SUMMARY OF RESPONSES TO COMMUNITY INFRASTRUCTURE LEVY (CIL) PRELIMINARY DRAFT CHARGING SCHEDULE CONSULTATION HELD 9TH NOVEMBER 2012 - 4TH JANUARY 2013

Total 36 respondents with 279 comments

Note: a schedule of all responses in full and NSC's consideration of those responses can be viewed at: http://consult-ldf.n-somerset.gov.uk/consult.ti/cil_draft/listresponses. This table summarises the key points made by respondents.

a) General responses:

Responses	NSC comments	Proposed changes
1. Do you agree that North Somerset Council should introduce a CIL? Total 19 comments.		
A total of 19 comments were received: • 15 respondents wholly or broadly agreed. • One respondent disagreed. • Three respondents made other related comments.	Support of majority of respondents noted.	No change.
2. Are there any alternative mechanisms that should be considered to ensure that developers contribute appropriately towards infrastructure to support development, in particular the cumulative effects of development? Total 14 comments		
Three respondents did not feel there were alternatives that should be considered. Four respondents advocated the use of a mixture of CIL and S106. Three respondents felt that only S106 should be used (two of these were specifically discussing the issue of strategic sites). Four respondents had no comments or made comments on other related issues.	Mixed views noted, but majority of those who commented believed that CIL should be at least part of the mechanism for funding infrastructure related to development.	No change, but greater clarity to be provided on balance of CIL and S106 through draft Regulation 123 list.
3. Do you agree with the methodology and key assumptions used in the viability assessment? If not, what alternative methods/assumptions would you suggest, and why? Total 18 comments. **4. Are there any other reasons for which you believe the conclusions of the viability assessment are incorrect? If so, please give details and explain what you believe the conclusions should be.** Total 15 comments.		

Responses	NSC comments	Proposed changes
The majority of respondents to these questions either supported the methodology, assumptions and conclusions or made no comments. Other comments are listed below.	Noted.	No change.
Greater consideration should be given to agricultural uses and the difference between urban and rural economies.	Most agricultural uses will be exempt from CIL or are subject to nil rates. Where there are variations in rates, this is based on development viability, not the viability of the wider economy.	No change.
The assessment should include social and environmental impacts.	NSC must strike a balance between infrastructure need and development viability; this includes consideration of relevant social and environmental impacts.	No change.
Very large developments should be subject to higher CIL rates due to their increased impact.	Differential rates must be informed by viability evidence rather than policy preference. Very large developments will pay more CIL due to their size.	No change.
More detailed consideration should be given to the viability issues of very large sites (>500 dwellings) (three respondents).	Paragraphs 3.3.15 – 3.3.18 of the DSP Viability Review Update 2016 discuss this issue. Only two of the non-consented sites proposed to be allocated in the Site Allocations Plan are greater than 500 units, one of which is in the nil CIL Weston Town Centre area. A further differential rate for a single site is not appropriate.	No change.
Test higher levels of affordable housing beyond 30% as there is no limit in the Core Strategy.	Not agreed; NSC does not actively seek more than 30% affordable housing on a site.	No change.
Full appraisal needed for C2 Care Homes. Viability of C3 older people's housing is a concern.	The DSP Viability Review Update 2016 comments on these considerations in paragraphs 3.3.10 – 3.3.14.	No change.

Responses	NSC comments	Proposed changes
Smaller settlements may lose out on investment because CIL is insufficient to meet all needs.	Town and Parish Councils in which development takes place will receive a meaningful proportion of CIL. Other expenditure will be prioritised in line with the Infrastructure Delivery Plan and associated mechanisms.	No change.
The charging schedule and evidence base fail to address whether the differential rates would give rise to notifiable State Aid or selective advantage to any given type or types of development.	Differential rates are now well established in principle and practice, provided that they are based on evidence of differential economic viability.	No change.
Note: a detailed response to these questions was received from Savills on behalf of the House Builders Consortium Group – please see separate schedule below.		
5. Do you agree with the proposed CIL rates and geographical charging zones for residential development? If not, what do you think the rates should be and why? 20 comments.		
Eight respondents supported the different zones or supported them with some caveats.	Support noted.	No change.
Greater consideration should be given to the viability of the rural economy.	Where there are variations in rates, this is based on development viability, not the viability of the wider economy. Most non-residential rural uses will be exempt from CIL or are subject to nil rates.	No change.
Higher rates should apply to sites falling below the affordable housing threshold.	See paragraphs 2.2.4 and 2.2.5 of the DSP Viability Review Update 2016.	No change.
Lower rates should be set to stimulate affordable housing in rural areas.	Rates are based on development viability. Affordable housing and Starter Homes are exempt from CIL.	No change.
Concern that Weston's zero rate means that others areas will be funding its infrastructure.	Noted. However development viability assessments for Weston Town Centre have shown that this area cannot support CIL charges.	No change.
A blended single rate should be applied to all of Weston (two respondents), in part to reflect the sharing of infrastructure.		

Responses	NSC comments	Proposed changes
Higher rates for areas outside Weston could deter desirable smaller developments. Developers in such areas will also argue to have their S106 reduced, meaning that local communities miss out on funding of local facilities.	Where there are variations in rates, this is based on development viability. Rates have been set to take account of a residual S106 amount. Local communities will receive a proportion of CIL through their Town or Parish Council.	No change.
Zero rate for Weston Town Centre should be extended to cover the Grove Village area including Wadham Street and to the seafront area north of Weston College and west of Lower and Upper Church Road as far as Birnbeck Pier.	Additional testing has been carried out – see paragraph 3.2.7 of the DSP Viability Review Update 2016 – but has found that this area has higher viability than the proposed zero rate zone.	No change.
Rates for cares homes should be reduced.	The DSP Viability Review Update 2016 comments on these considerations in paragraphs 3.3.10 – 3.3.14.	No change.
The CIL should only be applied to sites of more than 10 dwellings.	Where there are variations in rates, this is based on development viability. See paragraphs 2.2.4 and 2.2.5 of the DSP Viability Review Update 2016.	
6. Do you agree with the proposed CIL rates for retail development? If not, what do you think the rates should be and why? 18 comments.		
Two respondents supported the proposals without further comment, whilst three others supported the proposals but expressed reservations about some aspects. Eight respondents opposed the proposals, for varying reasons. Five respondents made no comment.	It is noted that the majority of respondents objected to the proposals. There were three main grounds for objection: i) That rates differentiated by size of development are not permissible: this was a contested point at the time of the PDCS consultation but it has since been clarified that such an approach is acceptable. ii) That rates should be lower in certain locations to incentivise and/or avoid barriers to retail development in preferred areas such as town	No change.

Responses	NSC comments	Proposed changes
	centres and rural areas, or that they should be lower to encourage job creation. Whilst NSC is sympathetic to these arguments, it is not permitted to set rates on the basis of policy preferences. iii) A lack of evidence for the chosen rates. This is not agreed: detailed evidence is provided in paragraphs 3.4.1 – 3.4.21 of the CIL Viability Appraisal 2012 and the Viability Review Update 2016. It is noted as well that some respondents objected because they felt the rates should be higher.	
7. Do you agree with the proposed CIL rates for student accommodation? If not, what do you think the rates should be and why? 14 comments.		
Six respondents supported the proposed rates. Three respondents opposed the rates, two of whom felt they should be the same rates as other residential or commercial development. No further evidence was provided as to why this should be the case. Five respondents gave no comment.	Support of majority of respondents noted.	No change.
8. Do you agree with the proposed CIL rates for care homes? If not, what do you think the rates should be and why? 15 comments.		
Five respondents expressed support. Five respondents expressed opposition (comments below). Five respondents made no comment	Mixed views noted, but no detailed evidence submitted for consideration.	No change.

Responses	NSC comments	Proposed changes
Rates should be the same as for commercial uses.	The DSP Viability Review Update 2016 comments on these considerations in paragraphs 3.3.10 – 3.3.14.	No change.
Care home are more complex than student housing so should have higher rates.		
Insufficient viability evidence provided for the charge on C2 uses.		
Rates should be lower due to the increasing need for care homes (two respondents).	It is not permitted to set rates on the basis of policy preferences such as encouraging or discouraging certain types or locations of development.	No change.
Rates should be higher as we have an over-provision of care homes and this creates a burden for social services.		
Charges should also be applied to the C4 use class as inhabitants will require care.	It is felt unlikely that many new dwellings will be built as Houses of Multiple Occupation (HMO), other than those such as care homes, but agreed that these should be added to the classification of residential dwellings.	Definition of residential development to be expanded to cover C4 use.
9. Do you agree with the proposed CIL rates for commercial development? If not, what do you think the rates should be and why? 13 comments		
Eight respondents supported the rates, some with reservations. Three respondents opposed the rates. Two respondents made no comment.	All of the respondents expressing concerns about the rates (with one exception) argued that the rates should be lower in some circumstances. This is not possible as the rates are already proposed to be zero. One respondent argued that commercial development should pay a nominal charge to reflect that it will have an impact on the local area. This is not supported by the viability evidence.	No change.
10. Do you agree with the proposed CIL rates for all other qualifying development? If not, what do you think the rates should be and why? 14 comments		

Responses	NSC comments	Proposed changes
Five respondents supported the rates. Three respondents made no comments.	Noted. Suggested other uses that could or should attract higher rates were:	No change.
Other suggestions for other uses that should pay rates: - Large-scale agricultural uses (mega-dairies). - Sports & leisure buildings: - Affordable housing.	Affordable housing is nationally exempted from the CIL. It is possible that the proposals may have some degree of viability that could enable CIL charging, however the desire of collecting funding should be considered against the disadvantages of an overly complex charging system and the small amount of development expected of these types (excepting affordable housing). On balance, the council's preference is to maintain simplicity.	No change.
11. Do you believe there are any alternative or further sub-divisions of development zones or uses that should be considered for separate rates? Please provide details and rationale. 16 comments.		
Four respondents felt no changes were necessary. Alternative suggestions are detailed below.	Noted.	No change.
Low cost housing	Affordable housing and Starter Homes are nationally exempted from CIL.	No change.
Further consideration of rural zones, villages and/or rural occupational housing, in reflection of the problems of the rural economy and the need for more affordable housing in rural areas (three respondents).	Most agricultural uses will be exempt from CIL or are subject to nil rates. Self-build housing is also exempt. Where there are variations in rates, this is based on development viability, not the viability of the wider economy.	No change.

Responses	NSC comments	Proposed changes
	Whilst NSC is sympathetic to some of the arguments that are made, it is not permitted to set rates on the basis of policy objectives.	
Hotels	Paragraphs 3.6.1 – 3.6.3 of the CIL Viability Assessment 2012 considered whether rates should be applied to hotels but found that viability evidence did not support this.	No change
A blended single rate should be applied to all of Weston (two respondents), in part to reflect the sharing of infrastructure.	Noted. However development viability assessments for Weston Town Centre have shown that this area cannot support CIL charges.	No change.
12. Which developments in North Somerset do you think would potentially benefit from discretionary relief if offered? 12 comments		
The following suggestions were made: • Housing charities • Voluntary/charitable organisations providing a priority service to NSC. • Hospitals & related buildings (but not accommodation), hospices, CAB, NSPCC, sporting facilities including sports fields and registered charities.	These suggestions are already exempt from CIL via the mandatory charitable relief for charities developing for the direct delivery of their charitable purposes, or are proposed to be subject to a nil rate.	No change.
13. Do you agree with North Somerset Council's intention not to allow discretionary charitable relief? 15 comments		
Five respondents supported NSC's position. Five respondents felt that the option to give relief should be considered on a case-by-case basis, or in exceptional circumstances. Two respondents argued that discretionary charitable relief should be introduced, but in one	CIL requires that defined policies are set in advance and does not allow a case-by-case assessment of charges. This aspect does not need to be part of the Charging Schedule process. NSC could choose to introduce a discretionary charitable relief policy at a later stage if it wished.	No change at the present time, but may be introduced in the future if there is agreed need.

Responses	NSC comments	Proposed changes
case this was in relation to the direct delivery of charitable purposes, which is already exempt.		
14. Which developments in North Somerset would potentially benefit from exceptional circumstances relief if offered? 17 comments		
Suggestions included: • Commercial development in rural areas (two respondents). • Community buildings (two respondents). • Care homes, hospitals, schools, homeless shelters.	Most of these uses are already subject to £0 CIL rates or are exempt from CIL.	No change.
Bristol Airport: currently permitted development is already subject to S106 and should not become subject to CIL if circumstances change. If it became liable, then it might be eligible for Exceptional Circumstances Relief and this should be allowed to avoid double payment.	CIL regulations have been revised since the PDCS consultation so that is a variation to the planning took place, the development would only be liable insofar as it added new development area to the proposal. Having reviewed the responses, NSC does not intend to introduce Exceptional Circumstances relief at the present time, but may do so in the future if it is felt appropriate. The draft Regulation 123 List and Development Contributions SPD provide further guidance on how CIL and S106 will operate alongside each other.	No change at the present time, but may be introduced in the future if agreed to be appropriate.
Weston Villages developments: on the grounds that they will have high S106 obligations which could exceed the CIL (two respondents).	5,150 of the 6,500 Weston Villages developments now have planning approval in place; the draft Regulation 123 List and Development Contributions SPD provide further guidance on how CIL and S106 will operate alongside each other.	No change at the present time, but may be introduced in the future if agreed to be appropriate.
15. Do you agree with North Somerset Council's intention not to allow exceptional circumstances relief? 15 comments.		
Three respondents agreed with the proposal.	Support noted.	No change.

Responses	NSC comments	Proposed changes
Each development should be considered on a case-by-case basis.	CIL requires that defined policies are set in advance and does not allow a case-by-case assessment of charges. This aspect does not need to be part of the Charging Schedule process. NSC could choose to introduce a relief policy at a later stage if it wished.	No change at the present time, but may be introduced in the future if agreed to be appropriate.
Exceptional circumstances relief should be allowed for development which is covered by pre-existing S106 agreements, where a variation to the planning takes place.	CIL regulations have been revised since the PDCS consultation so that is a variation to the planning took place, the development would only be liable insofar as it added new development area to the proposal.	No change at the present time, but may be introduced in the future if agreed to be appropriate.
A more flexible approach for employment-generating projects must be considered.	Commercial developments other than retail are already subject to a zero CIL rate.	No change.
Further clarification of approach to the Weston Villages is needed.	5,150 of the 6,500 Weston Villages developments now have planning approval in place; the draft Regulation 123 List and Development Contributions SPD provide further guidance on how CIL and S106 will operate alongside each other.	No change at the present time, but may be introduced in the future if agreed to be appropriate.
Community facilities should be allowed relief.	Community developments would in most cases be subject to a zero CIL rate.	No change.
The relief should be allowed / a lack of the relief may lead to stalled developments.	Having reviewed the responses, NSC does not intend to introduce Exceptional Circumstances relief at the present time, but may do so in the future if it is felt appropriate.	No change at the present time, but may be introduced in the future if agreed to be appropriate.
16. Do you agree with North Somerset's proposal not to allow additional phasing of payments? 18 comments.		
Six respondents supported the proposal. Two respondents made no comments.	Noted.	No change.

Responses	NSC comments	Proposed changes
10 respondents expressed concerns or opposed the proposal. Reasons and suggestions included: • The need for upfront payment adding to financing costs and rendering developments unviable. • Payments should be phased in line with triggers based on occupation – this was highlighted as a particular issue for care homes and rural diversification where developments may need to be fully completed before any units can be sold. • Phasing should be agreed on a case-by-case basis in line with the circumstances of the case. • For large sites, there may be phases subject to significant amounts of S106 (for example, the point at which a school is due). Phasing should be adjusted to allow for this and the necessary cashflow. • Larger, long-term developments should be phased and adjustments made to rates if viability decreases. • Two respondents gave no reason for their objection.	In relation to the specific issues raised: • It is NSC's understanding that phasing must be based on time-based triggers rather than relating to occupation. We are not aware of any authorities with phasing policies stretching over more than 24 months. • Phasing policies must be set in advance and cannot be adjusted on a case-by-case basis. • A key benefit of CIL is certainty for all parties. Downwards adjustments would not be in line with this principle (although may happen if there is a wholesale review of rates at a time of worsening viability). • Most non-consented development proposed in the Site Allocations Plan is on small sites. NSC is sympathetic to cashflow issues; however rates have been proposed to be within viability and the impact on developers needs to be balanced against the community's need for infrastructure. This policy will be kept under review but at the current time it is proposed to continue with a position whereby no additional phasing of payments is introduced.	No change at the present time, but may be introduced in the future if agreed to be appropriate.
17. Do you agree that this table sets out an appropriate split between CIL & S106 funded infrastructure? Are there any changes you would propose?		

Responses	NSC comments	Proposed changes
Responses received emphasising or requesting the inclusion of various infrastructure, as right.	• Off-site works related to specific sites (S106): near-site works are now included in the S106 category of the draft Regulation 123 List. • Woodland and trees; allotments: these are covered in the definition of green infrastructure. Listing every type of green infrastructure would lead to a lengthy schedule and would run the risk of missing out some types. • Banwell bypass; rail schemes: the draft Regulation 123 list refers to strategic transport schemes, which could include the Banwell bypass and/or rail schemes. • Flood mitigation outside of Weston: the original schedule made reference to 'other flood defence schemes'. This continues in the draft Regulation 123 list and the Infrastructure Delivery Plan update 2016 also includes some additional non-Weston based flood and drainage requirements.	Updated Infrastructure Delivery Plan and Draft Regulation 123 list published for consultation alongside Draft Charging Schedule.
Concern that CIL will go into a central pot and will not necessarily be used for infrastructure improvements arising from the development in question. A ring-fenced amount is needed for each development to be used on local infrastructure. A share of the CIL should be made available to the local town or parish council in which the development takes place / as much as possible	Town & Parish Councils will receive 15% of CIL income from development in their area or 25% if they have an adopted Neighbourhood Plan. These proportions are set nationally.	No change.

Responses	NSC comments	Proposed changes
should be passed to local communities / amount should be 30%.		
Infrastructure proposals need further detail and evidence, including around funding.	The IDP is by its nature a high-level summary of schemes. Further detail can be provided on request.	Updated Infrastructure Delivery Plan and Draft Regulation 123 list published for consultation alongside Draft Charging Schedule.
Transparency important, in particular to avoid double-charging of developers. Greater clarity needed in some of the definitions between S106 and CIL funded projects.	Agreed. The revised Regulation 123 list seeks to achieve this aim.	Updated Infrastructure Delivery Plan and Draft Regulation 123 list published for consultation alongside Draft Charging Schedule.
Noted that up to 5% may be spent on administrative costs; this may be excessive.	5% is a maximum amount; it is hoped that less will be required (most areas report this to be the case).	No change.
Enough flexibility should be retained within the S106 process to allow viability to be maintained.	NSC is required to give consideration to viability when considering S106 requirements.	No change.
18. Do you have any further comments on the proposals set out in this document? 2 comments.		
Ring-fenced amount needed for each development to serve local needs.	Town & Parish Councils will receive 15% of CIL income from development in their area or 25% if they have an adopted Neighbourhood Plan. These proportions are set nationally.	No change.
Importance of transparency.	Agreed. CIL regulations require NSC to publish details of income and expenditure on an annual basis.	No change.

b) Summary of detailed response from Savills on behalf of the House Builder Consortium Group

Summary of response from Savills	NSC/DSP comments	Proposed changes
More detailed information should be provided regarding the site typologies, in particular whether they are greenfield or brownfield sites.	The Council considers that the viability methodology, as used to provide robust evidence to inform and support CIL charging schedules on a number of occasions, is consistent with good practice and also with the approach advocated here. Whilst necessarily and appropriately conducted at high-level, and therefore typology based, the approach does consider the likely variation of scheme and host site types coming forward in North Somerset.	No change.
Assumptions of policy compliance in relation to affordable housing and S106 supported.	Support noted in terms of how relevant factors and principles have been considered.	No change.
Viability assessments provided by DSP do not support CIL charges on sites of more than 500 dwellings. Applying a rate would compromise delivery of the Core Strategy, which relies heavily on large sites at the Weston Villages.	The purpose of this range of sensitivity tests undertaken for the 2012 assessment was to provide the Council with full information from which to consider the potential implications and influences of affordable housing tenure mix, and the potential trade-offs between that, potential development mitigation and infrastructure requirements / capacity bearing in mind the emergence of affordable rented tenure in comparison with social rented affordable housing. Bearing in mind that a prospective charging authority does not have to exactly follow the viability evidence in isolation, and has to look at a wide range of factors in coming to the right balance locally, the charges considered for the strategic sites at the Weston Villages were appropriate. Further to the 2012 work, as of June 2016 only two of the non-consented sites proposed to be allocated in the emerging Site Allocations Plan are greater than 500 units,	No change.

Summary of response from Savills	NSC/DSP comments	Proposed changes
	one of which is in the nil CIL Weston Town Centre area. A further differential rate for a single site is not appropriate.	
DSP assume a profit level of 17.5% - 20% on GDV for open market housing. This should be increased to 25% profit on costs, equating to around 20% profit on GDV. For strategic sites, profit assumptions should be split into two phases: (i) the promotion phase, which is long and risky. A profit level of 20 – 30% should be assumed on Return on Capital Employed (ROCE) / Internal Rate of Return (IRR) for this phase; (ii) the delivery phase: a level of 20 – 25% on GDV is required for the scheme to be attractive.	For the level of assessment appropriate to CIL charging considerations, and revisited subsequently in respect of the scale of relevant developments in the locality, the approach is considered to be appropriately reflective and is consistent with that supported for the purpose in other cases. The approach advocated is not reflected in many site specific cases and general experience from dealing with larger scale site specific viability. Particularly with the improved development activity levels seen in North Somerset, together with the updated context on remaining development, the adequacy of the profit level assumptions is considered to remain applicable.	No change.
In addition to profit, a further 'overhead' amount of 7.5% of GDV should be allowed.	DSP advise that they would not expect to include a developer overhead in addition to the profit levels and other assumptions factored-in, and this is not considered to be a regular assumption. The assessment process also needs to be considered in the round, so that, for example, there are other areas of tolerance within appropriate high-level assumptions – including the use of average build costs data with no allowance then made for economies of scale that are often discussed in respect of larger scale housebuilding.	No change.
A professional fees allowance of 10% is appropriate for smaller-site typologies, but should increased for larger strategic sites.	Looking at the assessment in the round it is considered that the collective costs allowances are sufficient and appropriate overall.	No change.
The majority of the development typologies should reflect the economics of development on previously	The approach of considering normal costs of development is entirely appropriate, consistent with	No change.

Summary of response from Savills	NSC/DSP comments	Proposed changes
developed land and incorporate an allowance for non-standard development costs ('abnormals') such as demolition, abnormal foundation design, flood alleviation works, land stabilisation and remediation.	national planning policy and adopted good practice at this level of review.	
Viability assessments should include an assumption that development will achieve Code for Sustainable Homes Level 5.	Appropriate assumptions and tests were used and carried out at the time of the 2012 assessment; based on what was known at that point and consistent with good practice and with wide experience of undertaking this type of assessment. It would not have been or be appropriate to load the base assumption as appears to be suggested here. Requirements in relation to sustainability have changed since 2012. Paragraphs 2.2.1 – 2.2.3 of the DSP Viability Review Update 2016 comment on this issue.	No change.
The allowance for residual S278 and S106 costs in the PDCS consultation is £6,000 for strategic sites and £1,000/dwelling for other sites. It is not clear how these figures have been derived and further evidence is required on this point.	Paragraph 2.4.12 of the DSP Viability Review Update 2016 comments on this issue: based on latest typical practice the allowance for residual costs has been increased to £3,000/dwelling. Whilst S106 requirements in parallel to a CIL are not certain to be at this level, this results in the inclusion of a significantly increased contingency allowance. Evidence on the expected division of S106 and CIL is provided as part of the Draft Charging Schedule consultation.	No change.
No evidence is provided as to the projected sales rate or sales period over which a development is expected to be delivered; this will have an impact on viability.	For the smaller schemes, these assumptions are inherent in the allowances that have been made for the lead-in, development duration and therefore also the assumed finance cost allowances. For the 500 unit scenario tests, the HCA appraisal summary shows the market homes	No change.

Summary of response from Savills	NSC/DSP comments	Proposed changes
	sales rate that results from the assumptions made, at 3.61 dwelling sales per month on average.	
It is not clear what evidence has been used to derive density assumptions.	The approach used is considered to be sufficient and appropriate for the high-level review purposes that are relevant in this context.	No change.
There is no explanation of the site coverage assumptions within the viability assessment; some elements appear to suggest 100% coverage, which is not possible and will distort findings.	The approach used was considered to be sufficient and appropriate for the high-level review purposes that are relevant in this context, whereby the assessment is primarily about review of the varying strength of relationship between development values and costs.	No change.
Benchmark Land Values are set too low. In Savills' experience greenfield land in North Somerset trades at considerably more than £250,000 - £500,000 per hectare.	Although much of the focus has now moved away from the relevance of larger sites, for the purpose and based on wider experience the assumptions were considered appropriate. As with the previous viability work, any updating will be considered on the premise that values do vary, hence a range of comparisons are used in DSPs assessments since a single level of land value cut-off does not reflect the variations that will be seen in practice. This again is an area that will typically be kept under review; considered dynamically as far as possible. There are often misunderstandings about the basis for land value assumptions. Those used in the assessment for greenfield land assume a pre-planning non-serviced scenario; i.e. "raw" material view of land value, as might be received by a land owner based on a bulk land type option price with planning risk and all development costs factored-in/deducted to ensure that in construction the appraisal for this purpose there is no duplication of development costs. Although it may be expected that view on land values may vary, expectations will always	No change.

Summary of response from Savills	NSC/DSP comments	Proposed changes
	need to be realistic bearing in mind the local market, planning policies, site characteristics and so on. This is a typical and appropriate approach for the assessment purpose.	
Sales values appear to be based on asking prices rather than actual prices.	In accordance with well-established practice for a high-level rather than site-specific viability assessment, a range of sources is appropriately used including existing values patterns, local new builds, a range of market reporting and so forth. Necessarily judgements are made, based on how the picture from the wide-ranging research and sources comes together, with potential deduction from marketing price considered amongst the many factors that inform the assumption range, It is also worth noting the range of sensitivity testing undertaken.	
A phasing policy is essential to avoid an undue impact on viability. Requiring the full CIL charge upfront would add significantly to the finance burden for a developer, particularly on larger scale developments.	Legislation and the National Planning Policy Guidance on the CIL are clear that phasing policies are optional. Payments on large sites will in most cases be phased through Reserved Matters applications. Further phasing would add to the complexity and administrative costs of the CIL and adds to delays in delivering infrastructure. This matter will be kept under review and may be changed in the future if it is felt necessary.	