Draft Consultation Statement

Draft East Suffolk CIL Charging Schedule

November 2021

EASTSUFFOLK
COUNCIL

Contents

1 Introduction

The Draft East Suffolk Charging Schedule sets out East Suffolk Council's rates of Community Infrastructure Levy (CIL) that are proposed to be charged on most types of new development in the area, replacing the two current Charging Schedules for Waveney and Suffolk Coastal. The Council is the Charging Authority for the entire District, excluding the area covered by the Broads Authority. The money raised from the charge will be used to pay for infrastructure to support development in the District.

This Draft Consultation Statement has been produced under Part 11 of the Planning Act 2008 and the Community infrastructure Levy Regulation 2010 (as amended). The Council's approach to engagement in the preparation of the Draft East Suffolk CIL Charging Schedule is set out in the adopted Statement of Community Involvement[1].

This document will be updated following the formal consultation on the draft CIL Charging Schedule in late 2021 to reflect the representations made (and the Council's responses to those representations).

2. Initial consultation on basic assumptions

A (non-formal) consultation on basic assumptions for the Draft East Suffolk CIL Charging Schedule was held between 15th March and 26th April 2021. Consultation on the Council's draft Instalment Policy also took place at the same time.

Details of this consultation process are set out below.

3. Who was consulted?

The following organisations and groups were consulted during the preparation of the Draft CIL Charging Schedule:

- East Suffolk Councillors
- Norfolk and Suffolk County Councils
- The Broads Authority
- Suffolk District and Borough Councils, Great Yarmouth Borough Council, South Norfolk District Council and the Greater Norwich Local Plan Team

[1] How to get Involved in Local Planning – Statement of Community Involvement (April 2021)

- Town and Parish Councils
- Town and Parish Councils adjacent to East Suffolk
- Neighbourhood Planning Groups
- Housing Groups, Societies and Associations
- Business Associations and Chambers of Commerce
- Civic societies
- Historical and preservation societies
- Ipswich and East Suffolk CCG and West Suffolk CCG
- Norfolk and Suffolk Constabularies
- Energy companies (EDF, N Power and UK Power Networks)
- Water companies (Anglian Water and Essex and Suffolk Water)
- Natural England
- Environment Agency
- Historic England
- Architects, Design Practices, Planning Consultancies, estate agents, developers, landowners, and businesses who have requested to be on the planning consultation mailing list
- Members of the public who have requested to be on the planning consultation mailing list

(Further details in Appendix 2.)

4. How were they contacted?

The initial consultation ran from 15th March and 26th April 2021 and the consultation documents were made available on the East Suffolk Council website via the page below:

https://eastsuffolk.inconsult.uk/CILCS21/consultationHome

The consultation was advertised on the Council's website and social media. A questionnaire providing some background to the consultation and asking a series of questions, was published on the Council's website. Elected members, Council Councils, District and Borough Councils, Town and Parish, and interested groups and individuals referred to above were notified by emails or post.

Hard copies of the document were also made available free of charge by post for those unable to access them online by contacting the Planning Policy and Delivery team as the usual locations for viewing documents were closed to the public, due to the pandemic

The East Suffolk CIL Charging Schedule consultation was presented at East Suffolk Council's Developer Forum meeting on 15th April 2021. The presentation included information on the preparation of the CIL Charging Schedule, details of the key assumptions for the CIL Charging Schedule, links to the consultation documents and an opportunity for questions and discussion. In addition, Council officers gave presentations to two East Suffolk Council Parish Council Forums in April 2021.

5. Who responded and what did they say?

In total 10 individuals and organisations responded to the consultation on the CIL Charging Schedule and 3 responded to the CIL Instalment Policy. The individual responses are summarised in Appendix 1, along with a description of how the comments have been addressed. The full responses can be viewed online via the link below:

https://eastsuffolk.inconsult.uk/CILCS21/listRespondents

In addition, Council officers later held a meeting (in two parts) with Park Properties and Artisan PPS (agent for Landex) to better understand the contents of their representations.

Appendix 1 – Initial Consultation

The table below lists the main issues raised in the consultation responses, the Council's response and how they informed the preparation of the draft CIL Charging Schedule (and draft CIL Instalment Policy)

Respondent	Summary of representation	Officer comment and any actions arising
Bidwells (Darren Cogman) on behalf of Trinity College, Cambridge	Questions why a typology approach has been applied to sites under 360 units (non-strategic) as they believe that, in accordance with paragraph 1.14 of the consultation document, every site has different infrastructure requirements including non-strategic sites. Furthermore, they question why 360 is considered the threshold figure	It is acknowledged that every site will have specific, individual, infrastructure requirements but it is unnecessarily involved to undertake a site-specific assessment of all non-strategic sites. The use of typologies for smaller (non-strategic) sites in Local Plan and CIL viability work is extremely common and supported by the PPG on CIL and Viability There is inevitably an element of judgement involved in where the "strategic/non-strategic" boundary is, and the Council has concluded that the Trimley (Howlett Way) site is strategic, due to its location on the A14 corridor and proximity to the North Felixstowe Garden Neighbourhood. Other than that, no sites below 800 dwellings are considered to have any particularly unusual infrastructure needs or otherwise be of particular strategic significance. Allocation WLP5.2 (Land west of St John's Road, Bungay) for 400 dwellings already had outline planning permission for 150 dwellings (granted in 2016 and now under construction)

	Later recognises that CIL rates for strategic sites may be rated low or zero, but believes an increase in CIL costs could render sites unviable	The draft Charging Schedule is believed to set appropriate rates for each of the strategic sites, taking into account evidence in the CIL Viability Study. CIL is also only a small proportion of the total development costs of a site
	Asks why the Felixstowe and Trimley villages are rated medium zones in accordance with the consultation document when they are currently rated low under the existing CIL schedule, particularly when paragraph states there is not likely to changes in relative values	The consultation map shows the zones set out in the two Plan-wide viability studies, not the proposed zones for the CIL Charging Schedule. Felixstowe and Trimley are concluded to be in the Mid Higher Zone of the Draft CIL Charging Schedule, based on the evidence set out in the CIL Viability Study; the values of new housing coming forward is now (relatively) higher than it was at the time of the current Suffolk Coastal Charging Schedule
	Believes that a 75% gross to net ratio for sites between 140-255 could be unrealistic with some sites actually having lower gross to net ratios	The comment has been noted and it is acknowledged that drainage requirements (as one example) are becoming increasingly stringent. So some of the gross to net ratios in the CIL Viability Report have been adjusted downwards – the ratio for sites/typologies of 140-255 is now 70% rather than 75%, for example
	Believe the precise measure of the RICS BCIS cost indices in relation to build costs should be stated	These are stated in the Aspinall Verdi CIL Viability Report
	Notes that paragraph 2.11 states external works costs are based on industry norms rather than site specific costs and highlights paragraphs 1.13 and 1.14	It would be impractical to undertake site specific studies for every site for this variable so using industry norms is considered appropriate – again, this is a common approach for CIL Viability studies
	Believes it is impractical to apply a uniform rate for abnormal costs due to their inherent variation. They believe it unreasonable to assume that if abnormal costs exceed the flat rate it should be reflected in lower land value as this may discourage landowners	It would be impractical to undertake site specific studies for abnormal costs, particularly as some costs may not be known with any certainty (or indeed, at all). It is acknowledged that the costs will be inherently variable, but they are only applied to brownfield sites and a

		reduction in the land value would inevitably be the result if abnormal costs are on the higher side
	Believes the 3% cost allowance on build costs to be low to achieve the 20% CO_2 reduction required under building regulations	This has been adjusted upwards in the CIL Viability Report to £4,847 per dwelling (£2,256 per flat), the values used in the Government's Future Homes Standard consultation summary (January 2021) and is considered a conservative assumption. By comparison, 3% of the BCIS build cost for a 100m^2 dwelling (£1,155 per m^2) equates to £3,465
	Believes that the 20% profit margin on GDV may be acceptable for low risk sites, but a 25% profit would be sought on higher risk brownfield sites	The Council has utilised the high-end figure quoted within the Planning Practice Guidance (which says that 15-20% of GDV in relation to plan-wide viability is a "suitable return" to developers). Assumptions of additional costs of developing brownfield sites ('abnormals') are already allowed for in the CIL viability report Para 4.2.27 of the RICS Guidance Note on Viability under the 2019 NPPF (2021) draws broadly similar conclusions about profit and as a general approach it therefore remains sound
	Notes that land values and sales revenue have not been inputted at this stage and further states these are critical to the consultation	Land values and projected sales revenues are included in the CIL Viability Report to be consulted upon
Bungay Town Council	Asked whether allocation WLP5.2 (Lane west of St Johns Road, Bungay) is a strategic site	This site is not considered a strategic site as it is not of particularly large size and/or of more than immediate local significance and/or close to (another) large site. In addition, 150 dwellings of the allocation of 400 dwellings

		was granted reserved matters permission in 2020 and are under construction
	Asks how CIL cross-boundary issues are dealt with (in terms of e.g. school pupils crossing the county boundary)?	This question has been answered separately as it doesn't directly relate to the consultation. In general, though, the council (plus Suffolk County Council) engages regularly with adjoining local authorities on such issues (such as to do with high schools)
	Believes that smaller villages receive less affordable housing as they do not attract large-scale development partly due to the CIL costs	This question has been answered separately as it doesn't directly relate to the consultation; obviously any developments of 10 or fewer houses does not require any affordable housing
Churchmanor Estates PLC (Martin Robeson Planning Practice)	The comments state that East Suffolk Council are not intending to undertake the same approach to large scale commercial sites as they are for strategic residential sites. They further state that the success of the Local Plan policies are dependent upon creating the conditions that encourage employment developments Relating these points to their own site at Land off Felixstowe Road they believe that a high level of abnormal costs is required. They conclude that the CIL rates must balance and account for the large commercial sites which by their nature contribute significant employment benefits They further highlight that the existing CIL rates in both CIL Charging Schedules for commercial land is £0 They state that commercial development should not be undermined by CIL and East Suffolk Council could consider different rates for the larger-scale commercial sites	The sites selected as strategic sites were those considered strategically important to the Local Plans and are larger-scale residential or residential-led mixed-use sites The viability and deliverability of this site was assessed as part of the Suffolk Coastal Local Plan work. Whilst this site is a large one, with particular mitigation requirements, these are set out in PoIicy SCLP12.20 (and supporting text). No evidence has been provided that these policy requirements risk the site being made unviable. Irrespective, the recommendation in the draft CIL Charging Schedule is that all commercial sites are zero-rated rate for CIL

Saxmundham Town Council (Jennifer Morcom)	Raised concerns that the strategic sites would be rated as zero and that this would fail to provide the required community infrastructure	This question doesn't directly relate to the consultation which is concerned with the variables used in the viability calculations. However, key infrastructure will still need to be delivered on all strategic sites and most/all of this is secured through a S106 agreement (or equivalent for highways works). The propose CIL rate for South Saxmundham Garden Neighbourhood is £90 per m^2
Gladman	Notes it is important flexibility is included by way of a phasing condition associated with a planning application to ensure this provides sufficient cashflow for developers to avoid the risk of financial contributions affecting development viability	Where appropriate, planning permissions can be phased, with CIL payable separately for each phase
	Gladman believes that it is inappropriate to set the levy and associated instalment policy based on a partial understanding of infrastructure costs. The Council must demonstrate the need for infrastructure and the funding gap, ensure that the level of CIL receipts truly reflects these needs and proposals in the local plan, and have a full understanding of the potential costs of infrastructure projects	The Aspinall Verdi CIL Viability Study has considered fully the likely infrastructure costs of development in the district in reaching the recommended CIL rates
	Gladman believes the setting of different rates for different geographical areas should be based on up-to-date housing market information	The Aspinall Verdi CIL Viability Study has considered up-to-date housing market information
	Discretionary relief should also be factored into the CIL charging schedule, to avoid rendering sites with specific cost burdens unviable in exceptional circumstances	CIL Regulations allow various reliefs and grants exemptions from the levy. There is minor development and residential annexes or extensions relief, charitable relief, social housing relief and self-build relief. Strategic sites are considered individually and rated lower than standard residential sites (some are zero-rated) with on-site infrastructure to be delivered through S106 agreements

		If there are truly any viability concerns about an allocated site, then an individual viability appraisal must be submitted alongside a planning application. If the evidence clearly shows that the full policy 'costs' cannot be met, demonstrating clearly what has changed since the Local Plan was adopted, then this will be considered
	The Council will need to have a clear understanding of the level of residential development to be brought forward in the plan period when preparing the charging schedule	The Suffolk Coastal and Waveney Local Plans provide a clear plan for the number and location of residential developments during the plan period. A small windfall allowance is also allowed for
Natural England (Sam Kench, Norfolk and Suffolk Team)	Natural England does not have any comments to make on the East Suffolk CIL Charging Schedule	Comment noted
Pigeon Investment Management (Savills)	**Incorrect Assumptions** – A number of the key assumptions proposed for the viability study are not reflective of the industry standards, which will result in an over-estimation of viable CIL levels across the District	Little hard evidence of this has been provided. The public consultation on the draft CIL Charging Schedule will allow evidence to be submitted
	Strategic Sites – Pigeon support the Council's proposal for their strategic sites to be zero-rated for CIL (£0) and agree that planning obligations are delivered through Section 106 agreements and are supportive of the principle that new homes help to deliver infrastructure	The consultation did not say that all strategic sites would be zero-rated, only that it was expected that they would be low or zero-rated. The proposed rates in the draft CIL Charging Schedule vary from zero to £160 per m^2
	Pigeon has land interests across East Suffolk, including land at South of Saxmundham allocated for 800 dwellings and commercial uses and land in Trimley St Martin for 150 dwellings. They therefore don't want CIL costs to put at risk the delivery of new homes	Noted. The proposed CIL rates in the draft CIL Charging Schedule are considered to strike an appropriate balance between generating CIL to support infrastructure delivery across the district whilst not being set at too high a level to threaten viability
	National Planning Reform – The Government have recently undertaken consultation on the reform of the planning system within the Planning White Paper1 with a proposal to abolish Section 106 and CIL. In light of this uncertainty, it is not clear whether CIL will remain applicable	The uncertainty is acknowledged, but a potential move to Infrastructure Levy has, at best, been significantly delayed by the national picture. East Suffolk Council will therefore continue preparing the East Suffolk CIL Charging Schedule

	COVID-19 and Brexit – Pigeon have concerns regarding the proposed build costs which have not been updated to current BCIS levels. Pigeon note that costs have increased significantly in the last year due to the pandemic and BREXIT will likely exacerbate issues causing costs to rise	The Draft CIL Charging Schedule is based on June 2021 BCIS prices. Recent price increases due to Covid are recognised and higher-than-normal buffer levels have been allowed for to reflect the uncertainty
	Risk to Housing Supply –Waveney has not achieved housing requirement and there is a shortfall in supply of 969 dwellings from 2014 to 2020. Waveney has failed to deliver policy compliant affordable housing levels in recent years. If housing needs are to be met there needs to be a significant uplift in affordable housing delivery and increasing the rate of CIL is unlikely to enable that to be achieved	The Suffolk Coastal and Waveney Local Plans provide a clear plan for the number and location of residential developments during the plan period, both affordable and market housing. CIL is a relatively small component of overall development costs but in any case the proposed rates in most of Lowestoft are £0, with the rest of the district (except Southwold and Reydon, which is £300 per m^2) being £100 per m^2. The rates for strategic sites in Waveney are £70, £60, £40 and £0 The rates in Waveney are therefore considered to be realistic and appropriate, reflecting the relatively lower viability in most of this area compared to the former Suffolk Coastal area
	Pigeon has requested that additional typologies are tested for scenarios with 300, 400 and 500 units on greenfield land	East Suffolk Council does not have sufficient allocated sites in the Local Plan with 300, 400 and 500 units to warrant the additional typologies being tested as suggested. The 255-dwelling typology is considered to be appropriate for sites within the approximate range 200-400 and larger (strategic) sites have been considered individually
	The gross to net densities and dwellings per hectare should be reviewed as typologies reflecting 75-90% net developable areas are very optimistic. Suffolk County Council's guidance on Sustainable Drainage Systems refers to 12-15% of a site for above ground and	The comment has been noted and it is acknowledged that drainage requirements (as one example) are becoming increasingly stringent. Biodiversity net gain does not necessarily all need to be provided on-site, and has a significant qualitative element too, so may not actually

	open SuDs. Due to the Environmental Bill, sites will shortly have to delivery 10% biodiversity net gain Pigeon also recommends assumptions regarding site coverage are reviewed and proposed at more realistic levels which taken site specific considerations into account	end up with much more land-take. However, a greater allowance is now made for this: £1,018 for greenfield dwellings and £243 for brownfield dwellings Some of the gross:net ratios for larger typologies have been adjusted downwards (as detailed in the Aspinall Verdi CIL Viability Report) – the ratio for sites/typologies of 140-255 is now 70% rather than 75%, for example. Each strategic site is considered individually
	Pigeon has serious concerns regarding profit margins and claim that lending institutions require a minimum blended 20% profit on Gross Development Value (GDV) for residential developments. Pigeon request the blended GDV is increased from 15.8% to at least 20%	The CIL PPG says that 15-20% "*may be considered a suitable return to developers*". Affordable housing is lower risk and a 6% return is typically allowed for (see, for example, the Lichfields report (August 2021)). No clear evidence has been provided and there is not considered to be a credible case for a blended GDV rate of 20%+
	Pigeon has supplied site specific cost and value evidence to inform the viability appraisal for South Saxmundham Garden Neighbourhood. The provision of affordable housing and site-specific mitigation is entirely more appropriate for the delivery of planning obligations for South Saxmundham Garden Neighbourhood. They recommend that this strategic site is zero-rated for CIL	The Aspinall Verdi CIL Viability Report concludes that a rate of £90 per m^2 for South Saxmundham is appropriate, after taking all evidence into account
	Pigeon welcomes the inclusion of 3% of the BCIS costs within viability testing for zero carbon standards, but recommend further evidence is need to justify the uplift is sufficient. Pigeon note the Government have advised that an allowance of £4,850 per plot should be made over the next year and this allowance should doubled by 2025 to cover changes to Building Regulations Part L and F. Pigeon recommends these additional costs are included within viability testing	This has been adjusted upwards in the CIL Viability Report to £4,847 per dwelling (£2,256 per flat), the values used in the Government's Future Homes Standard consultation summary (January 2021). This is considered a conservative assumption
	Pigeon doesn't consider the allowance for Section 106 agreements to be treated as a viability output alongside CIL to be a standard approach. Pigeon consider Section 106 provisions to be	S106 costs have been considered for each typology and strategic site

	development costs and should be modelled within the appraisal to allow for an accurate cashflow	
	Pigeon is concerned there is the potential for double-dipping from CIL and Section 106 agreement to fund infrastructure. Pigeon request further clarification for the requirement of future development to provide financial contributions via CIL alongside Section 106. Pigeon recommend realistic financial assumptions per dwelling for Section 106 agreements are included in viability appraisals	S106 costs have been considered for each typology and strategic site in determining what is appropriate for CIL rates
	Pigeon suggests an appropriate allowance is made for site abnormals as either a combined cost per dwelling for infrastructure or as a standalone development cost	This is included as a standalone development cost for brownfield sites, and any additional cost will need to be reflected in a reduced land value. In addition, there is a 15% externals allowance (20% for strategic sites) to help allow for some unexpected costs
	They recommend the inclusion of a viability buffer when interpreting the viability evidence and proposing rates. Pigeon recommend a minimum viability cushion of 40%	Viability buffers vary across the area (and strategic sites) but are typically at least 40%, although higher in many cases
	They consider it important to consider site specific factors when proposing fixed, flat rates across diverse areas	The CIL rate for a particular area has to include a balance varying costs across that area, so with the exception of ‘strategic’ sites (considered individually), and some potential additional costs for brownfield sites, very site-specific factors do not fall to be considered
	Concerns that assumptions proposed don’t fully consider the risks and uncertainties of Covid-19 and the ongoing pandemic, BREXIT and national planning reforms and potential removal of CIL	Whilst it is acknowledged that materials prices have increased in recent months, house prices have continued to increase too (up to at least October 2021) and are reaching new peaks monthly, with few predicting a decline in the immediate future. The main risks of Brexit and Covid providing a major shock to prices now appear to be limited Higher-than-normal CIL buffers are allowed for, in recognition of the higher-than-normal uncertainties

	Doesn't consider employment uses should be CIL liable	Employment uses are concluded to be unviable for CIL in the draft CIL Charging Schedule
	They advise that East Suffolk review and collate additional, market facing evidence to inform their baseline figures and assumptions ahead of the viability testing being undertaken	Aspinall Verdi has interrogated a variety of market-facing information in reaching their recommendations in the CIL Viability Report
Suffolk County Council (Peter Freer)	Without clear evidence the SCC is concerned that low or zero CIL rating on strategic site could comprise the delivery of significant on-site infrastructure such as schools	Only two strategic sites are concluded to be unviable for CIL – Kirkley and Brightwell Lakes, both of which are already zero-rated. Delivery of significant on-site infrastructure will always be key for strategic sites
	SCC support the North of Lowestoft allocation being zero rated	The recommended CIL rate for North of Lowestoft is £60 per m^2
	SCC wants it clear that strategic zero rated sites must mitigate infrastructure impacts through planning obligation and conditions, even if a particular service strategy ends up as expansion which would otherwise be CIL funded	This is noted and agreed
	The county council support the use of Aspinall Verdi to perform bespoke assessments for the strategic sites.	Noted
	SCC notes that assumptions built into viability assessment must be chosen carefully to achieve substantial contributions through CIL and ensure viability of schemes and encourage development	The proposed level(s) of CIL strike the right balance between raising sufficient money for infrastructure (alongside any S106 requirements) whilst ensuring that sites are generally viable and deliverable
	Future residential developments be encouraged to achieve 100 litres per person per day. SCC queried whether this cost was included within the £9 per dwelling	The cost of £9 per dwelling comes originally from the Whole Plan viability Assessments by Aspinall Verdi to support the Local Plans. The £9 per dwelling relates to the optional water efficiency standard of 110 litres/ person/day
	Advice in the IFS Infrastructure List and the latest Ipswich Modal Shift Contributions should reflected in the viability assessment	An appropriate allowance for ISPA modal shift contributions is accounted for (£943 per dwelling)
	SCC recognises its responsibilities and notes the need to be fully engaged with the districts promoting that development to secure funding and in delivering schemes. SCC notes they take a flexible	Comment noted

	approach to the delivery of infrastructure that varies the type of provision to fit specific circumstances	
	SCC advise that further consideration of the Government's Future Homes Standard and commitment to achieve net-zero carbon emissions is needed	This allowance has been adjusted upwards in the CIL Viability Report to £4,847 per dwelling (£2,256 per flat), the values used in the Government's Future Homes Standard consultation summary (January 2021) and is considered a conservative assumption
Landex (through agent Leslie Short, Artisan PPS)	They believe the build costs used are optimistic and do not reflect the real build costs for small-medium builders. They believe the difference between volume builders and small-medium builders should be factored in	The figures have been taken from up-to-date BCIS data (June 2021). Smaller builders' costs will normally be higher than volume builders' costs and for that reason median BCIS rates are used for residential sites, with lower quartile values are used for strategic sites In addition, developments of 1-9 dwellings do not require affordable housing to be provided and whilst some development costs may well be higher, the selling prices of many SME properties are typically higher than volume housebuilders' properties (on a £ per m^2 basis)
	Whilst they recognise that the external costs figure used is comparable to an average figure, they state that this figure should be considered alongside the construction costs to create a fair CIL	External costs is quoted as 15% of BCIS (median) costs for non-strategic sites
	They state that Phase 2 archaeology costs have not been factored in which they believe are both increasingly expensive and common. Furthermore, Phase 2 archaeology can delay the progress of a site	Assumed archaeological costs will normally be covered through the externals allowance. For any remains found, the cost to be treated as an abnormal cost and reflected in reduced land value. Furthermore, there is also a conservative contingency allowance for unexpected costs (5% of all construction costs)
	They believe the timescales quoted are too optimistic and that a completion rate of 1 unit per month is more reasonable. They also state the most significant factor is the S106 and discharge of condition times which they states takes between 9-12 months	The rate will of course vary from site to site and developer to developer, but looked at overall a rate of 2 dwellings per month is not unrealistic

		The time taken to agree a S106 and discharge conditions is very variable, often depending on the quality and timeliness of the information provided by the applicant
	Further to the point above they believe the quoted lead-in times are too optimistic again due to discharge of condition times for convenience retail	Again, this will vary from site to site but the time taken for discharge of conditions often depends on the quality and timeliness of the information provided by the applicant
	Believe the build cost figures used for the commercial schemes is too low for convenience retail and office development.	The figures are based upon median BCIS data which – absent other hard evidence – is considered to be the most appropriate dataset
	States that the external works for services and infrastructure is usually taken as an 'all-in' build cost as opposed to being separated out	There are a variety of different ways to account for costs like this, but this is the way that Aspinall Verdi has chosen to do it in their Viability Report
	Asks if the phase 2 archaeology is factored in site abnormal or whether this is expected to be included in a site-specific viability report if the costs prove prohibitive	Assumed costs is covered through the professional fees allowance. For any remains found, the cost to be treated as an abnormal cost and reflected in reduced land value. Furthermore, there is a 5% contingency allowance for unforeseen costs that could be accessed to cover these works
	States that the finance fee doesn't include the arrangement fees of 1%, monitoring fees or exit fees (which again is given at 1%)	The figures are taken from a mix of industry norms and from other schemes currently within the district. The Lichfields report (August 2021) concludes that 6-7% interest rate on finance costs is common – and Aspinall Verdi uses 6.5% Other fee elements may apply in some cases – there is no one-size-fits-all approach – but it should be remembered that the 20% profit on market housing is a maximum – a

		lower amount is not necessarily inappropriate. There is little clear evidence that other finance costs are routinely applied for developments across the range of site sizes and so no further allowance will be made
	States that the agent fees on land value stands at between 1-2%.	The 1% Aspinall Verdi figure is taken from a mix of industry norms and from other schemes currently within the district
	They state from their experience that affordable housing can be sold at a loss	The price paid for affordable housing can – and does – vary, depending on the state of the market and how much competition there is for a particular scheme from registered providers. However, it would be unusual (but not unprecedented) for affordable housing to be sold at a loss and so the affordable housing figures are considered to be appropriate
	Believes the interest costs used does not factor in account arrangement fees, periodic review fees, valuation fees or exit charges	The figures are taken from a mix of industry norms and from other schemes currently within the district. Particular finance costs on specific sites may be higher, depending on the lender, but with little evidence that this is widespread for the industry as a whole, Aspinall Verdi's approach on this is considered appropriate

Park Properties Anglia	States that there is a significant difference between the build costs for national house builders compared to smaller builders so different rates should be considered for the CIL Charging Schedule	Smaller builders' costs will normally be higher than volume builders' costs and for that reason median BCIS rates are used for residential sites, with lower quartile values are used for strategic sites In addition, developments of 1-9 dwellings do not require affordable housing to be provided and whilst some development costs may well be higher, the selling prices of many SME properties are typically higher than volume housebuilders' properties (on a £ per m^2 basis)
	Questions whether the council is collaborating with developers in forming the CIL schedule	The "basics" consultation in spring 2021 was part of the collaboration with developers, as was the Council presenting at the Developers' Forum meeting in April 2021. The forthcoming consultation on the draft CIL Charging Schedule forms another part of this engagement
	They have asked whether the method of drawing the charging zones using electoral zones used in the previous schedule will be revised. They gave an example where they believe the wards created problems	Apart from the strategic sites (some of which straddle parish boundaries), almost all the different charging zones in the draft CIL Charging Schedule are drawn on parish boundaries. One exception is Lowestoft, but as the recommendation is for the whole of Lowestoft and Oulton Broad parishes to be zero-rated for residential CIL, this probably matters little
	They state from their experience that affordable housing can be sold at a loss	The price paid for affordable housing can – and does – vary, depending on the state of the market and how much competition there is for a particular scheme from registered providers. However, it would be unusual (but not unprecedented) for affordable housing to be sold at a loss and so the affordable housing figures are considered to be appropriate

	States that the areas highest value areas are Woodbridge and Aldeburgh and that any high rate should only apply here	The CIL Viability Report concludes that three areas have the highest values: a cluster focused on Southwold and Walberswick; another focused on Aldeburgh and Orford; and a third based on Woodbridge and the parishes to the north and west of that town
	They then highlight that local authorities should collaborate neighbouring authorities, local community, developers and other stakeholders to create a viable CIL schedule. They then ask when collaboration with developers will occur	The "basics" consultation in spring 2021 was part of the collaboration with developers, as was the Council presenting at the Developers' Forum meeting in April 2021. The forthcoming consultation on the draft CIL Charging Schedule forms another part of this engagement
	They say that different settlements have different house prices and flat rates of CIL will disproportionally affect lower value settlements	The draft CIL Charging Schedule has five separate residential charging zones. The lowest two zones (in Lowestoft) are £0, and the other zones are £100, £200 and £300. The CIL PPG says that CIL Charging Schedules should not be unnecessarily complicated and so inevitably a degree of compromise is necessary. A total of five residential zones is considered to strike the right balance
	States that smaller sites should be considered separately as the same percentage of costs will have a bigger impact for smaller landowners with smaller returns	Absolute returns will of course be lower for smaller landowners/developers than from larger sites. Higher (median BCIS) costs are assumed for non-strategic sites (for which lower quartile BCIS costs are assumed). But selling prices for smaller developments also tend to be higher (on a £ per m^2 basis) than for larger developers, as the spec and finish is typically higher In almost all cases a profit will still be shown and for sites of 1-10 dwellings there are no affordable housing costs requirements Overall profit margins (per house) are likely to be similar or – in some cases – even higher on smaller sites. Therefore there does not appear to be a case for

		considering smaller sites separately (other than as distinct from the largest 'strategic' sites)
	They note that barn conversions can have a higher cost per square metre	Not every different type and form of development can have a separate category for CIL purposes otherwise the schedule becomes too complicated. In any case, barn conversions constitute a very small proportion of new development and are not included as a typology. Barn conversions do tend to have higher costs but also often command a price premium due to their (often) rural settings and attractive building appearance

Instalment Policy

Gladman	Welcomes the introduction of an instalment policy, but considers that it may be more appropriate if the CIL payment is linked to the occupation of dwelling house rather than the number of days since a demand notice has been issued	This is not practical, because: • Firstly, a greater amount of Council resources are required to monitor completions and occupations of development and CIL only provides for a maximum 5% administration allocation/spend compared to monitoring fees under s106 which are tailored to monitoring large scale development • Secondly, with CIL, solicitors requesting CON29 (Local Land) searches on CIL would see that there are outstanding liabilities due and this could prevent sales from completing until the CIL has been paid and cause purchasers unnecessary stress • Thirdly, CIL Enforcement Regulations allow development to be stopped if payment is not received. If payment were to be delayed to

		occupation there is limited options under CIL enforcement regulations to manage debt recovery where CIL liabilities are not paid • Fourthly, spending CIL is flexible and there are likely to be circumstances where the delivery of infrastructure will be required at the early part of the delivery of the development. Timely receipt of CIL through instalments is therefore necessary • Finally, CIL has been collected in East Suffolk since 2013/15; it is not new and developers should be doing due diligence and understanding likely s106 and CIL contributions and making the necessary financial planning and cash flow analysis to allow for the instalments. Having instalments confirmed and spread over a set period supports developers in their cash flow planning
	Inappropriate to set a new Instalment Policy based on a partial understanding of infrastructure costs	The Council's 2019-20 IFS sets out the infrastructure costs to deliver the two Local Plans and the 2020-21 IFS will be published before the end of 2021
Bidwells (Trinity College)	Whilst it is recognised that it is proposed that the number of instalments be increased, where CIL amounts are between £100,000 and £1m, the requirements to make all CIL payments within 540 days (previously 780 days) is likely to have negative cashflow implications and thus affect internal rate of return and margins	The draft Instalment Policy has been adjusted – Band 4 (four instalments up to 540 days) now covers CIL amounts required from £100,001-£500,000, with amounts over £500,000 now benefiting from five instalments, the last 730 days (24 months) from commencement. This therefore benefits the very biggest schemes/phases whilst still recognising the need to secure CIL as early as possible to help contribute to infrastructure to support new development

Appendix 2: Consultation Bodies

The following organisations and groups were consulted during the preparation of the Draft East Suffolk CIL Charging Schedule:

- Elected members
- Town and Parish Councils
- Town and Parish Councils adjacent to East Suffolk
- Members of the public

Specific consultation bodies • Babergh and Mid Suffolk District Council • Broadland Housing Association • Broads Authority • EDF Energy Generation Ltd • Environment Agency • Essex & Suffolk Water • Felixstowe Chamber of Commerce • Flagship Housing Group • Great Yarmouth Borough Council • Greater Norwich Local Plan Team • Green Print Forum (Mr Guy Ackers) • Hastoe Housing Association • Historic England • Ipswich & East Suffolk CCG & West Suffolk CCG • Ipswich Borough Council • Mid Suffolk District Council • N Power Renewables • Natural England • New Anglia Local Enterprise Partnership • Norfolk Constabulary • Norfolk County Council • Orbit Homes • Orwell Housing Association Ltd • South Norfolk District Council • Suffolk Constabulary • Suffolk County Council • Suffolk Housing Society • Suffolk Police • UK Power Networks • Woodbridge Society • Woodbridge Town Centre Management
General consultation bodies • Aldeburgh Business Association • Associated British Ports

• Bungay Chamber of Trade • Bungay Neighbourhood Development Plan Steering Group • Corton Neighbourhood Planning Group • East Suffolk Building Preservation Trust • Flagship Housing Group • Framlingham Business Association • Home Builders Federation • Ipswich Borough Council • Kirkley Business Association • Lowestoft & Waveney Chamber of Commerce • Lowestoft Civic Society • Lowestoft Harbour Maritime Businesses Group • Lowestoft Neighbourhood Plan Group • Lowestoft Rising • Lowestoft Vision • Most Easterly Community Group • Norfolk and Waveney Sustainability Transformation Partnership (Great Yarmouth and Waveney Clinical Commission Group) • Peninsula Villages Community Land Trust • Southwold and Reydon Society • Suffolk Association of Local Councils • Suffolk Chamber of Commerce, Industry & Shippings • Suffolk Preservation Society • West Suffolk Council • Woodbridge Chamber of Trade & Commerce
Other individuals and organisations Includes local businesses, individuals, local organisations and groups, planning agents, developers, landowners, residents and others on the Local Plan mailing list