

This Submission Statement addresses the requirements of Regulation 19 of the Community Infrastructure Levy Regulations 2010 (as amended). It sets out the number of representations made in accordance with Regulation 17, a summary of the main issues raised, by the representations and a summary of how these representations have been taken into account.

Barnet Council's Policy and Resources Committee authorised officers to consult on a Draft Charging Schedule in February 2021.

Public consultation was carried out between 18 February and 21 March 2021. Representations were invited by letter and email from all parties registered on the Local Plan Consultation Database as well as the consultation documents and a questionnaire being available on the Engage Barnet website. This means that representations were invited from bodies, groups and persons as required by regulation 16(1A) of the CIL Regulations 2010 (as amended) (CIL Regs).

Developers and agents were invited to a virtual consultation event hosted via MSTeams on the CIL charging schedule consultation on the 12 March 2021 and 40 external parties were registered as attending. The event provided an opportunity for developers and agents to learn more about the Council's approach to the rate review and ask questions ahead of the consultation closing on 21<sup>st</sup> March.

24 responses were received to the consultation, mainly from developers that are active in the Barnet area, some local residents and politicians.

Under regulation 17(5) of CIL Regs, a charging authority must take into account any representation made to it on the draft charging schedule before submitting the schedule for examination. A detailed summary of representations is provided in Appendix A, along with a summary of how the representations received have been taken into account.

The main issues raised are highlighted below.

### **Support for review**

Support for the review and the increase to rates was received from 4 members of the public/community groups, neighbouring Brent Council and the London Assembly member for Barnet and Camden.

### **Challenging Viability Evidence and questioning timing of review**

8 developers challenged the council's supporting viability evidence, putting forward technical arguments as to why the evidence did not justify the proposed rate. The council's viability consultants have responded in detail to these comments as set out in Appendix A. The following points made by the viability consultants are highlighted:

- The Council's CIL rates have remained unchanged since 2013 (save for indexation) and are significantly out of kilter with other London boroughs with similar value profiles, conversely, development and land values in

North London do not markedly differ as to undermine the viability evidence.

- There is never a 'good' time for a review and reasons can always be advanced for any changes to be deferred but ultimately there is a pressing need for infrastructure to support growth and this requires additional funding.
- The Planning White Paper proposes changes to infrastructure funding, but these are currently very high level and require considerable work to resolve detailed issues. It is unlikely that any changes will take effect in the next three years, during which time the Council will miss out on significant funding to support growth if a new Charging Schedule is not brought in.

### **Requesting sites zero rated or rate not increased**

4 developers of sites requested that the rate was not increased for their particular site. These are mainly sites where permission has been granted or developers are actively bringing forward proposals such as Douglas Bader estate, Edgware town centre, the Grahame Park Estate and North Finchley town centre. Officers have met with a number of these developers. In officer's view, there are a number of options available to these developers to mitigate the impact of any increase in rate if evidenced and justified on viability or wider public benefit grounds, rather than their sites being zero rated or the rate not increased on their site. The Council already makes exceptional circumstances relief available and it likely to introduce infrastructure payments following consultation (as explained below).

### **Requesting Discretionary Social Housing Relief**

One developer (1: Pocket Living) requested that Discretionary Social Housing Relief be made available. Discretionary Social Housing relief available was introduced into the CIL regulations in 2014, and allows for charging authority's to make such relief available for properties that are sold at 80% of market value in perpetuity (such as those built by Pocket Living). The Council has demonstrated its flexibility and willingness to work with developers such as Pocket Living (on a case by case basis) to address any issues by making partial exceptional circumstances relief available on one of its recent planning permissions. However, this does not mean that ALL Pocket Living schemes will always be unviable and the Council's approach therefore provides sufficient flexibility without locking in a blanket nil or reduced rates when they may not always be required.

### **Introduction of Infrastructure payments**

A number of developers (Ballymore, Brent Cross South) suggested that infrastructure payments be made available under regulations 73A, 73B and 74. These regulations allow for CIL payments to be made in kind, by providing infrastructure on site as part of a development. The Council considers making infrastructure payments available

would address comments made challenging evidence and asking for zero rate at North Finchley, Douglas Bader and Grahame Park.

It is hoped that making infrastructure payments available may reduce the number of strategic sites that seek Exceptional Circumstances Relief and may be a more efficient way of bringing forward critical infrastructure ahead of or in line with the pace of development.

A policy has been drafted and is attached at Appendix B

A copy of the policy has been issued to the consultees that suggested infrastructure payments should be made available for their review and comment. No comments have yet been received.

### **Position on car parking**

As the Draft Charging Schedule sets out, Car Parking will no longer be zero rated for Barnet CIL. A number of objections were received to this. However, it is considered both appropriate and consistent to charge for ancillary car parking upon adoption of the new charging schedule. According to the evidence, it would not undermine viability. It will streamline administration, resulting in greater CIL receipts to provide infrastructure to support development and removes the anomaly of Barnet being the only charging authority in London that doesn't charge for car parking.

### **Position on discretionary reliefs**

The council made Exceptional Circumstances relief available when it adopted the current charging schedule in 2013. The option to allow discretionarily social housing relief and discretionary charitable relief was provided through changes to the CIL regulations in 2014, but was not made available in Barnet. The Council will continue to make exceptional circumstance relief available but will not automatically make discretionary social housing relief or discretionary charitable relief available. Applicants will have to continue to apply for exceptional circumstances relief based on evidence.

## Appendix A Summary of Representations and how taken into account

**LONDON BOROUGH OF BARNET  
COMMUNITY INFRASTRUCTURE LEVY REPRESENTATIONS**

	Representation by	Representation	BNPPRE response	Barnet response
1	Pocket Living	Pocket Homes are affordable by NPPF definition but do not qualify for mandatory social housing relief	<p>Viability issues for Pocket Living schemes (if any) can be resolved through exceptional circumstances relief (upon the submission of a proven viability case). Alternatively, the Council can make discretionary social housing relief available.</p> <p>The Council has demonstrated its willingness to work with Pocket Living to address any issues by making exceptional circumstances relief available on one of its live applications. However, this does not mean that ALL Pocket Living schemes will always be unviable and the Council's approach therefore provides sufficient flexibility without locking in nil or reduced rates when they may not always be required.</p> <p>The representation observes that the VS does not test a 'Pocket Living' scheme. This is because this type of scheme is not sought by adopted Local Plan policy.</p>	The viability assessment carried out as part of a recent Pocket Homes scheme in the borough that applied for Exceptional Circumstances relief from CIL showed that the scheme could afford to pay a degree of Borough CIL. Therefore, it is inappropriate to provide a blanket zero rate for such schemes or make discretionary social housing relief available.
2	Environment Agency	<ul style="list-style-type: none"> <li>Possible benefit from the outcomes of growth for the Brent 2100 Strategy.</li> <li>The Brent 2100 Strategy should be identified on page 51 under 'Flooding, Drainage and Air Quality'. Necessary for seeking funding sources.</li> <li>Barnet's Lead for Local Flood Authority may wish to put forward info on flood risk projects E.g. Childs Hill.</li> <li>Recommend information to be added to the IDP list: <ul style="list-style-type: none"> <li>Brent Park, Decoy Ponds</li> <li>Oak Hill Park</li> <li>Welsh Harp Reservoir</li> <li>Invasive Species Management</li> </ul> </li> <li>Almost all parks and open space projects identified will likely need to consider invasive species management for successful outcomes to be achieved.</li> <li>Invasive non-native species management should be added to 'infrastructure to be delivered'</li> </ul>	- No viability comments	Welcome the detailed comments, comments will be incorporated into update to Infrastructure Delivery Plan prior to submission.

## Appendix A Summary of Representations and how taken into account

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		<ul style="list-style-type: none"> <li>Funding uncertainty is often the biggest barrier to action being taken. Development should be encouraged to address invasive species issues on their land.</li> <li>Support for species management would help realise and achieve projects that will have impact further down the river that might affect other boroughs.</li> <li>Inclusion of 'improvements to water quality and habitats along the upper Dollis brook, Pymmes brook, river Brent and silk stream' on IDP/CIL infrastructure list as these projects will benefit from CIL funding.</li> </ul>		
3	Hyde Group	<p>Douglas Bader Estate</p> <p>The scheme has been subject to viability testing and this confirms that the scheme is providing the maximum viable level of affordable housing at current rates of CIL. The proposed rate in the CS would increase CIL liability by £4.6 million.</p> <p>The representation does not review or provide comment on the viability evidence base.</p> <p>Suggests that the site has site-specific exceptional circumstances and requests that the Site retain the existing (indexed) rate.</p>	<p>No specific comments on the viability evidence base provided. During discussions with Hyde's representatives, it was disclosed that the GDV of the scheme is circa £283 million. The increased CIL liability therefore amounts to only 1.6% of GDV and would therefore be easily be offset by house price inflation, which is forecast by leading agents to be 3 – 4% in 2021 alone.</p> <p>Exceptional circumstances relief could be deployed in this case if there are evident viability issues that cannot be absorbed by the scheme.</p>	<p>Barnet have considered this response and request carefully but concluded that exceptional circumstances relief or payment in kind would be a better way of dealing with issues on this site rather than keeping the rate the same as at present so that it would continue to apply to all later phases of the scheme, especially given the advice from BNPPRE. It is also open to the developer to not phase the scheme for CIL purposes and allow for all the chargeable floorspace on the site to be charged at the current rate (assuming, as is likely, that planning permission is granted prior to the new charging schedule coming into effect).</p>
4	Natural England	Responded to say no comments.	No viability comments	Response welcomed.
5	Linda Farley	<p>I support an increase in the rate and the limiting of the charge to residential and retail development. I do not know if the rate could reasonably be higher but my sense is that most developers make very handsome profits and should bear a substantial share of the costs of the infrastructure that supports their developments</p> <p>Elements of the plan should be considered together. E.g. development for education and health should be considered together with transport, and certainly not just</p>	Comments on IDP only	<p>Support for increase in rate welcomed.</p> <p>Comments on IDP will be incorporate as far as possible into updated document. Some matters raised would be better addressed in the Local Plan rather than the IDP.</p>

## Appendix A Summary of Representations and how taken into account

Representation by	Representation	BNPPRE response	Barnet response
	<p>to ensure car access and parking. It should be imperative that it is possible to walk and cycle to school or college safely and that there is very little air pollution close to schools. This will in turn promote better physical and mental health in children and teachers and less childhood obesity. Health facilities should be on GOOD public transport routes and include gardens. Public libraries should be used imaginatively and be closely integrated with education and health initiatives. They should be well staffed. Please consider a plan to minimise litter and keep the borough clean. Provide lots of litter bins that are regularly emptied. A requirement on some businesses to clear litter associated with their trade from the surrounding area (coffee cups and food cartons) There are areas that need additional input into keeping the environment clean and pleasant for example an annual clean up and a quarterly skip for large items and more street planting to keep areas green. Please include additional public conveniences all over the borough with a charge if necessary.</p> <p>Comment on IDP It is presented in existing divisions of Transport, Health, Education etc . I think the the plan might benefit by showing how it looks at development from the perspective of different people and what they would need in the round. For example under 5's and their families might benefit from differently designed town centres than 20 year olds. Poor, disabled and elderly people might need a different transport system and differently sited health and community facilities from a commuter. Many of these needs would overlap making a clear case for some approaches, some would introduce ideas not previously considered, and some would create areas of conflict between competing values requiring the need to manage change and encourage changed behaviour - but from an informed understanding of why people want certain solutions.</p> <p>No comment on viability study.</p> <p>I could not see any infrastructure spending for my ward - Coppets - and yet there is a lot to do here. The currently</p>		

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		<p>contested site at Pinkham way should become a nature reserve.</p> <p>The borough has an enormous challenge to become a greener place and yet accommodate a large population but the covid pandemic has shown the need for good sized homes and green spaces so please ensure all new development is to the best standard and steer away from large blocks of small apartments.</p>		<p>Pinkham Way is identified in the NLWP as an Area where a waste site could be (though not necessarily will be) located. Pinkham Way is in the London Borough of Haringey.</p> <p>This comment would be best addressed by Local Plan review.</p>
6	Andrew Dismore	Supports the review of the CIL rate but comments that it has taken a long time to review.	No comments on viability	Support for review of rate welcomed.
7	TFL CD	<p>VS only tests up to 40% affordable housing in line with adopted Local Plan. London Plan requires sites in public ownership to provide 50% affordable housing.</p> <p>TFL sites incur abnormal costs associated with transport infrastructure.</p>	<p>This London Plan policy will directly impact on public sector landowners' expectations on land value which will need to be reduced to accommodate the policy. Additional affordable housing will qualify for social housing relief which will reduce CIL liability on public sector schemes.</p> <p>CIL will remain a modest proportion of overall costs and TFL's concerns are therefore misplaced. Neighbouring boroughs with similar profiles ( in terms of residential sales values) have not seen any adverse impacts with comparable or higher rates of CIL than those proposed by LBB.</p> <p>TFL is responsible for upgrading its transport infrastructure and is seeking to defray this cost by developing their sites, which reduces their direct costs. In contrast, the proposed increase in CIL is a very modest proportion of overall costs which are far less significant than TFL's own infrastructure costs. TFL itself benefits from CIL through payments in Mayoral CIL.</p> <p>The Council has already indicated that it will consider applications for CIL in kind to deal with sites which provide extensive</p>	<p>Support the BNPPRE response.</p> <p>The Council's approach to CIL provides adequate flexibility to deal with TFL sites on a case by case basis for considering either exceptional relief or infrastructure in kind.</p>

## Appendix A Summary of Representations and how taken into account

	Representation by	Representation	BNPPRE response	Barnet response
		Timing of review – criticises timing of review	<p>infrastructure. This approach could be considered for some TFL sites which provide qualifying infrastructure.</p> <p>There will never be a 'good' time to review a CIL charging schedule – there will always be arguments for a deferral of an increase in rates. However, the Council anticipates significant growth which will require supporting infrastructure and the increase in CIL will help contribute towards meeting these requirements.</p>	
8	Brent Cross South Partnership	<p>Original permission not liable for CIL (Mayoral or Borough) but subsequent S73 contains commitments to provide significant infrastructure.</p> <p>Scheme will be developed over a long period. Some phases may require amendment and become CIL liable as a result.</p> <p>Alludes to the scheme being eligible to receive CIL to fund on-site infrastructure and also CIL in kind. Seeks confirmation that exceptional circumstances relief will be available.</p> <p>Further discussions proposed between LBB and developer to put in place statement of common grounds before examination.</p>	<p>These options are clearly available on the basis of proven need (e.g. a proven viability case).</p>	<p>Propose that Infrastructure payments are made available and further discussion should take place as a policy on infrastructure payments is formulated. Exceptional relief will continue to be available.</p>
9	CPRE	<p>Supports the increase in CIL. Suggests that additional income should be used to increase the capacity of sustainable transport infrastructure and improvements to green and open spaces.</p>	<p>No comments on viability.</p>	<p>Support for increase rates welcomed.</p> <p>The proposed use of funding is in line with projects already set out in the IDP and identified for funding from CIL in the Infrastructure Funding Statement.</p>
10	Roger Chapman	<p>Supports the increase in CIL. Offers suggestions on how additional funding should be used.</p> <ul style="list-style-type: none"> <li>• Prioritise for years ahead, expressed in committee report, need to be developed.</li> <li>• Beyond paragraph 1.17, need to include strategic walking routes (proposals have been submitted to local plan and beginnings of network have been laid out in agreed transport strategy).</li> </ul> <p>Funding should be allocated to increasing capacity of open space facilities, e.g. playgrounds,</p>	<p>No comments on viability.</p>	<p>Support for increase rates welcomed.</p> <p>The proposed use of funding is in line with projects already set out in the IDP and identified for funding from CIL in the Infrastructure Funding Statement.</p>



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		result of increased usage, due to population growth and COVID.		
11	Sport England	<p>Nominal rate would apply to sports facilities and could have a detrimental impact on their viability. Sport England object to the charge.</p> <p>Supports Infrastructure Delivery Plan (IDP) that identify projects identified in strategic documentation- concern strategies/evidence not up to date. Playing Pitch Refresh currently being developed- actions/projects identified in Refresh should inform IDP. Not clear if strategies relating to indoor/built facilities have been reviewed/up to date- considered robust to inform the IDP.</p> <p>Supports Council continue to use funds raised from CIL and S.106 agreements to fund sports facilities.</p>	<p>This can be addressed through CIL in kind or exceptional relief, or through investing CIL back into the development. This is a preferable route to removing sports facilities, as some are provided on a commercial basis and could readily absorb the proposed nominal rate.</p>	<p>Agree facilities should be charged and addressed as suggested.</p> <p>Comments on IDP welcomed, this is a living document which will be updated as more information becomes available.</p>
12	Community Health Partnerships	<p>Re Finchley Memorial Hospital</p> <p>Suggests that we have not taken account of increases in build costs in the Viability Assessment.</p> <p>Draws attention to uncertainty on future residential sales values and claims that "house prices will cool in the short term".</p> <p>Draws attention to the payment of Mayoral CIL, which has increased.</p> <p>Suggests that the proposed increase in CIL will be "detrimental to the financial viability of housing sites coming forward and will in turn result in the decrease in affordable housing proposed to accommodate key workers".</p> <p>CHP are suggesting no increase at all.</p>	<p>This is incorrect. Changes in both sales values and costs have been fully reflected in the viability study.</p> <p>This suggestion is completely counter to analysis by major agents since March 2021.</p> <p>The increased MCIL has been fully reflected in the VS.</p> <p>Any reduction in affordable housing required to offset the increased CIL liability would be modest (typically a few percent). In any event, schemes for key worker housing would qualify for Social Housing Relief. If private housing is provided, exceptional circumstances relief can be provided if there is a robust viability position.</p> <p>The Council needs to increase the CIL to provide essential infrastructure to support new housing delivered through growth. A nil increase is not an option.</p>	<p>Agree with BNPPRE response and approach to the VS</p>
13	Notting Hill Genesis	<p>Consider that viability at Graham Park is very finely balanced and that the scheme cannot afford an increase in CIL.</p>	<p>There are various options through which the developers of Graeme Park could mitigate the impact of the increased CIL rates if viability issues emerge (exceptional circumstances relief, CIL in kind).</p>	<p>Barnet have considered this response and request carefully but have concluded that exceptional circumstances relief or payment in kind would be a better way of dealing with issues on this site rather</p>

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		<p>Given this evidence, it would seem appropriate for Barnet to consider setting a zero levy rate to cover Grahame Park as suggested by the guidance in the NPPG. This is what other Boroughs in London have done in similar circumstances. One such example is Roehampton in the London Borough of Wandsworth that has a zero rate for all development types within the regeneration area as shown on the CIL Charge Zone map. Other examples in London include the Meridian Water Masterplan area in LB Enfield (Council regeneration project); The Earls Court &amp; West Kensington Opportunity Area (residential led regeneration area in the LB of Hammersmith and Fulham) and LB Hackney (Woodberry Down Regeneration Area).</p>	<p>The maximum level of AH tested in the study is irrelevant to the outcome. Schemes such as Graeme Park will be required to provide the maximum reasonable proportion of AH that will exceed 50%, if viable. CIL liability will fall as AH increases. CIL remains a low proportion of overall development costs on estate regeneration schemes and increased CIL liability will simply 'wash through' future scheme appraisals as additional cost. This will marginally offset the additional AH that these schemes will be able to deliver in response to rising house prices. This impact must, however, be considered in proportion – it costs a typically development £4,000 per square metre to provide an additional square metre of affordable housing; the Council is proposing to increase its CIL by only £100 per square metre.</p> <p>This would result in a more advantageous position than is now the case under the adopted CS. This is clearly unwarranted as the Applicant has been able to bring the scheme forward with the prevailing rates in place.</p>	<p>than keeping the rate the same as at present or zero rating the site in the charging schedule.</p>
14	Oliver Natelson	<p>Asked a number of questions about how CIL money is spent and the relationship between Barnet and Capita. Made other un-evidenced assertions, none of which relate to viability.</p>	<p>No viability comments.</p>	<p>The proportion of CIL spent on administrative activities by Capita/Re employees is directly related to the annual service running costs of the Planning and Building Control Service. . All allocations of CIL are determined by the delegated authority of Barnet Council officers. .Public information about the allocation and expenditure of CIL funds is available in the annual 'Infrastructure Funding Statement'</p>
15	Regal / Joseph Partners	<p>Representing developers at North Finchley, where Council has adopted an SPD.</p> <p>The Council's own evidence suggests that the proposed rates will be challenging for such Town Centre sites. It will therefore need to consider how, working with partners, it can develop a model to plan, fund and deliver town centre infrastructure which allows sites to come forward viably whilst delivering the quality of place and development alongside affordable housing.</p> <p>Have set out mechanisms for ensuring development and infrastructure comes forward in North Finchley, including Council using CIL to fund some infrastructure such as public realm works, exceptional circumstances relief from CIL, or making infrastructure payments available.</p>	<p>These town centre sites are challenging regardless of any change to the CIL charging schedule. The evidence base confirms that exceptional circumstances relief may be required in some circumstances, or alternatively, CIL in kind or investment of CIL in local infrastructure could be deployed to resolve any issues.</p> <p>CIL will remain a relatively modest proportion of overall costs and movements in other factors (primarily sales values and build costs) will be the key drivers in the viability of these town centre sites.</p>	<p>The Council is keen to work with developers to bring forward development which meets the policy requirements set out in the North Finchley Supplementary Planning Document. It is proposed that infrastructure payments are made available to enable provision of infrastructure on site in kind rather than CIL payments where appropriate.</p>

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16	Ballymore Group (Savills)	<p>Ballymore acquired Broadwalk Shopping Centre in 2020, anticipates delivery of key town centre site. Potential 5000 homes to be delivered in Edgware according to EGASPD and Draft Local Plan. LBB ought to consider where increases in financial burdens such as CIL have the potential to adversely impact the deliver of new development particularly in this challenging economic climate.</p> <p>Other comments are very similar/the same as those submitted by Savills for Hill Residential and are therefore summarised and responded to in that section.</p>	No viability comments.	The Council is keen to work with developers to bring forward development which meets the policy requirements set out in the Edgware Town Centre Supplementary Planning Document. It is proposed that infrastructure payments are made available to enable provision of infrastructure on site in kind rather than CIL payments where appropriate.
17	Hill Residential (Savills)  (plus the same points in a separate submission on behalf of Ballymore)	<p>Concerned that the revised rates are substantially higher than adopted and indexed rates.</p> <p>Question whether a review of CIL is appropriate, in the context of national planning reforms in White Paper; and Covid / Brexit.</p> <p>Suggests that some appraisal assumptions are incorrect.</p> <p>Suggests that the proposed CIL rates will put housing supply at risk.</p> <p>Queries the removal of ancillary car parking exclusion from rates.</p> <p>The representation suggests that the delivery of 17% affordable housing (against target of 40%) "must be a</p>	<p>The Council's CIL rates have remained unchanged since 2013 (save for indexation) and are significantly out of kilter with other London boroughs with similar value profiles.</p> <p>There is never a 'good' time for a review and reasons can always be advanced for any changes to be deferred but ultimately there is a pressing need for infrastructure to support growth and this requires additional funding.</p> <p>The Planning White Paper proposes changes to infrastructure funding, but these are currently very high level and require considerable work to resolve detailed issues. It is unlikely that any changes will take effect in the next three years, during which time the Council will miss out on significant funding to support growth.</p> <p>All current forecasts for the trajectory for the London housing market (including Savills' forecast) point to growth in house prices over the next five years, despite the Coronavirus pandemic.</p> <p>This level of delivery of AH relates to wider relationships between residual land values and the existing use values of sites coming forward for development. CIL is a relatively un-important factor in determining the level of AH that can be delivered. In Barnet, the</p>	Agree with the BNPPRE response. The Council is committed to ensuring the CIL rate is brought into line with adjoining boroughs and secure infrastructure ahead of or aligned to growth. The independent VS confirms the proposed increased in rate should not impact the viability of development and measures of flexibility are in place via exceptional relief to account for site specific circumstances.

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	<p>significant consideration for the impact of increasing the CIL level".</p> <p>Queries profit margin of 18% on private housing.</p> <p>Claim that build costs have "increased significantly over the past twelve months"</p> <p>Carbon offset – suggests that the allowance may not be sufficient, but no evidence provided.</p> <p>Queries site coverage.</p> <p>Section 106 allowances claimed to be too low.</p> <p>Suggests that exceptional costs should be included.</p> <p>Suggests that the results are unclear and not consistent.</p> <p>Mayoral CIL has been increased.</p> <p>Viability cushion required.</p>	<p>cost of converting a square metre of private housing into affordable is typically between circa £4,500 to £6,000 per square metre. When considered in the context of this cost, an increase in CIL from £202 to £300 per square metre is evidently not a key factor in driving the level of affordable housing on sites in Barnet. Leaving CIL unchanged would do very little to deliver an increase in affordable housing; the change would be marginal.</p> <p>In arriving at a profit margin of 18%, we considered the profit margins applied by developers in viability assessments submitted in relation to London schemes (we review circa 250 schemes on an annual basis). 17.5% was the rate of profit typically applied and Savills' assertion of a higher profit margin has not been evidenced in a London context. They refer to a scheme in Southend and two very historic planning appeal decisions, again both of which are not in London.</p> <p>This is not supported by the evidence, as shown in our 2021 review.</p> <p>The densities of development are in line with schemes being brought forward in planning applications and this is therefore not a valid concern.</p> <p>The extent to which planning obligations will be secured will vary depending on site-specific circumstances and there is no valid reason to depart from the figure assumed in the appraisal.</p> <p>The PPG is abundantly clear on this matter – exceptional costs should be deducted from benchmark land value for the purpose of testing policies.</p> <p>This suggestion fails to recognise that viability of schemes in a complex urban setting will inevitably vary from site to site, hence the significant variation in the percentages of affordable housing that schemes can deliver. CIL is not different, but as it is a far smaller proportion of overall costs than affordable housing, it can be accommodated in a wider range of circumstances.</p>	

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			<p>The MCIL has been fully reflected in the VS.</p> <p>There is a significant buffer below maximum rates in most circumstances. The extent of buffer varies due to the differences in scheme viability – there is no uniform level.</p>	
18	St George (Avison Young)	<p>Suggests that CIL should not increase. Current rates are stated as £135 per square metre, increasing to £300 per square metre.</p> <p>Suggests that the evidence base relies upon a single dwelling type, contrary to Policy DM08 and HOU02.</p> <p>Queries sales values applied – they suggest that a sales value of £9,000 psm has been applied to flats and £11,500 to houses.</p> <p>Affordable housing value – it is suggested that there is no differentiation between unit type in arriving at these values.</p> <p>Professional fees should be 20%</p> <p>Should include exceptional costs in appraisals.</p> <p>Suggests that benchmark land values are understated, based on other borough data.</p> <p>Suggests that higher profit should be applied to high rise schemes than small housing schemes.</p> <p><b>Comments on infrastructure delivery plan-</b> Refers to Draft Infrastructure Delivery Plan (DIDP)- not all responses have been received from infrastructure providers, some unable to</p>	<p>The representation fails to acknowledge that the prevailing rate is £202 per square metre after indexation. The increase is not from £135 psm to £300 psm.</p> <p>This is incorrect. The average floor area per scheme is arrived at through application of a mix of units that complies with adopted policies.</p> <p>Avison Young have completely misunderstood the VS. A <i>range of values</i> is applied in the study, starting at £6,500 per square metre at the bottom of the range and increasing to £12,000 per square metre at the top end of the range.</p> <p>The average value of £189 per square foot is arrived at by appraising value of a mix of housing which accords with policy DM08.</p> <p>The 10% allowance for fees reflects the levels put forward by developers on a range of schemes across London.</p> <p>Exceptional costs are excluded for the reasons outlined in the report. Furthermore the PPG is clear that exceptional costs should be netted off benchmark land value, resulting in a neutral impact.</p> <p>The assessment of BLV is bespoke to circumstances in Barnet.</p> <p>Not agreed – we review a range of major schemes across the capital and 17.5% profit has been applied to schemes of over thirty storeys.</p>	<p>Agree with the BNPPRE response.</p> <p>The IDP is a living document which will be updated as more information becomes available.</p>

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	Representation by	Representation	BNPPRE response	Barnet response
		provide full information/details. Does not contain infrastructure required for recovery from the pandemic. Requests new version which addresses these points.		
19	Taylor Wimpey (Turner Morum)	<p>Makes various comments regarding sales values</p> <p>Tests values at £475, £500 and £550 per sq ft.</p> <p>Suggests that costs for Future Homes standards not incorporated.</p> <p>Profit – argues for 20% on private housing, based on the historic agreement of this percentage for a TW scheme at Sweets Way and other historic schemes.</p> <p>They advance a range of comments that indicate negative market sentiment.</p> <p>Exceptional costs should be included.</p> <p>Alternative appraisals</p>	<p>The sales values adopted in the study reflect the range based on publicly available evidence from Land Registry, analysed on a per square metre basis. This range is also reflected in the values we are seeing being applied in site-specific viability assessments submitted with planning applications.</p> <p>These appraisals test lower values than scheme averages in Barnet.</p> <p>This is incorrect. London Plan policy requirements are reflected and these exceed the Future Homes Standard. TM acknowledge an additional of 1.4% of costs, but disregard the additional 6% also included for these requirements. Our allowances total circa £15,000, which exceeds the £13,000 that TM suggest should be included.</p> <p>Profit on private housing in a range of viability assessments that have been submitted to us for review incorporate profit at 17.5%. 18% is therefore demonstrably reasonable for the purposes of this assessment.</p> <p>The main agents' forecasts for 2021 through to 2025 all indicate rising house prices annually, with cumulative growth in London of circa 17%.</p> <p>Exceptional costs are excluded for the reasons outlined in the report. Furthermore the PPG is clear that exceptional costs should be netted off benchmark land value, resulting in a neutral impact.</p> <p>TM present a number of appraisals, all of which show the hypothetical schemes they have tested would not generate a viable outcome. Clearly these sites would remain in their existing use and not come forward for development, telling the Council nothing about the ability of schemes that <i>are viable</i> to absorb a higher CIL contribution.</p>	Agree with the BNPPRE response.

## Appendix A Summary of Representations and how taken into account

	Representation by	Representation	BNPPRE response	Barnet response
20	St William Homes – representation received late	<p>St William is a joint venture between Berkeley and National Grid.</p> <p>St William have an interest in the former gas works located to the north of Albert Road, New Barnet. The site is occupied by a decommissioned gasholder, Pressure Reduction Station (PRS) and a number of redundant buildings associated with the former use. The Site forms part of a key opportunity site identified as the Former East Barnet Gas Works and surrounding land in the New Barnet Town Centre Framework (2010).</p> <p>Former Gasworks sites are unique in both use and character; they are challenging and abnormally expensive to regenerate compared to delivery of development on other brownfield sites; they can also have ongoing operational requirements requiring physical infrastructure and easements which can considerably reduce the developable site area. The further challenge for any developer on these typically complex sites is the quantum of upfront costs required to make the sites adequate for residential delivery. The specific viability challenges to bring former utility sites forward needs to be carefully balanced to ensure these redundant brownfield sites fulfil their potential and contribute to an areas housing need.</p> <p>St William highlight that the current appraisals to not make an allowance for abnormal costs and that this is a concern.</p> <p>We would like to highlight to the Council that given this, former utility sites, including gasholder sites will need to be considered further as the CIL is taken forward; separate discussion on this would be beneficial.</p>	<p>Exceptional costs are excluded for the reasons outlined in the report. Furthermore the PPG is clear that exceptional costs should be netted off benchmark land value, resulting in a neutral impact.</p> <p>See also response to comments from St George above.</p>	Agree with the BNPPRE response
21	London Borough of Brent (Martin Holley)	Brent supports the increase in CIL rates.	No viability comments.	Support from Brent welcomed.

## Appendix A Summary of Representations and how taken into account

	Representation by	Representation	BNPPRE response	Barnet response
22	East Finchley Residents Association	<p>Comment on proposed rates: proposed rates are expensive for local residents</p> <p>Comment on IDP: support local people in the plan to meet growth development now and in the future</p>	No viability comments.	The proposed rates would only be payable by local residents who were acting as property developers – self build relief can be applied for if residents are building their own home or an extension.
23	Caroline Collier	<p>Comment on proposed rates: I am supportive of the proposed increase and would like to see the revenue raised earmarked for investment into the local community</p> <p>Comment on IDP: would like to have seen more emphasis on accessibility and how well Barnet serves people with additional needs.</p> <p>Comment on IFS: Where appropriate, consider more CIL funding being spent through the local voluntary sector to ensure maximum impact and ROI.</p>	No viability comments.	<p>Support for the proposed rates is welcomed.</p> <p>Comment noted.</p> <p>Comment noted – in Barnet the neighbourhood portion of CIL is managed by the area committees.</p>
24	Libby Martin	<p>Comment on proposed rates: I agree with the proposal to raise the CIL rates</p> <p>Comment on IDP: 5 Green Infrastructure The Delivery Plan considers Parks, Open Spaces and the need to promote Active Travel. A Strategic Walking Network is required, based on existing major walking routes through Barnet Borough as well as the proposed the Barnet Loop. This is a leisure facility in its own right, but also a link between Parks, Open Spaces and Leisure Centres and the residential and work areas they serve. The Key strategic priorities (Ch5 p38) should be extended to include: Identify a Strategic Walking Network to provide a framework linking together green spaces within</p>	No viability comments.	<p>Support for the proposed rates is welcomed.</p> <p>Comment noted.</p>



Appendix A Summary of Representations and how taken into account

	Representation by	Representation	BNPPRE response	Barnet response
		<p>the Borough and providing access to public transport, parks, residential areas and town centres.</p> <p>An item of expenditure is required to achieve this: to identify walking and cycling linkages and publicise, sign and provide road crossings to support the network.</p>		

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Appendix B Draft Infrastructure Payments Policy

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London Borough of Barnet Community Infrastructure Levy (CIL)

**Payment in Kind / Infrastructure Payments Policy**

This policy takes effect on the [as date of new charging schedule)].

In accordance with Regulation 73, 73A, 73B and 74 of the Community Infrastructure Levy Regulations 2010 (as amended), London Borough of Barnet may accept one or more land and/or infrastructure payments in satisfaction of the whole, or part of, the CIL due in respect of a chargeable development.

This will be subject to the following conditions:

- 1) The Council must be satisfied that the land and/or infrastructure to be paid in lieu of CIL would be appropriate for the provision of necessary infrastructure to support the growth of the Borough. It is entirely at the Council's discretion as to whether to accept a land/infrastructure payment in lieu of CIL. Supplementary Planning Documents may set out what infrastructure will be considered necessary in particular areas.
- 2) The chargeable development must not have commenced before a written agreement with the Council to pay all or part of the CIL amount as land and/or infrastructure has been made. This agreement must state the value of the land/infrastructure to be transferred.
- 3) Where CIL is paid by way of a land payment and/or infrastructure the amount of CIL paid is the amount equal to the value of the acquired land and/or infrastructure.
- 4) The value of any land and/or infrastructure offered by way of payment must be determined by a suitably qualified independent person and is the price that the land might reasonably be expected to obtain if sold on the open market on the day the valuation takes place. The Council will require the costs related to the independent valuation to be paid for at the applicant's expense.
- 5) The person making the land and/or infrastructure payment to the charging authority must have assumed liability to pay CIL and completed the relevant CIL forms.
- 6) The land, subject to the transfer, must be fit for a relevant purpose being the provision of necessary infrastructure to support the growth of the Borough.
- 7) The land, subject to transfer, must be free from any interest in land and any encumbrance to the land, buildings or structures. (This may require the owner to demonstrate that the land is suitable through the submission of further information to the Council, including but not limited to topographical information, reports on contamination and archaeology and details of any underground services).
- 8) The Council may transfer the land and/or infrastructure, at nil cost, to a third party for the provision of infrastructure.
- 9) Any outstanding CIL liable to the chargeable development after the transfer of land and/or delivery of infrastructure should be paid in line with the payment dates set out in the demand notice.

It should be noted that the agreement to pay in land may not form part of a planning obligation entered into under Section 106 of the Town and Country Planning Act 1990 (as amended).