# ROYAL BOROUGH OF GREENWICH COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE EXAMINATION

# Main Issues and Questions for the Examination

## ***Main Issues for consideration by the Examiner***

*A. Has the Charging Authority complied with the procedural requirements in the 2008 Act (Part 11 and section 221), the 2010 Community Infrastructure Regulations (as amended) and the 2012 CIL amending Regulations?*

*B. Is the CIL charging schedule supported by appropriate available evidence on infrastructure planning and economic viability?*

*C. Are the proposed CIL charging rates informed by and consistent with the evidence?*

*D. Does the evidence show that the proposed CIL charging rates would not put at risk the overall development of the area? Has an appropriate balance been struck between helping to fund the new infrastructure required and the potential effects of the levy on the economic viability of development across the borough?*

## Questions for the Examination

### Residential rates

Overall question: *Does the evidence show that the proposed single residential levy rate of £70/sq.m would not put at risk the overall development of the borough and the delivery of the Royal Greenwich Local Plan? Does it strike an 'appropriate balance'? In particular, how will it affect development viability in areas of lower land value and higher infrastructure cost?*

Specific questions

1. In the light of the conclusion in the BNPPRE Viability Appraisal that residential schemes in Royal Greenwich should be able to absorb CIL rates of between £95/sq.m. and £265/sq.m. across different areas of the borough, is the proposed single rate of £70/sq.m. for residential development appropriate?

2. In the light of BNPPRE Viability Appraisal finding that most residential development in Thamesmead, Plumstead and Abbey Wood is not viable, is the maximum CIL rate of £95/sq. m. for these areas indicated by the VA supported by the evidence?

   Does the evidence support the need for a lower or zero rate for residential development in Thamesmead, Plumstead and Abbey Wood?

Within the strategic growth locations of Woolwich and Kidbrooke, does the available evidence indicate the need for a lower CIL rate than £70/sq.m. to take account of higher on-site infrastructure costs?

What effect would setting a lower or zero rate for these areas have on the delivery of development and infrastructure across the borough?

3. What proportion of the borough's future housing land supply is made up of the types of sites represented by the Benchmark Land Values that the BNPPRE Viability Appraisal concludes would be viable with CIL?

4. Does the evidence demonstrate that the buffer between the maximum viable CIL rates identified in the BNPPRE Viability appraisal and the proposed rate of £70/sq.m. is enough to allow viable residential development across the borough?

5. How will the proposed rate of £70/sq.m. affect the delivery of the affordable housing target of the Core Strategy?

   What evidence is there to indicate that the type of sites which the BNPRE Viability Appraisal identifies as viable for both affordable housing and CIL are available in the borough to come forward in future?

**<u>Retail and Commercial Rates</u>**

*<u>Overall question</u>: Does the evidence support the proposed retail levy rate of £100/sq.m. for supermarkets, superstore and retail warehouses? Does it strike an 'appropriate balance'? Would it put at risk the delivery of commercial development across the borough?*

<u>Specific questions:</u>

6. Is the zero CIL rate proposed for all other A1-A5 developments supported by the evidence? Would it give rise to selective assistance?

7. What viability evidence is there to support 929 sq.m. as the minimum threshold at which retail schemes would viably support a CIL of £100/sq.m.?

8. What evidence is there to indicate that the proposed rate of £100/sq.m. will negatively affect the viability of large operators?

9. Does the evidence support and do the CIL regulations allow the exclusion of ancillary car parking from the calculation of chargeable floorspace for retail developments on viability grounds?

## **General**

*Overall question: How do the policies for residual S106/S278 obligations, exceptional relief and payment of CIL by instalments affect the economic viability of development across the borough?*

Specific questions:

10. Is the assumption in the BNPPRE Viability Appraisal of £1000/unit to address residual s278/s106 costs for residential development and £5/sq.ft. for commercial development realistic and supported by evidence?

11. What further clarification can be provided from the emerging Planning Obligations SPD and the Reg 123 list that there will be no double dipping for infrastructure contributions from future S106 agreements and CIL?

12. How would the Council's proposed instalments policy affect the viability of developments?

    Does the evidence indicate that the alternative staging of payments proposed by Linden/Novalong or instalments paid on implementation of projects, as proposed by the Peabody Group, would have a significant effect on development viability?

    What is the status of the instalments policy – does it form part of the charging schedule or is it separate and if separate what development plan status would it have?

13. What is the status of the Exceptional Relief Policy document (CE12)? Is it part of the Charging Schedule or separate and if so what is its development plan status?

14. What is the available evidence to support the projected CIL income of £5 million/year identified the Supporting Information document (CE9)?

    If 28,500 residential units already have planning permission, how would this affect the receipt of CIL income during the first 10 years of the local plan period what is the trajectory for the delivery of CIL contributions from the remainder of the Core Strategy's housing requirement?