

Yes No

Please add any comments below

My answer applies to: (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

Other comments

Question 15: Do you have any other comments on the Preliminary Draft Charging Schedule(s) or the Community Infrastructure Levy?

Yes No **X**

Please add any comments below

My answer applies to: (please mark one or more of the boxes):

Broadland Norwich South Norfolk All

For paper copies of this form please email cil@gndp.org.uk or telephone 01603 430144

Please return the form to:

Email: cil@gndp.org.uk

Post: Greater Norwich Development Partnership
PO Box 3466
Norwich
NR7 0NX

OFFICE USE ONLY:

Date received:

Representation no:

Forms can also be delivered by hand to:

to your local district council office or to the County Council:

- Broadland District Council, Thorpe Lodge, 1 Yarmouth Road, Norwich NR7 0DU
- Norwich City Council, City Hall, St Peter's Street, Norwich, NR2 1NH
- South Norfolk Council, South Norfolk House, Swan Lane, Long Stratton, NR15 2XE

ALL FORMS MUST BE RECEIVED BY 5PM ON MONDAY 14 NOVEMBER 2011

NOTE In accordance with CIL regulations, the charging rates proposed in the Preliminary Draft Charging Schedules aim to balance the need to fund infrastructure in Greater Norwich with the potential impact on the economic viability of development. Any comments suggesting a variation in the rate of CIL should be justified by viability evidence.

For more information or if you require this document in another format or language, please contact the GNDP:

email: cil@gndp.org.uk

tel: 01603 430144



House price values

MARKET FORECASTS

PRIME MARKETS

Five-year forecast values, 2012-2016

	Change from peak to date	2012	2013	2014	2015	2016	5 years to 2016
Prime Central London	15.6%	3.5%	3.0%	3.0%	4.0%	6.0%	22.7%
Prime UK	-10.7%	-1.6%	2.2%	3.0%	3.0%	3.0%	15.1%
Prime South East	-13.7%	-1.0%	2.0%	3.0%	4.0%	6.0%	21.0%
Prime South West	-9.0%	-1.0%	2.0%	3.0%	3.0%	3.0%	12.0%
Prime East	-14.4%	2.0%	2.5%	4.0%	4.0%	6.0%	19.1%
Prime Midlands/North	-20.3%	0.0%	2.0%	2.0%	3.0%	3.0%	7.0%
Prime Scotland	-22.7%	-1.0%	1.0%	2.0%	2.0%	-1.0%	7.0%

Source: Savills Research

MAINSTREAM MARKETS

Five-year forecast values 2012-2016

	Change from peak to date	2012	2013	2014	2015	2016	5 years to 2016
UK	0.0%	-1.0%	0.5%	1.0%	2.0%	3.0%	6.0%
London	2.7%	3.5%	1.0%	3.0%	6.0%	6.0%	19.1%
South East	-1.7%	1.0%	1.0%	4.0%	3.0%	6.0%	15.7%
South West	0.0%	-1.0%	0.5%	1.0%	2.0%	5.0%	10.3%
East	4.7%	-1.0%	1.0%	2.0%	4.0%	5.0%	16.1%
East Midlands	10.0%	-1.0%	0.5%	2.0%	1.0%	3.0%	9.2%
West Midlands	-10.0%	0.0%	-1.0%	0.0%	0.0%	2.0%	0.4%
North East	10.0%	0.0%	0.5%	1.0%	2.0%	2.0%	7.7%
North West	14.0%	0.0%	0.5%	1.0%	0.0%	3.0%	4.0%
Yorks & Humber	12.0%	0.0%	-1.0%	1.0%	-1.0%	2.0%	-1.0%
Wales	10.0%	0.0%	0.2%	0.0%	1.0%	4.0%	5.0%
Scotland	3.0%	0.0%	0.0%	0.0%	0.0%	3.0%	-1.0%

Annual house price growth key:

Below 0% 0% to 2% 2% to 4% 4% to 6% 6% to 8% 8% and over

Source: Savills Research. Forecasts based on national averages





Morgan Sindall plc - logged on at 10:39AM on 27 October 2011

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Average Prices Details Notes and Definitions

Costs

In all studies, the costs are exclusive of External works, Contingencies and Fees. The £/m², Functional unit and Group element prices studies all show costs with Preliminaries apportioned by cost. The Element cost per m² and Element unit rate studies show costs exclusive of Preliminaries. For this reason, the average prices shown for equivalent elements in the Group element prices and Element cost per m² studies will be different.

Explanation of Summary Statistics

Mean: Is the average price paid for the building in the survey. Arithmetic mean is the sum of the figures divided by the number of figures.

Median: The Median is a measure of 'average' (like the Mean) and shows the middle figure. Half the figures lie below this value and half above. Unlike the Mean it is not influenced by outlying values.

Range: These are the lowest and highest rates found in the sample. Be aware that the larger the sample size, the more chance there is of an unusual building being included. This gives a crude measure of the spread of statistics, but the inter quartile range is in many ways a better measure of spread. The lowest and highest figures are not the highest and lowest possible, although they often represent extreme cases.

Standard Deviation: A measure of the dispersal of figures around the mean, calculated as the square root of the mean of the square of the deviations from the mean of the sample. This figure is an indication of the variability of the rates. If the standard deviation is small in comparison with the mean, it indicates that the figures are tightly packed and that a figure close to the mean can be expected in most cases. A small standard deviation also indicates that the mean is more reliable, although this is also influenced by the sample size.

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[Notes and definitions](#)

£/m2 study

Rate per m2 gross internal floor area for the building Cost including prelims.
Last updated 22-Oct-2011 12:10.

At 4Q2011 prices (based on a Tender Price Index of 229) and UK mean location (Location index 100).

Maximum age of results: Default period

Building Function (Maximum age of projects)	£/m ² gross internal floor area						Sample
	Mean	Lowest	Lower Quartile	Median	Upper Quartile	Highest	
New build							
810. Housing, mixed developments (15)	852	433	722	829	952	1901	496
810.1 Estate Housing							
Generally (15)	822	317	705	800	915	1766	871
Single storey (15)	910	317	780	877	1015	1604	184
2-storey (15)	797	432	691	776	889	1346	633
3-storey (15)	820	544	696	769	891	1766	53
4-storey or above (25)	1363	1084	-	1439	-	1567	3
810.11 Estate Housing detached (15)	864	668	706	911	951	1151	13
810.12 Estate housing semi detached							
Generally (15)	832	440	716	812	927	1604	177
Single storey (15)	978	625	828	979	1095	1604	38
2-storey (15)	797	440	711	788	902	1190	134