



For Office Use	RepresentorNumber:	258
	Accession Number:	13
	Representation Number:	

Representation Form Preliminary Draft Charging Schedule & Draft Infrastructure List

Completed forms should be returned on or before
Wednesday 28th November 2012 to:

**The Strategic and Development Plans Team
Caerphilly County Borough Council,
Pontllanfraith House, Blackwood, NP12 2YW.**

Further copies of this form can be obtained from the
Local Development Plan Team, or you can photocopy this form.

Contact Details

	Personal Details	Agents Details (if applicable)
Title	<input type="text"/>	<input type="text" value="Mr"/>
First Name	<input type="text" value="Sainsbury's Supermarkets Ltd"/>	<input type="text" value="Peter"/>
Last Name	<input type="text"/>	<input type="text" value="Waldren"/>
Job Title (if applicable)	<input type="text"/>	<input type="text" value="Planning Consultant"/>
Organisation (if applicable)	<input type="text"/>	<input type="text" value="WYG Planning & Environment"/>
Address	<input type="text" value="CO Agent"/>	<div style="background-color: black; width: 100px; height: 80px; margin: 0 auto;"></div>
Post Code	<input type="text"/>	<div style="background-color: black; width: 100px; height: 20px; margin: 0 auto;"></div>
E-mail Address	<input type="text" value="CO Agent"/>	<div style="background-color: black; width: 100%; height: 20px; margin: 0 auto;"></div>
Telephone No.	<input type="text" value="CO Agent"/>	<div style="background-color: black; width: 100%; height: 20px; margin: 0 auto;"></div>

1(a) Do you agree that the assumptions and/or method set out in the viability report are robust?

Yes No (please tick as appropriate)

(b) If not what is your justification?

See attached

2 Do you agree that the viability study represents an appropriate basis for determining the level of CIL that would be viable in the Borough?

Yes No

3 If you support the differential residential rate do you think the boundary between the different zones as shown is an appropriate boundary? If not please say what boundaries should be used instead and your justification for these boundaries.
(Please attach map illustrating your boundary amendments)

No comment

4 Do you agree with the different rates for residential development proposed within each charging zone? If not which do you not agree with and what is your justification?

No comment

5(a) If given the choice and subject to any updated Regulations, Do you think that Affordable Housing should be delivered through CIL or through Section 106 Obligations?

CIL Section 106 Obligation

(b) What is your justification for this?

In order that affordable housing does not affect the economic viability of non residential applications.

6(a) Do you agree with the proposal to set a flat rate levy for A1, A3 & D1* uses across the whole of the County Borough?

* Excludes all other uses within Class D1 of the Town & Country Planning (Use Class) Order 1987

Yes No

(b) If not what is your justification?

See attached

7(a) Do you agree with the different rates for A1, A3 & D1* uses?

Yes No

(b) If not which do you not agree with and what is your justification?

8(b) Do you agree with the proposed £0 charge for B1, B2, B8 and D2 Uses?
If not what do you believe the charge should be and what is your justification?

No comment

9(a) Do you agree that the proposed level of CIL represents an appropriate balance between the desirability of funding infrastructure through CIL and ensuring that development remains viable?

Yes No

(b) If not, what is your justification for this?

See attached

10(a) Do you agree with the Infrastructure List Identified

Yes No

10(b) If not, please specify how the list should be modified and your reason/s for this?

11(a) Do you agree with the use of Discretionary Relief in exceptional circumstances where it can be demonstrated that a Section 106 planning obligation attached to a development exceeds the cost of the CIL amount levied, whereby CIL would have an unacceptable impact on the economic viability of a development?

Yes No

(b) If not, what is your justification?

12(a) Subject to any updated Regulations it is proposed that a proportion of the net CIL receipts be passed to local communities (e.g. the Town Council or Community Council). Do you agree with this approach?

Yes No

(b) If so, what do you believe the percentage should be and what is your justification?

No comment

Thank you for your comments on Preliminary Draft Charging Schedule & Draft Infrastructure List.

REPRESENTATIONS RECEIVED AFTER **WEDNESDAY 28 NOVEMBER 2012**
WILL NOT BE CONSIDERED

PLEASE NOTE THAT ALL REPRESENTATIONS RECEIVED
WILL BE MADE AVAILABLE FOR PUBLIC INSPECTION,
AND CANNOT BE TREATED AS CONFIDENTIAL.

FOR FURTHER INFORMATION OR ASSISTANCE, PLEASE

Look on the Council's Website www.caerphilly.gov.uk
e-mail the LDP Team ldp@caerphilly.gov.uk
Phone the LDP Hotline 01495 235376

This document is available in welsh, other languages or format on request.



Date: 27 November 2012

SAINSBURY'S SUPERMARKETS LTD - REPRESENTATIONS ON THE CAERPHILLY PRELIMINARY DRAFT COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE

WYG Planning and Environment write to present representations on behalf of Sainsbury's Supermarkets Ltd (SSL) on the preliminary draft charging schedule of Caerphilly County Borough Council (CCBC). SSL monitor and actively engage in the development of planning policy across Wales. SSL takes a keen interest in the development of Community Infrastructure Levy (CIL) which has the potential to impact on the viability of retail development across England and Wales.

First, it is our view the rate for retail development should be set at a lower rate than the proposed £100 per sqm. We do not consider that sufficiently robust work has been undertaken to assess the economic viability of charging CIL to justify the draft charging schedule. In particular, we do not consider that the £100 per sqm of retail A1 floorspace has been supported by a sufficiently robust analysis of its impact upon economic viability.

Regulation 14 of the Community Infrastructure Levy regulations 2010 states that:

In setting rates in a charging schedule, a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between —

(a) the desirability of funding from CIL; and

(b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.

CCBC, in partnership with two adjoining authorities, commissioned District Valuer Services (DVS) to carry out a study into this effect. However, the report only considers 26 sites in the CCBC area as a whole across all relevant land uses. Table 3 of the resultant DVS report makes clear that only four retail developments in the Caerphilly County Borough area were considered. Sites 1



and 2 related to comparison retail developments; site 1 being a 6000sqm GIA development in a greenfield location in south CCBC and site 2 being a 1400sqm GIA development in a brownfield location, also in south CCBC. Sites 3 and 4 relate to what is referred to as “large food stores”; site 3 being a 2000sqm GIA food store on a brownfield site in northern CCBC and site 4 being a 900sqm GIA also on a brownfield site in central CCBC.

As can be seen, no comparison retail developments were considered in central or north CCBC and no food stores were considered in southern CCBC. Furthermore, while the food stores are described as “large”, the largest is, in fact, just 2000sqm GIA. Such a development would result in a net sales area of between 1400 and 1600sqm – at the very bottom end of what SSL would class as a “supermarket”. The failure to consider any average sized supermarkets whatsoever in the CCBC area is a significant shortcoming, particular given the buoyancy of supermarket led regeneration schemes in recent years, including within the CCBC area, and the significant job creation which follows. CCBC appear to be unable to demonstrate the implications of the proposed £100/sqm rate on the economic viability of such development.

The DVS viability report urges, at paragraph 7.16, that the baseline rate of CIL be given the highest regard as CIL must not be charged up to the margins of viability to avoid the impairment of new development. The baseline results for the only two CCBC based food stores are +£40 and -£76. It is not clear how a draft rate of +£100/sqm can be held not to “impair” such development when it is more than twice the rate that could be afforded and it is not clear how such a rate would “strike an appropriate balance”, as required by Regulation 14. Indeed, the DVS report urges further caution as land costs taken into account in the report are difficult to allow for in a flat rate charge (paragraph 1.12). Furthermore, specific caution is urged for supermarkets as the benchmark land costs taken into consideration into the report have typically been exceeded in the open market (paragraph 7.7). DVS expect such land prices to hold up and note that the strongest land values have been achieved on “exceptionally large stores”. This being the case, it is unjustifiable that the largest such store considered in the report in the CCBC area is just 2000sqm GIA. Again, it is not clear how CCBC have demonstrated they have fully considered the implications of the proposed £100/sqm rate on the economic viability of such development. Having failed to do so, it is not clear that they have struck an appropriate balance.



Caution is also urged in respect of the potential for other s.106 requirements (which have not been taken into account in any way in the DVS report) to further impact viability (paragraph 1.8) and in respect of exceptional development costs generally (paragraph 1.11). Such considerations again call into question the wisdom of setting a CIL rate at £100/sqm as the evidence simply does not support such a level.

In conclusion, we consider that the viability study has not been adequately carried out as it has failed to consider an appropriate range of supermarket development within the CCBC area and no food store development in the north of the borough whatsoever. It has also failed to consider any comparison retail development in the central or northern parts of the borough.