

**Ryedale Community Infrastructure Levy : Viability Assessment**

	<b>Person/Organisation</b>	<b>Comment</b>	<b>Response</b>
<b>General</b>	Malton Town Council	<p>The Town Council raises no objection to either the proposed charging rates or the relative proportions for development type or the proposal in respect of differential zoning.</p> <p>The principal concerns of the Town Council relate to infrastructure needs and deficiencies and the need for formal and ongoing consultation with Local Communities/Councils on infrastructure issues as CIL is operated. It is essential that monies raised are directed to the most needed areas.</p>	<p>Noted.</p> <p>The Regulation 123 list will outline where the money generated through CIL will be spent.</p>
	Homes and Communities Agency	Support the proposals being put forward but have no specific comments to make at this stage.	Noted.
	Gladman Developments (via GL Hearn)	Overall the report lacks sufficient detail and the residential appraisals should be revisited to take account of the issues we raise. The proposed levy is too high and will adversely affect housing delivery rates.	Further work has been undertaken with further analysis and revised modelling.
	Helmsley Town Council	No comment to make on the specific level of charges proposed but concerned about the impact of CIL on	CIL has been calculated assuming full affordable housing requirements are developed on the scenarios

		<p>future affordable housing provision in the Town and Developers subject to CIL may argue for a lower affordable housing contribution. Additionally if CIL proceeds are not spent directly in the Town this will be a double loss for the town.</p> <p>The Town Council would be grateful if the position in relation to 'Neighbourhood funds' could be clarified. It would appear that the town could not qualify to receive 25% of CIL receipts.</p>	<p>tested.</p> <p>Town council will be eligible for 15% of the locally generated CIL revenues. If there is an adopted neighbourhood plan in place, this proportion rises to 25%.</p>
	Natural England	<p>No comment on the draft charges but Natural England would welcome a discussion on the types of infrastructure which CIL is intended to fund. If funding for Green Infrastructure cannot be provided through other sources, CIL funding should be identified.</p>	<p>Noted. Green Infrastructure items are included on the Regulation 123 list which remains a 'live' document.</p>
	Sainsbury's Supermarket Limited (SSL)	<p>SSL supports the principle of CIL but it is important to strike the right balance between securing the funding of infrastructure and the effect on development viability/ deliverability.</p>	<p>Noted. Viability modelling has been undertaken which is considered to strike the right balance as required by Regulation 14.</p>
	North Yorkshire County Council (NYCC)	<p>NYCC welcomes the fact that RDC has embarked upon the establishment of a CIL charging mechanism.</p> <p>The principle of a funding gap within Ryedale is established and accepted.</p>	<p>Noted.</p> <p>Noted.</p>

	M Punchard	CIL in combination with other contributions and building standards will adversely affect the viability of smaller residential schemes which help to support a significant number of small building firms in Ryedale and wider associated trade.	CIL is being introduced so that the majority of developments will contribute towards meeting future infrastructure needs. The viability evidence shows that the vast majority of developments would be able to afford CIL.
	Habton Parish Council	The Parish Council has reacted in favour of the CIL proposal.	Noted.
	G Winn Darley	New houses only balance the trend of a reducing population in villages. It is difficult to see a justification for charging a levy as new dwellings will not result in any further net demand on infrastructure. CIL would effectively be a tax on people trying to live in rural areas for the benefit of these who are significantly increasing the amount of housing and population in the Market Towns.	CIL is being introduced so that the majority of developments will contribute towards meeting future infrastructure needs. The viability evidence shows that the vast majority of developments would be able to afford CIL.
	Kirkbymoorside Town Council	A substantial majority of funds should be applied to the area that generates it and justification should be made as to when/why costs are not centralised.  It is imperative that genuine consultation be undertaken within the area to discern actual spending priorities.	The Regulation 123 list identifies the pieces of infrastructure that will be contributed towards via CIL revenues.  Priorities will be determined by the Council following further consultation. This will also include the Regulation 123 list.
	Fitzwilliam Trust Corporation and	The importance of viability and deliverability cannot be underestimated. Fundamental to viability testing	Viability modelling has been undertaken for various development scenarios that highlight those

	Fitzwilliam Trust Estate (via GVA)	is the ability of a developer to obtain a market-risk adjusted return for their efforts. If this falls below what would be deemed acceptable by the market the development would be deemed unviable and may not proceed.	developments that can attract a charge and those that cannot. Charges are proposed in accordance with this evidence.
	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	Of equal importance is the ability of a land owner to obtain a competitive return to ensure land is willingly released. Where a site value reduced to a level deemed to be below market expectations (regardless of percentage uplift) as a result of CIL or other obligations there is a serious risk that land will not be released.	Additional analysis has been undertaken to understand benchmark land values within Ryedale. These represent a competitive return to the land owner.
	McCarthy and Stone Retirement Lifestyles Ltd and Churchill Retirement Living Ltd (via the Planning Bureau Ltd)	The effect of CIL on specialist accommodation for the elderly should be properly considered and accurately assessed so as not to put the developers of the Development Plan at risk. CIL should not prohibit the development of specialist accommodation.	A retirement style apartment development appraisal has been undertaken and the findings published in the addendum report.
<b>Section 2</b>	WM Morrison Supermarkets plc	(Legal Requirements) – Concur with the summary.	Noted.
<b>Section 4</b> Para 4.12	WM Morrison Supermarkets plc	It is not clear how site specific s.106 contributions have been calculated in the context of retail development typologies.	Liaison with the Council has identified the likely amount that would be charged as a residual S106 once CIL is in place.
	Sainsbury's	SSL welcomes the early draft Regulation 123 list and	Noted.

	Supermarket Limited (SSL)	is pleased that a refined draft will be published for consultation alongside the Draft Charging Schedule. It is requested that it incorporates a timetable/target timescale to provide clarity and reassurance.	
	North Yorkshire County Council (NYCC)	NYCC would welcome further clarification on the Reg 123 list (table 4) ahead of consultation on the Draft Charging Schedule.  NYCC welcomes the statement at paragraph 4.23	The Regulation 123 list will be further developed as the project progresses.
Table 4.1	English Heritage	Consideration should be given to including public realm improvements to other areas, not just Malton.	Noted. The emerging Regulations 123 list is a live document and the Council will take account of comments received in preparation for the examination.
Table 4.1	English Heritage	The list should include repairs, improvements and maintenance of heritage assets where they are on infrastructure item as defined by the Planning Act 2008, such as cultural or recreational facilities.	Noted.
Table 4.1	English Heritage	Could include maintenance and on-going costs relevant for a range of heritage assets (eg. Bridges – transport infrastructure and parks and gardens – social infrastructure. The transfer of an ‘at risk’ building could represent an in kind payment	Noted. However, CIL is required to be used for infrastructure to enable the delivery of planned growth outlined in the development plan. It cannot be used to fund existing shortfalls/deficits.

<p><b>Section 5</b> Para 5.14</p>	<p>WM Morrison Supermarkets plc</p>	<p>It is not clear in para 5.14 what land value for commercial development typologies have been carried into the appraisal. Different sized retail developments will require different sized sites.</p>	<p>Land value assumptions for commercial developments have been reviewed and clarified in the addendum report.</p>
	<p>Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)</p>	<p>Concerned that the limited number of development typologies may undermine the robustness of the viability exercise. A 2.5ha and a 8ha site should be assessed to ensure that a suitably comprehensive range of typologies are assessed.</p> <p>The limited number of density typologies may undermine the robustness of the viability exercise. Additional sensitivity testing should be undertaken using a wider set of density assumptions to align with broad references in the Local Plan Strategy.</p>	<p>Scenarios of 0.25ha, 1ha and 5ha cover the likely format in which developments will come forward. Larger sites will more than likely be parcelled off as smaller chunks to be developed in a phased manner.</p> <p>Additional appraisal to cover higher densities has been undertaken.</p>
<p>Para 5.23</p>	<p>Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)</p>	<p>5.23 Unit Sales Values: We do not challenge the assumptions made.</p>	<p>Noted.</p>
<p>Paras 5.26-5.38</p>	<p>Gladman Developments (via GL Hearn)</p>	<p>The analysis of current residential values (paras 5.26-5.38) appears to be based on little actual market evidence. The value of residential land in the viability appraisals is assessed by reference to an uplift to industrial land values and not by reference to the actual residential values reported. Figures are inconsistent with the Councils affordable housing viability study</p>	<p>Page 29 of the Harman Report 'Viability Testing Local Plans' cautions against reliance on transactional data. In line with this guidance, transactional evidence forms just part of our evidence base in respect of land values, which also includes reference to existing and alternative use value with appropriate uplift factors and findings of consultations with locally active agents and developers. In any case, by definition, reported values would be historical and not necessarily</p>

		<p>There is no explanation of how residential values have been carried out. The 30% uplift on industrial values is too simplistic on approach and is not evidence of residential land values. The agricultural multiple is not realistic in the context of the NPPF and the strong development potential of sites.</p> <p>Actual market evidence of recent land transactions should be included/used.</p>	<p>representative of the current and likely future market conditions.</p> <p>No evidence is provided to support assertion. Assumptions made are based on a range of appropriate available evidence including a small number of comparable transactions, consideration of existing use values and uplifts/multipliers and the feedback received from developers and agents.</p>
Paras 5.26- 5.38	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	<p>Sales rates: A more realistic sales rate is 2-3 sales per month. A conservative rather than a bullish rate will be prudent and will ensure that land value and profit level are not artificially increased.</p>	<p>The sales rates assumed in the revised viability assessments in the Addendum Report are in line with those suggested. That said, our intelligence suggests that sales rates at some recent developments have far exceeded these rates.</p>
	Gladman Developments (via GL Hearn)	<p>Development period – the assumed sales rates are too optimistic and will lead to an under estimation of interest costs.</p>	<p>The sales rates assumed in the revised viability assessments in the Addendum Report are informed by market evidence and in line with those suggested by other consultees. That said, our intelligence suggests that sales rates at some recent developments have far exceeded these rates.</p>
Para 5.24	Gladman Developments (via GL Hearn)	<p>Build costs (Para 5.24) – BCIS data provides a range of cost and clarification and what has been applied is requested. BCIS data will under estimate current build costs given how and when it is compiled.</p>	<p>Clarification is provided in the addendum report. BCIS averages (indexed for Ryedale) applying the median average for ‘Estate Housing Generally’. It is important to note that many developers, particularly larger ones, will be able to develop at costs that are significantly below BCIS level, which tend to more closely reflect the costs of smaller house-builders and Registered Providers.</p>

Para 5.24	Gladman Developments (via GL Hearn)	Cost research by developers would suggest that the extra over cost from current building regulations to achieve Code level 4 is in the range of £4k-£6k per dwelling.	BCIS assumptions used are based on figures that cover the costs of building to current Building Regs requirements. The latest research shows that the 'extra over' of Code Level 3 is minimal and that for CSH 4 is c£2,000 per unit. In any case, CSH 4 is not a policy requirement.
Para 5.24	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	Concerned that the assumptions used to build to code level 4 are under estimated and are too low which artificially increases the surplus available for CIL and undermines the robustness at the viability exercise.	BCIS assumptions used are based on figures that cover the costs of building to current Building Regs requirements. The latest research shows that the 'extra over' of Code Level 3 is minimal and that for CSH 4 is c£2,000 per unit. In any case, CSH 4 is not a policy requirement.
Para 5.32	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	Land Values: Concerned that the viability assessment includes very limited actual transactional evidence which may have led to an over-generalised assessment of land values. Our clients are of the view that hypothetical residential land values are in the region of £1,000.00 per ha. Reliance on uplift is not supported by RICS as in reality property does not transact on an Existing Use Value basis. An assessment based on market values should be adopted.	Page 29 of the Harman Report 'Viability Testing Local Plans' cautions against reliance on transactional data. In line with this guidance, transactional evidence forms just part of our evidence base in respect of land values, which also includes reference to existing and alternative use value with appropriate uplift factors and findings of consultations with locally active agents and developers. In any case, by definition, reported values would be historical and not necessarily representative of the current and likely future market conditions.
Para 5.36	Taylor Wimpey  Fitzwilliam Trust	The viability assessments assume brownfield sites are cleared and greenfield sites are serviced. These are significant costs which are not accounted for.  In not making an allowance for preliminary works/ clearance of brownfield sites and servicing of	Where significant demolition or remediation is required and not undertaken by the landowner prior to disposal, it is expected that the cost of such works would be reflected in the price a developer would pay for the site.



	Corporation and Fitzwilliam Trust Estate (via GVA)	greenfield sites the appraisal is artificially low on costs. The surplus potentially made available for CIL will be over estimated. If competitive returns are not generated land will not be willingly released and this could lead to a negative impact on housing supply.	The land value assumptions made reflect this position, in that they are considered to reflect the values likely to be attributable to land that is readily developable.
Para 5.41	Gladman Developments (via GL Hearn)	Discount from marketing prices (para 5.41) – The total value of such sales inducements will average in the region of 10% of gross asking price (not 5%) and needs to be reflected in the sales revenue applied	No evidence provided to support assertion. Sales value assumptions are based on a number of sources, including marketing prices allowing for deductions of 5-10%; Land Registry achieved sales prices and feedback from developers and agents.
Para 5.47	Gladman Developments (via GL Hearn)	Affordable Housing (para 5.47) – 70% of OMV for shared ownership is not realistic. 60 % - 65% is a better guide to the value likely to be achievable in current conditions.	No evidence provided to support assertion. 70% of OMV has been tested and found sound elsewhere and has been agreed with by a number of developers.
Paras 5.50-5.57	Gladman Developments (via GL Hearn)	External Works: (Para 5.50) – This is normally adopted at 20% of the base construction cost when using BCIS cost date as a base cost, the 10% adopted in the appraisals is too low.	A 10% allowance for external works has been widely accepted elsewhere and no evidence is provided to support an alternative assumption.
	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	Para 5.53 External works. We consider that the application of an all encompassing allowance for external works at 15-20% of base build costs is a more prudent approach. This would increase consistency across	A 10% allowance for external works has been widely accepted elsewhere and no evidence is provided to support an alternative assumption.

		the development typologies.	
Paras 5.50-5.57	Gladman Developments (via GL Hearn)	Contingency: The 5% contingency has only been applied to the basic build costs which is incorrect. It should also apply to policy costs and professional fees and also to the other on-site infrastructure costs.	Contingency is been charged against basic build cost, external works and professional fees in the revised assessments.
	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	Contingency: The rate of 5% should be sensitively tested at 7.5% and 10% to reflect a scenario of developing on a brownfield site which had greater uncertainty and increased risk.	5% contingency has been tested and found sound at numerous examinations.
	Gladman Developments (via GL Hearn)	Marketing and Disposal costs (para 5.56) – At 3% is to low and should not be applied to open market units only. A minimum cost would be 4% of total gross development value.	Whilst no evidence has been submitted to support the assertions made, the revised modelling has calculated marketing differently to previous. Sales agent fee has been assumed at 1.25%, legal fees at £600 per unit and marketing at £100 per unit.
Paras 5.50-5.57	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	We are keen to ensure that build cost variations are based on the application of lower or higher BCIS cost estimates rather than an arbitrary adjustment.	This methodology has been tested and found sound at examination.
Paras 5.50-5.57	Gladman Developments (via GL Hearn)	Bank funding costs – the rate suggested would appear appropriate	Noted.
Paras 5.50-5.57	Gladman Developments (via GL Hearn)	There are additional costs that need to be included in all appraisals which include funders arrangement	Whilst it is good practice to factor in finance costs to viability assessments of this nature, many

		fees, monthly management fees and exit fees at 1%, £1k per month and 1% of GDV respectively.	developments will not be debt funded, or will be only partly debt funded. We have assumed that schemes are 100% debt funded (with no credit interest) at a rate that is higher than those available to many developers. We consider this approach to be robust and conservative and that the additional costs identified (which are not common to all development borrowing in any case) would have a lesser impact on viability than if our assumptions were based on, say, only 60% debt finance and interest at base rate +4% (as is more common) with the additional costs identified allowed for on top.
	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	Professional fees. We are keen to ensure that this is applied to the base build costs and external works.	We confirm that this is the case.
	Gladman Developments (via GL Hearn)	Development margin – Development margin requirements should be assessed against the gross development value of a scheme and not against total development costs. The current appraisals are flawed as the profit margin is currently expressed as a percentage of cost and not revenue and the returns referred to will be further eroded when realistic levels of developer costs are included.	Revised modelling tests against the value of the scheme at 20% on GDV for market units, 6% on GDV for affordable units.
	Taylor Wimpey	The work needs to be revisited to reflect the fact that volume house building works on profit on revenue.	Revised modelling tests against the value of the scheme. 20% on GDV for market units, 6% on GDV for affordable units.
	McCarthy and Stone	A viability assessment for a specialist	A viability model has been produced for retirement

	<p>Retirement Lifestyles Ltd and Churchill Retirement Living Ltd (via the Planning Bureau Ltd)</p>	<p>accommodation for the elderly scheme should be undertaken and assessed against both likely site values and potential alternative (competitive) uses. Our concern is that CIL could prejudice the delivery of retirement housing.</p> <p>A viability assessment for a specialist accommodation for the elderly scheme should provide a development scenario for a typical flatted retirement housing scheme located on a previously developed site within 0.4 miles of a Town Centre. To assist we have provided a joint position paper with recommendations for testing the viability of specialist accommodation for the elderly for CIL and a paper produced by Three Dragons consultants.</p> <p>A viability assessment for a specialist accommodation for the elderly scheme will demand inputs which are specific to retirement housing. These include:</p> <ul style="list-style-type: none"> <li>• Additional costs associated with the provision of commercial areas. Provides of specialist accommodation for the elderly are at a disadvantage in land acquisition as the ratio of CIL rate to net saleable area would be disproportionately high.</li> <li>• Typical sales and marketing fees are often closer to 6% of GDV</li> <li>• Costs associated with empty properties which are covered by developer until the development is fully occupied.</li> <li>• Build costs specific to flatted sheltered</li> </ul>	<p>accommodation, results are included in the Addendum Report.</p>
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		housing	
<b>Section 7</b> Para 7.7	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	Would like to see greater clarity around the definition of larger and smaller format stores. Recommend a sensible threshold would be 2,500 sq.m GIA.	A revised definition for retail developments has been produced following recent examination reports. One indicator of how the buildings are used differently is a trading area threshold of 500 sq. m.
Para 7.8	WM Morrison Supermarkets Plc	There are no development density assumptions for supermarket schemes. Table 7.2 refers to a cost per square metre but without knowing the scheme size and density this cannot be translated into a site cost. This needs to be transparent.	Revised modelling is based on development typologies, the detail of which are provided in the Addendum Report and appendices.
Para 7.13	WM Morrison Supermarkets Plc	Land values for retail (£ per hectare) is not quoted and it is not clear from the appraisal summaries what actual threshold land value has been used.	Land value assumptions are made clear in the Addendum Report.
Para 7.13	WM Morrison Supermarkets Plc	VOA data is from July 2009 and (partial data) from January 2011 which is out of date. The weight given to such historic information must be reduced. It would be appropriate to set out what the opinions of local agents and developers were and if these are opinions of value (hypothetical) or based on local transactions (actual).  In the case of retail developments landowners are likely to hold out for the highest value and are unlikely to accept a reduction in their land value for CIL	Land value assumptions are made clear in the Addendum Report.
Para 7.13	Fitzwilliam Trust	An allowance for purchasers costs should be	Purchaser's costs are itemised separately in the

	Corporation and Fitzwilliam Trust Estate (via GVA)	incorporated in the viability appraisal of commercial development. We have not seen any reference as to how these costs have been incorporated. 5.8% of the GDV would be prudent	revised viability assessments included in the Addendum Report.
Para 7.15	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	For supermarkets, the rent and yield assumptions appear broadly acceptable, however we are of the opinion that the build cost assumption is low. BCIS data reveals that these are in excess of £1,000 per sq.m. An under estimated build cost will artificially increase land value or profit.	BCIS data at the time of the appraisals gave the figures used in the appraisals. The build cost data has been updated for the revised modelling used in the addendum report.
Para 7.15	Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	For retail warehousing, rent, yield and build cost assumptions appear broadly acceptable although would question whether such uses are likely to contribute significantly to development activity and whether applying a charge is very pragmatic.	Whilst there may not be a significant level of development anticipated, it is important to capture funds from the viable development typologies to contribute towards the growing infrastructure needs.
Table 7.1 and para 7.16	WM Morrison Supermarkets Plc	(Key Retail Assumptions) Rents and Yields - The yield is too strong (low) even for supermarket retail due to the rural location and scale of catchment. No evidence is presented to support rent assumptions	We have an evidence base of rent and yield comparibles that have informed rent and yield assumptions. The assumptions are also supported by other representations.
Table 7.1 and para 7.16	WM Morrison Supermarkets Plc	(Key Retail Assumptions) Build Costs. The construction costs need to be revised. The latest BICS cost database, rebased for North Yorkshire shows costs ( £1,017 psm) substantially above the	The data used for the initial assessments was as shown in the BCIS database, rebased for Ryedale and not North Yorkshire. The data has been updated in the assessments included in the Addendum Report

		level used ( £990 psm).	
Table 7.1 and para 7.16	WM Morrison Supermarkets Plc	Key Retail Assumptions - Professional Fees. It is not clear which % has been used. We suggest 12%.	Professional fees are included at 10% of build costs and external works.
Table 7.1 and para 7.16	WM Morrison Supermarkets Plc	Key Retail Assumptions. (Table 7.1 and para 7.16) - Section 106. The report does not specify what quantum has been allowed for S.106 contributions. In our experience such costs could be in the order of £0.5m for S.106 and £0.5m for S278. The appraisals should be reworked to reflect these costs.	The S106 figure is based on analysis of recent S106 schemes and equates to £100 per sq. m for supermarkets. It should be noted that the tighter restrictions S106 as a function of the Reg 122 tests will mean that such costs are likely to be significantly lower than have been the case previously, once CIL is adopted. The assumption reflects levels found through research into S106 costs for retail developments.
Table 7.1 and para 7.16	WM Morrison Supermarkets Plc	Key Retail Assumptions - Interest. It is not clear how this has been calculated. 18 months is inappropriately optimistic for supermarket developments. An appropriate cash flow period would be in the order of 30-36 months	We do not agree that a supermarket would take approximately 3 years to complete. No evidence is provided to support assertions made. Our evidence suggests that supermarkets typically have a 9 month construction period, although we have conservatively allowed for a 12 month construction period.
Table 7.1 and para 7.16	WM Morrison Supermarkets Plc	Key Retail Assumptions - Developers margin/profit - Suggest that the developers profit level for supermarkets be increased to 25% on cost.	No evidence provided to support assertions. 20% on cost assumption has been tested and found sound at numerous examinations.
Table 7.2	WM Morrison Supermarkets Plc	Viability Assessment Retail - The report does not present the appraisal results for the hypothetical retail typologies, rather retail viability result per square metre. This is unusual as proportions could	Revised modelling has is based on hypothetical retail development typologies that are clearly set out in the Addendum Report.

		change for stores of different sites. Also without the appraisals the report is a 'black box' which is not transparent and against guidance. For example on terms of land and purchase costs it is impossible to establish what threshold land value per hectare, £500 per square metre equates to.	
Table 7.2	WM Morrison Supermarkets Plc	Viability Assessment Retail- The figure of £50 psm for S.106 / S.278 is low and query why it is half the rate used for Hambleton.	The S106 figure is based on analysis of recent S106 schemes and equates to £100 per sq. m for supermarkets. It should be noted that the tighter restrictions S106 as a function of the Reg 122 tests will mean that such costs are likely to be significantly lower than have been the case previously, once CIL is adopted. The assumption reflects levels found through research into S106 costs for retail developments.
<b>Section 9</b>	WM Morrison Supermarkets plc	<p>Maximum Charge Rate Assessment (Table 9.3) - There is no evidence to suggest how this would translate to a real scheme. Simply multiplying up the per metre appraisal is too simplistic as the variables will alter relative to each other depending on the size of the scheme.</p> <p>Non residential maximum and recommended rate of CIL charges. Query why the top end of the range has been used. We would recommend a charge rate of 50% of the typical theoretical maximum.</p>	<p>Revised modelling has been used that basis appraisals on a hypothetical development scheme, rather than on a per sq. m basis.</p> <p>Charges rates are set at between 50% - 75% of the theoretical maximum rates. This demonstrates that the Council has drawn down substantially from the 'ceiling' of viability and demonstrates that the balance required by Regulation 14 has been achieved.</p>
Table 9.1	North Yorkshire County	The ranges in table 9.1 would appear to be rather	This approach to rate setting has been found sound



	Council (NYCC)	conservative as regards to the suggested theoretical maximum. Suggest that it is raised to sit at a medium point within the Governments suggested range. (60-65%).	and commended by several examiners as a means of achieving the balance required by Regulation 14 between maintaining development viability and funding the infrastructure required to enable growth.
Table 9.1	North Yorkshire County Council (NYCC)	Tables 9.2 and 3.1. By the time a CIL charge is adopted the potential revenue is likely to be reduced as a result of schemes coming forward before the levy is in place, widening the gap between CIL and recognising infrastructure.	Noted. However, the CIL charge has to follow prescribed steps. In the meantime, S106 will remain the mechanism by which developer contributions are sought.

### Preliminary Draft Charging Schedule

Person/Organisation	Comment	Response
Helmsley Town Council	It is unclear by what is meant (para 33) of a cap of £100 per dwelling in each financial year.	The cap per dwelling is set out in the regulations issued by Central Government.
Sainsbury's Supermarket Limited (SSL)	SSL. Objects to the proposed differential rate applied to 'supermarkets' and 'retail warehouses'. The proposed definitions fail to meet the requirements of Regulation 13 of the 2010 CIL regulations and CIL guidance.	CIL charge differentiation for retail uses as proposed in Ryedale has been tested and found sound in numerous recent examinations and therefore demonstrably meets the requirements of Regulation 13.
Sainsbury's Supermarket Limited	SSL does not agree that there is a justifiable and evidenced material difference in the intended and	CIL charge differentiation for retail uses as proposed in Ryedale has been tested and found sound in

(SSL)	identified uses of development between supermarkets, retail warehouses and other forms of retail development within Ryedale. The approach is also inequitable.	numerous recent examinations and therefore demonstrably meets the requirements of Regulation 13.
Sainsbury's Supermarket Limited (SSL)	<p>The clear and fine gained viability evidence required to distinguish between and justify differential uses is absent from the evidence base. No detail is x as to the scale of the developments appraised, the threshold chosen of the impact of this on viability.</p> <p>Assumes that the single appraisal for each retail 'use' is representative of the market across the District</p>	<p>Refined modelling has been used that works through hypothetical development scenarios.</p> <p>The assumptions and assessments reflect the market data gathered and the rents and yields likely to be achieved in the locations where development is expected to come forward. It neither necessary nor feasible to test every conceivable type and location of development and a degree of generalisation is acknowledged to be acceptable for the purposes of CIL. Nonetheless, rates are set substantially below the identified maxima in order to ensure that they are applicable to the range of conditions likely to be found in the district.</p>
Sainsbury's Supermarket Limited (SSL)	The evidence does not take the reality of delivery schemes in Ryedale into account. The use of appropriate and 'readily available evidence' must seriously include details and data x from locally representative developments within and near to Ryedale.	The evidence has been gathered from a number of sources and is robust for the purposes of high level viability assessments to inform CIL charge setting. No alternative evidence that would give cause to make different assumptions is provided as part of the representation.
Sainsbury's Supermarket Limited	There should be a single CIL rate for all retail development within Ryedale.	Our evidence suggests there is scope for differentiation as they vary significantly between

(SSL)		development types.
Sainsbury's Supermarket Limited (SSL)	SSL is pleased that it is proposed to change a nil CIL rate an 'all other chargeable development'.	Noted.
Sainsbury's Supermarket Limited (SSL)	There is no evidence in the state aid consequences of charging differential rates for retail developments.	Charges can vary for use/scale or zone which it is demonstrated by the viability evidence.  Where such an approach is supported by the evidence, then there are no state aid issues.
Sainsbury's Supermarket Limited (SSL)	SSL is pleased that the Council intends to introduce an instalments policy which is important for development cash flow. It is requested that this is produced alongside the Draft Charging Schedule for consultation.	Noted.
Sainsbury's Supermarket Limited (SSL)	SSL is pleased that the Council proposes to introduce a policy to enable discretionary relief for exceptional circumstances and requests this is made available alongside the Draft Charging Schedule. It should include a mechanism by which the viability of schemes with considerable challenges can be taken into account.	Noted.
Sainsbury's Supermarket Limited	The Council will be required to reflect the CLG response to the Proposed Further Reforms to be CIL	Noted. This has been taken on board.

(SSL)	Regulations in the Draft Charging Schedule.	
WM Morrison Supermarkets plc	Object to the proposed CIL rates for retail development. It is significantly higher than those proposed by other LPA's and at this level is likely to have a significant adverse impact on the overall viability of future large scale retail developments particularly when taking into account other costs (eg, typical S.106 agreements). It will place undue risk on the delivery of food retail proposals and will be an unrealistic financial burden which will threaten new investments and job creation.	Charge rates reflect the viability assessments and are broadly in line with the almost all regional and sub-regional comparators, reflecting the similarities in market conditions across these areas. The charges proposed for supermarkets are highly unlikely to constrain viability given that it remains by far the best performing development sector in the UK and the CIL liability is lower than the S106 costs offered as part of many supermarket developments.
WM Morrison Supermarkets plc	The definition of a supermarket is 'grey' by reference to basket or trolley shopping	Retail differentiation, applying the definitions proposed, has been found sound at various examinations and is adequately clear.
North Yorkshire County Council (NYCC)	The position of having a differential CIL as expressed for residential development seems appropriate.	Noted.
North Yorkshire County Council (NYCC)	It is appropriate that supermarkets and retail warehousing are proposed for charging.	Noted.
North Yorkshire County Council (NYCC)	NYCC welcomes and supports the proposal to levy a nil charge rate upon public and industrial uses including community facilities. This should apply to extra care facilities development by a not-for-profit	Noted.

	social landlord in partnership with NYCC.	
North Yorkshire County Council (NYCC)	NYCC would be concerned if the payment of CIL by instalments delayed the receipt of funds as this could result in higher borrowing costs and risks for NYCC at a time of significant budgetary pressures. It could even result in it not being possible to deliver vital infrastructure and prevent development from commencing.	An instalments policy is necessary to allow some flexibility in development that faces substantial up-front costs. Investments by NYCC should only be made where funding is secured and it is acknowledged that this may, regrettably, result in some delays.
North Yorkshire County Council (NYCC)	Para 26 – land in lieu of CIL. This could have implications for NYCC and we urge that dialogue takes place before any such agreement is reached.	Regulations state that CIL can be paid by land or through the delivery of infrastructure by a developer instead of paying the rate.
McCarthy and Stone Retirement Lifestyles Ltd and Churchill Retirement Living Ltd (via the Planning Bureau Ltd)	The present wording is misleading. Reference is made to ‘private market houses’ when it is understood this is intended to include private x schemes.	Further viability assessments have been undertaken specific to retirement accommodation. The findings are set out in the Addendum Report.
McCarthy and Stone Retirement Lifestyles Ltd and Churchill Retirement Living Ltd (via the Planning Bureau Ltd)	The PDCS provides uniform levy rates for all forms of residential development and does not differentiate between houses, flats and specialist accommodation for the elderly. It fails to recognise the very specific viability issues associated with specialist accommodation for the elderly. This is recognised in the draft National Planning Practice Guidance and a specific viability assessment covering such a	Further viability assessments have been undertaken specific to retirement accommodation. The findings are set out in the Addendum Report.

	development scenario should be undertaken.	
Taylor Wimpey	Should be revisited to ensure that the residential approach results in a competitive land owner return as endorsed in Shinfield or CIL charges will not be viable/deliverable	The Shinfield decision is one decision, relating to a specific site being considered as part of the Development Management process. It is, therefore, of limited relevance for the purposes of CIL for which separate guidance and good practice exists.
Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	GVA on behalf of FME and FTL has undertaken a high level viability assessment of its own and consider that a charge of £43 per sq.m in lower value areas and £45 per sq.m in higher value areas would be more viable.	Our assessments undertaken using our evidenced assumptions suggest the published rates to be acceptable.
Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	GVA on behalf of FME and FTC has undertaken a high level viability assessment of its own and consider that a charge of £90 per sq.m for supermarkets would be more viable.	Our assessments undertaken using our evidenced assumptions suggest the published rates to be acceptable.
Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	GVA on behalf of FME and FTC has undertaken a high level viability assessment of its own and consider that a charge of £30 per sq.m for retail warehouse development would be more viable.	Our assessments undertaken using our evidenced assumptions suggest the published rates to be acceptable.
Fitzwilliam Trust Corporation and Fitzwilliam Trust Estate (via GVA)	FME and FTC strongly support the principle of a CIL instalments policy (paragraph 25)	Noted.

Ampleforth Parish Council	The PC supports the proposals but is concerned about the £100 maximum CIL payment per dwelling to the PC where there is no development plan.	Noted. This limitation relates to those areas without a Neighbourhood Plan. The limitation is, however, prescribed by Central Government.
North York Moors National Park Authority	<p>The proposed higher rate zone adjoins the National Park boundary and the rate proposed is consistent with what is being suggested for residential development in the National Park.</p> <p>It is important that there is consistency between the assessments of both authorities.</p>	<p>Noted.</p> <p>Noted.</p>
English Heritage	Paragraph 8: Support the intention to allow relief to be offered in exceptional circumstances. It should be offered where the requirement to pay CIL would have a harmful impact on the viability of developments which involve heritage assets, particularly these which are at risk.	Noted.
Country Land and Business Association	Pleased that Ryedale has chosen to set a nil levy for 'all other development'.	Noted.
Country Land and Business Association	In terms of residential development, CIL should not be applied to new dwellings which are required to accommodate those employed in agriculture, horticulture, forestry and other rural business. Such properties are not sold for development gain and are usually restricted by an occupancy condition. The charge is likely to render such projects unviable.	It is not possible to differentiate between a dwelling and an agricultural workers dwelling as they are not used differently, nor do they represent a different zone or scale of development. A residential rate would apply for all new dwellings built in Ryedale.

